

Opting Out of Influence

On the Political Capital Consequences of Denmark's
Opt-Outs

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Abstract

This thesis answers the question whether opt-outs cause Danish political actors to lose Political Capital at the EU-level. In order to do this, Political Capital Theory is developed to fit a European Union context. The theory is then applied to data gathered from Danish political actors and other actors with great experience from the EU. From this, within the premises set by this thesis, it is possible to draw the following conclusions: the Danish opt-outs cause their political actors to lose Political Capital on the EU-level; this is most notable in the Council and to a lesser degree in the Commission, whereas the Parliament is virtually unaffected. Furthermore, the opt-outs do not only concern the politicians but also the work of the civil servants, particularly in the Council. The thesis also concludes that it is possible for a political actor to compensate for the loss of Political Capital, to a certain degree, by being well connected, prepared and experienced. In general, this thesis establishes that the opt-outs affect Danish influence on the EU level in a negative direction.

Key words: Opt-outs, Political Capital, EU, Denmark, Influence

Number of words: 20 000

List of abbreviations

CAP – Common Agricultural Policy
CFSP – Common Foreign and Security Policy
Coreper - Committee of Permanent Representatives
DG – Directorate-General
DIIS – Dansk Institut for Internationale Studier (Danish Institute for International Studies)
JHA – Justice and Home Affairs
EC – European Community
ECB – European Central Bank
Ecofin - Economic and Financial Affairs Council
EMS – European Monetary System
EMU – European Monetary Union
EP – European Parliament
ERM – Exchange Rate Mechanism
ESDP – European Security and Defense Policy
EU – European Union
FPÖ - Freiheitliche Partei Österreichs (Freedom Party of Austria)
GAERC - General Affairs and External Relations Council
IMF – International Monetary Fund
MEP – Member of European Parliament
NATO – North Atlantic Treaty Organization
OECD - Organization for Economic Co-operation and Development
ÖVP – Österreichische Volkspartei (Austrian People's Party)
SOU – Statens Offentliga Utredningar (Swedish Public Investigations)
TEU – Treaty of the European Union
UK – The United Kingdom
WEU – Western European Union
WTO – World Trade Organization

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1 Introduction

Over the last couple of years there has been a debate in Folketinget (the Danish Parliament) and in the media regarding the consequences of the opt-outs that the Danes acquired after the first referendum on the Maastricht Treaty, how they will affect the Lisbon Treaty and Danish politics in Europe in general. The opt-outs are: EMU (European Monetary Union), the ESDP (European Security and Defense Policy), JHA (Justice and Home Affairs) and the Common Citizenship of the EU (European Union). An investigation was ordered and earlier this year DIIS (the Danish Institute for International Studies) published its' study and the results of the investigation. One of the more interesting conclusions the study drew was that Denmark had lost a significant amount of influence on the EU-level because of the opt-outs.

Countries having exceptions from EU integration is not a new thing. The United Kingdom, Ireland and Denmark all have *de iure* opt-outs¹ and Sweden has a *de facto* opt-out from the Euro. If the Lisbon Treaty is ratified even more countries might be granted exceptions². Despite the fact that opt-outs have become an important phenomenon in EU integration, little research has been conducted in the field, especially relating to the potential influence loss the opt-outs cause the political actors that are bound by them. Moreover, it appears as if nothing has been written about whether or not opt-outs affect actors in the different institutions in similar or divergent ways, or if they also shape the day-to-day work of EU civil servants.

1.1 Research Questions

This thesis will investigate if, how and to what extent the Danish opt-outs cause their political actors to suffer from an influence loss at the EU level. By using Political Capital theory the following three questions will be answered:

- Do the opt-outs cause Danish political actors to lose influence on the EU-level?
- If so, what do the patterns between the different EU institutions look like?

¹ Ireland has an opt-out from Schengen. Great Britain has in addition to this, also an opt-out from the EMU.

² Poland and the UK are opting-out from the Charter of Fundamental Rights and the UK and Ireland from JHA.

- Are there any differences or similarities between politicians and civil servants?

These research questions will be answered by testing five hypotheses that are related to the research questions. How these are derived will be thoroughly accounted for in a later chapter. The thesis rests on the realist assumption that a state wants to maximize its' influence and promote its' ideas as to what a common position should look like. This assumption is corroborated by Adler-Nissen (2008a:86) who writes:

On the domestic scene, the players try to uphold a representation of opt-outs as legal and political safeguards of an independent national democracy. On the European scene, they negotiate with the other member states and EU institutions to reduce the exclusionary effects of the opt-outs and ensure that United Kingdom and Denmark act as credible partners and gain influence on the European decision-making process

1.2 Disposition

This thesis will be structured in the following way: first, the background of the Danish opt-outs, what they are, why those particular areas were chosen and how they impinge upon Denmark's functioning in the EU, will be presented. In the next section, the methodological considerations will be laid out, before a thorough theoretical account of Political Capital theory and the definition of Political Capital that will be used in this thesis, is given. After that, the hypotheses that will be tested, and the rationale behind these, will be introduced. Finally, in order to test the hypotheses, the data collected in the interviews will be applied to the theory. In the concluding chapter, a summary will present the findings regarding Political Capital and the opt-outs. Following this, the further implications of this thesis will be discussed.

2 Background

This chapter will discuss the legal definition of an opt-out and look more closely into the Danish example. What the exceptions are, how they were established and the consequences they bring. This exposé is necessary to give a thorough empirical background for the forthcoming analysis to rest upon.

2.1 What is an Opt-out?

”An opt-out is an exemption from a Treaty provision or a directive granted to a Member State that does not wish to join the other Member States in a particular area of community co-operation” (Adler-Nissen, 2008b:665). An opt-out can be awarded a Member State to prevent them from thwarting the other Member States from going ahead with their cooperation. It is a permanent derogation as opposed to a temporary exception from community cooperation, that can for example be given to a member state as a transitional mechanism when it joins the EU, as is the case with some of the eastern countries that are still not participating 100 % in the CAP (Common Agricultural Policy) (ibid.). Three countries have opt-outs today in the EU. The United Kingdom did not wish to take part in the third stage of the Economic and Monetary Union and together with Ireland they are not participating fully in the Schengen agreement. The same goes for Denmark, but in addition they also have opt-outs in the fields of Justice and Home Affairs and European Citizenship. Adler-Nissen argues (2008b:665) that the opt-outs from JHA and the Euro are the most controversial since: “they signal the possible end of the orthodox community method with its aspiration of a simultaneous integration of all Member States”.

2.2 The Danish Opt-outs

In March 1992 the Danish Department of Justice decided that the Treaty on the European Union (TEU) would constitute a breach of Danish sovereignty. A majority of 5/6 was not obtained in Folketinget, the Treaty was not ratified and consequently a referendum was held. The Danes rejected the TEU with votes: 50,7 % No and 49,3 % Yes (EU Fakta, 2008:#32). All the parties, except the EU-

skeptic Fremskridspartiet, then agreed on a list of demands, which, if they were met, would make it possible for Denmark to ratify the Treaty. This was called the National Compromise³. At the European Council meeting in Edinburgh in December 1992, the Danish demands were accepted and incorporated into the Treaty (EU-oplysningen). In practice, this means that any legislation regulated by an opt-out has a clause stating that Denmark is not bound by that piece of legislation⁴. These are the Danish opt-outs:

- European Union citizenship is not a replacement to Danish citizenship.
- Denmark will not introduce the Euro as its' monetary standard.
- Denmark will not participate in the European Security and Defense Policy.
- Denmark will not participate in any part of the Judicial Cooperation that is subject to majority voting.

It was also agreed that the opt-outs could only be removed after a referendum. The new Maastricht Treaty was then voted upon in a new referendum and of the 86,5 % participating, 56,7 % voted Yes and 43,3 % No (ibid.). The opt-outs have since been included in all other consecutive Treaties. The new Prime Minister of Denmark, Lars Løkke Rasmussen has said that he will continue to work for the abolishment of the opt-outs as they are “harmful for Danish’ interests” (Europaportalen 1 [*my translation*]), but that no date for a new referendum will be set anytime soon (Europaportalen 2).

2.3 The European Monetary Union – Background and Functions

Perhaps the most tangible result of the European integration process over the past decades has been the adoption of the Euro as a common currency. The TEU stated that the common currency was to be introduced no later than in 1999 (Tallberg, 2004:34). On January 1 1999, the Euro became the official currency of eleven Member States and in 2002, Euro coins and notes were put into circulation. Since then, an additional five countries have adopted the Euro and 329 million Europeans now use it as their currency (EU1).

The idea behind having a common currency is, besides having a great symbolic meaning for European integration – that the more trade there is within an area, the more beneficial a single currency would be (McNamara, 2002:167-168); a single currency eliminates the transaction costs of doing business in

³ Det nationale kompromis

⁴ This has rendered Denmark the nickname ”a footnote country”

different currencies and therefore eliminates the risk of business being influenced by fluctuating interest rates. On the down side, the participating nations lose the possibility of conducting individual Monetary Policy tailored to their conditions. Another plus on the political side is that a large currency enables Europe to play a bigger role in the World Economy, presenting an alternative option to the dollar as the most important international currency (ibid.).

In order for a member state to be allowed to join the Euro-cooperation, it has to fulfill certain criteria, the so called Euro Convergence Criteria, which state that a country cannot have too high inflation and interest rates, too large government deficit or debt and that they must have taken part in the ERM (Exchange Rate Mechanism) for two consecutive years. Furthermore they should not have devaluated its currency during that period (Tallberg, 2004:34).

Eleven Member States are not participating in the EMU. Eight of these are not fulfilling one or more of the convergence criteria, but will probably eventually adopt the Euro (EU1). Three countries have special arrangements: Sweden, has officially not met the convergence criteria, since it hasn't joined the ERM, The United Kingdom and Denmark both have opt-outs, which means that they are legally excluded from the EMU (ibid.). The Danish Krona is tied to the Euro via the ERM.

2.3.1 Denmark and the Euro Opt-out

1. The Protocol on certain provisions relating to Denmark attached to the Treaty establishing the European Community gives Denmark the right to notify the Council of the European Communities of its position concerning participation in the third stage of Economic and Monetary Union. Denmark has given notification that it will not participate in the third stage. This notification will take effect upon the coming into effect of this decision.
2. As a consequence, Denmark will not participate in the single currency, will not be bound by the rules concerning economic policy which apply only to the Member States participating in the third stage of Economic and Monetary Union, and will retain its existing powers in the field of monetary policy according to its national laws and regulations, including powers of the National Bank of Denmark in the field of monetary policy.
3. Denmark will participate fully in the second stage of Economic and Monetary Union and will continue to participate in exchange-rate cooperation within the EMS (Edinburgh agreement, section B).

The EMU was one of the areas that were considered to be a threat to Danish independence and hence it became one of the areas where Denmark now has an opt-out. Another argument against Danish participation that was raised during the election campaign, was that the convergence criteria would cause unemployment (DIIS; 2008:32).

The DIIS report finds that the opt-out leads to two major consequences for Denmark. Firstly, there are economic costs associated with the exclusion from the Euro-cooperation. These come from exchange costs, a slightly higher interest rate, problems of comparing costs between the Krona and the Euro and likely a dip in

trade (DIIS, 2008:144). This is true for periods of economic boom, whereas the consequences in a recession are harder to evaluate. In a recession, when there is pressure on the Krona, the Danish Central Bank might have to raise the interest rate in order to defend the fixed exchange rate. The long term exchange rates would also rise, which might make the implications of the crises even worse (DIIS, 2008:161). Without assessing the impact of the interest rate it can be established that the Danish interest rate, in October 2008, went from being slightly lower than the ECB (European Central Bank) long-term interest rate to being 1–2% higher (Riksbanken). In a speech before the Council of the European Union in October 2008, former Prime Minister Anders Fogh Rasmussen said that Denmark had paid both a political and economic price for staying outside the Euro during the current financial crisis. The political price is Denmark's loss of influence and on the economic costs, he said that: "today's interest rates in Denmark are about 1 percent more than in the euro zone because of the turbulence in the financial market" (Reuters). However, the Centre for European Reform argues that being a part of the Euro zone is what saved Ireland and Belgium from facing the same destiny as Iceland (CER, 2008:5).

The second major consequence and the most relevant one for this thesis, is that the opt-outs have had implications for Danish influence on the political level in the EU (DIIS, 2008:145). This influence loss originates from the fact that Danish politicians and civil servants are excluded from several forums that have an influence over the Union's economic policy. Most notable, is the Danish absence in the Euro Group and the ECB Steering Committee (ibid.) Even if all decisions regarding economic policy formally are taken in the Ecofin Council (Council of economic and financial affairs), the development over the past years has been that many decisions are taken the day before the Ecofin meetings, when the Ministers of Finance of all the Euro countries meet in the Euro group, an unofficial institution, and decide upon policy. The decisions are then presented as *fait accompli* the next day in the Ecofin where the formal decisions are then made (DIIS, 2008:202ff). The ECB Steering group decides on the interest rates for the Euro area and since the Danish Krona is tied to the Euro, they indirectly also have a great influence on Denmark's interest rate (DIIS, 2008:226).

The opt-outs also impede on the Danes' overall ability to influence the agenda when it comes to European monetary policy, there's also a significant loss of information, which complicates the Danes' capability of carrying out relevant economic politics (DIIS, 2008:188-189).

2.4 European Security and Defense Policy – Background and Functions

The ESDP is a major element of the CFSP (Common Foreign and Security Policy). It is the domain of EU policy covering defense and military aspects and it is a unique project in modern history. For the first time a number of states,

voluntarily and without any external threats, have together decided to cooperate in the area of security. No longer is security the sole responsibility of the Nation State. This sub-chapter will briefly discuss the background of the policy, its' functions and how the Danish opt-outs affects Denmark's status as a European security actor.

Although the TEU established that the Union should have a Common Foreign and Security Policy, it took nearly a decade before the framework determining the requirements regarding security came into place (Howorth, 2007:3). Since this particular area of European integration has grown in importance in response to the arrival of new regional and global challenges, such as the Balkan Wars and the global terrorist threat (DIIS, 2008:60ff). The eagerness with which the ESDP has grown is perhaps surprising since this area is traditionally associated with national sovereignty and all ESDP-related decisions fall under the Union's intergovernmental second pillar and are therefore decided upon unanimously. The fact that the ESDP has evolved so rapidly, might be because it has been perceived as positive sum-game, where the benefits of the ESDP as a military actor have outweighed the gains from states acting unilaterally or via interventions by other international organizations (Keukelerire & MacNaughtan, 2008:198).

Over the years, the ESDP has developed both military and civilian competences. In 2004, the EU presented their Headline Goals 2010 (HG2010) where the concept of Battle Groups, stating that small multinational units of at least 1500 soldiers should be at the Council's disposal at any given time, was introduced. HG2010 also established a European Defense Agency and a Civil-Military Planning Cell (Howorth, 2007:107). As twenty-one EU countries, including Denmark, are also NATO members, there is also a mechanism under ESDP that regulates relationships between the ESDP and NATO in crisis-management operations. The 'Berlin Plus arrangement' states that the EU enjoys: "assured access to NATO planning" and "presumed access to assets and capabilities" (Howorth, 2007:102). There is also a civilian aspect of the EU's military dimension as most of EU's operations have been civil operations. All in all the EU's view on ESDP and how to achieve a safe Europe in a better world, is that it is to be achieved through a combined military and civilian operation where economic, political and cultural policies are preferred to military instruments alone (DIIS, 2008:91).

2.4.1 Denmark and the ESDP Opt-out

The Heads of State and Government note that, in response to the invitation from the Western European Union (WEU), Denmark has become an observer to that organisation. They also note that nothing in the Treaty on European Union commits Denmark to become a member of the WEU. Accordingly, Denmark does not participate in the elaboration and the implementation of decisions and actions of the Union which have defence implications, but will not prevent the development of closer cooperation between Member States in this area (Edinburgh agreement, section C).

Denmark requested an opt-out in the area of defense because there was a fear that the defense cooperation would evolve into a common supranational European army. Another argument forwarded by the antagonists to the TEU was that a Common Defense Policy would undermine NATO (Zilmer-Johns, 2003:1). Denmark received an opt-out and this of course has had consequences for the Danish influence on European Defense Policy.

Denmark does not participate in the adoption or implementation of decisions in matters regarding European Defense Policy. Consequently, Denmark does not have the opportunity to veto any proposals it might disapprove of. As most decisions related to ESDP are taken with unanimity in the Council, this is a real loss of influence. Denmark does, however, participate *en par* with the other member states when it comes to the civilian aspect of ESDP, both in the preparatory stages and the executive. In recent times, there has been a trend of joint military and civilian operations such as, EU's support operation to the African Union's mission in Darfur. If this type of operation becomes more common, then Denmark might be excluded from participation as long as there is no distinct way of separating the two aspects of an operation (DIIS, 2008:59). If an operation were handed down to the EU from NATO, Danish troops would have to return home.

If Denmark holds the presidency, they cannot chair meetings where ESDP matters are on the agenda. They would have to leave that to the country succeeding Denmark in the rotating presidency order (DIIS, 2008:60). Denmark do not Participate in the Battle Groups⁵.

Since Denmark does not participate in the decision-making process, they lose the possibility of shaping the agenda. In principle, Denmark has the possibility of participating in a general debate to promote ideas that are close to the Danish heart, such as joint civil-military capacities in defense policy (DIIS, 2008:94).

Finally the DIIS-report, asserts that the opt-out has had consequences for Denmark's status and reputation as an attractive partner for cooperation. Not only because they do not participate in all the meetings but also because Danish representatives lose the possibility of receiving informal information and attending ad hoc meetings that might happen in the fora where Denmark does not participate (2008:121).

2.5 Justice and Home Affairs – Background and Functions

The third-pillar framework consists of areas that are closely connected to those that one associates with the nightwatchman state or the minimal state. That is law, order and control over the home territory (Tallberg, 2004:77). These are issues

⁵ Interestingly, two non-EU NATO countries, Norway and Turkey, both participate in the Battle Group concept.

that are traditionally dealt with on an exclusively national level and that affect individuals in a very concrete way (ibid.). Most JHA matters are still intergovernmental issues that are decided upon by the JHA Council with unanimity but with the Lisbon Treaty enforced it would become a community matter, which would then allow the other institutions to influence policy-making.

One topic that has received much attention over the last couple of years is EU asylum policy. Recent legal developments regarding asylum policy include: the Dublin II agreement as well as a set of minimum standards for asylum seekers. The Dublin II regulation determines which Member State is responsible for processing asylum applications. The first criterion is family reunification. If this is not applicable, the country that has granted a residence permit or a visa becomes responsible for the asylum seeker. If none of these criteria are fulfilled, responsibility falls on the Member State whose territory was first entered by the asylum seeker (Monar, 2004:118). The Member States have also agreed on certain minimum standards for the asylum seekers, which ensure an adequate standard of living for asylum seekers. It also prevents Member States from lowering their standards in order to become less attractive for asylum seekers compared to other Member States (ibid.).

As European integration increases and people exercise their rights to move freely within the EU, needs for greater cooperation between national police authorities, customs services and legal systems have increased significantly. To face these challenges, combating international crime and establishing greater cooperation between national law enforcement agencies as well as the international police agency, Europol, has been established (EU1). If actors are to reap the full benefits of a border-free Union, the incompatibilities between judicial and administrative systems between Member States must be removed. Since 1999 three areas of judicial cooperation have been prioritized: mutual recognition of judicial decisions, better compensation for crime victims and increased convergence in the field of civil law (EU2).

2.5.1 Denmark and JHA

Denmark will participate fully in cooperation on Justice and Home Affairs on the basis of the provisions of title VI of the Treaty on European Union (Edinburgh agreement, section D).

The parties that expressed skepticism over the JHA section of the Maastricht Treaty were above all afraid that an enhanced cooperation around these matters would be one step too far towards a federal Europe. (DIIS, 2008:32, 24).

What is unique about this opt-out is that Denmark has something that could be described as an opt-out from the opt-out. Denmark is not excluded from all parts of the JHA cooperation. The formulation of the Edinburgh Agreement allows Denmark to cooperate as long as it does not surrender any sovereignty. This means that Denmark cannot participate in any supranational decision-making, which has direct effect in the Member States (DIIS, 2008:259). The TEU includes the *passerelle* clause, which provides the possibility for matters to be moved from

the third pillar to the first (Article 42 TEU). Denmark can thus participate on equal footing in all matters that falls under the third pillar. With the Amsterdam Treaty, boarder control, immigration policy, asylum policy and civil law was moved to the first pillar (DIIS, 2008:260-261). The part of the Schengen convention they signed, which regulates free movement, was moved to the first pillar, using this mechanism. Denmark has a special regulation that stipulates that they must, within six months after a law has been adopted, decide weather or not Denmark want to adopt the law. To this date, Denmark has adopted all new Schengen laws (ibid.). Other 'opt-outs from the opt-out' that Denmark has been awarded are: three parallel agreements where the Commission has allowed Denmark to participate in the Dublin-system, the fingerprint database and two civil law regulations.

In addition to the technical consequences, there seems to be a significant loss of influence associated to the opt-out from the JHA. Looking at Schengen, for example: Denmark has no influence over the policies adopted but have to adopt them into national law. The same is true for the parallel agreements (DIIS, 2008:333).

The DIIS report also finds that Danish viewpoints and interests are, if not neglected, at least considered less important in negotiations, even where Denmark is directly affected by a piece of legislation (DIIS, 2008:334). Denmark has also been excluded from cooperating in areas where the Danish Government and a majority in the Folketing have expressed an explicit interest in participation (ibid.).

On the other hand the opt-outs allow Denmark to conduct politics that diverge from other EU countries. In most cases, the differences are small but within immigration policy, especially with respect to family reunification, there is a clash between Danish rules and EU standards (DIIS, 2008:335). This became evident during the summer of 2008 when the ruling in the Metock-case, C-127/08, which established that European citizens with roots in a third country have the right to family reunification, revealed that the Danish immigration service had failed to inform their citizens about this right, justifying this with the JHA opt-outs (ECJ, *Berlingske Tidene* 1). Since family reunification falls under an older community regulation, which applies in Denmark as well, this should also be upheld in Denmark. The whole stir about the Metock case is considered to be one of the reasons why Anders Fogh Rasmussen decided to postpone the referendum about the Danish opt-outs. In the wake of the anti-EU tendencies among the population, a referendum was considered very unfavorable (*Berlingske Tidene* 2). Even so, the opt-outs allow, in principle, for diverging politics under the third pillar.

3 Methodology

This study seeks to test five hypotheses in order to answer the question if the Danish opt-outs affect the Political Capital of Danish political actors in a negative way. The hypotheses, which will be elaborated on in a later chapter, are:

- *H1: Danish politicians at the EU-level lose Political Capital because of the Danish opt-outs.*
- *H2: H1 is truer for the Council than for the Parliament and the Commission.*
- *H3: H1 is truer for the Council and the Parliament than for the Commission.*
- *H4: The same patterns found in H1-H3 can also be found at the preparatory stages among civil servants.*
- *H5: Danish politicians lose more Political Capital because of the Danish opt-outs than the civil servants on the preparatory stages.*

In order to test these hypotheses interviews with relevant political actors have been conducted. This chapter will go into detail on this and discuss other methodological considerations.

3.1 Case Studies

Case studies offer “full and thorough knowledge of the particular” (Stake in Gomm et al 2000). The method can be used in order to understand complex social phenomena or to explain phenomena that are too complex for surveys or quantitative research (Yin 2003:2, 15). A case study is a good strategy when one is trying to investigate a contemporary phenomenon (Yin 2003:1, 5, 7ff.). Therefore rendering it a very suitable method for investigating the intricate political question of whether the opt-outs cause Danish politicians to lose Political Capital.

3.2 Generalizability

It is a common truth among Social Scientists that it is impossible to make generalizations based on a Case Study. Indeed, for many scientists, generalization is the ultimate goal for any study. For them the very role of research is to discover regularities in certain environments and to apply these on a general level

(Donmoyer 2000:47). This researcher, however, agrees with Stake and many others in saying that knowledge of particulars can be very useful, especially when recognizing it in new and foreign contexts (Stake 2000:22). The goal of a case study is to produce a “coherent and illuminating description of and perspective on a situation that is based on and consistent with detailed study of that situation” (Schofield 2007:71).

This study makes no attempts to be applicable in any other surroundings than the one at hand. This is not a sign of mediocre science since the aim is to produce a deeper, more thorough understanding of this case.

3.3 Interviews

In order to achieve a deeper understanding of whether or not the Danish opt-outs leads to a reduction of Political Capital for their actors in different positions on the EU-level, interviews will be conducted. Since the population of interest is rather small and the variable that is tested is rather subjective, a more reliable result can be achieved by using qualitative methods than quantitative ones.

The first thing to keep in mind when designing an interview is the importance of phrasing the questions in an uncomplicated and clear manner (Hellevik, 2003:144). It is also important to avoid biased questions and those that are framed to suit the writer’s interests. Furthermore, it is vital to avoid questions that lie outside the interviewees’ knowledge. People have a tendency to manufacture answers instead of admitting that they do not know (Hellevik, 2003:145). Should this happen it could risk the reliability of the whole study. Precautions must therefore be taken not to ask an MEP (Member of European Parliament) his/her opinion on the potential loss of Political Capital in the Council or a JHA expert about ESDP.

The interview strategy will resemble what social scientist Uwe Flick describes as *problem-centered interviews* (2006:161ff). This particular approach is beneficial if one is interested in the subjective opinions of the interviewees, such as perceived loss of influence in this case (Flick, 2006:164). A problem-centered interview is focused around a specific question. Also it uses a combination of narratives and questions (ibid.). This combination allows the interviewer to maintain a degree of control while allowing the interviewee a certain degree of freedom. In an exclusively narrative setting there’s a risk of the interviewee not staying on the topic and in an interview with strictly closed questions, one would not achieve a very nuanced perspective, thus failing to capture the complexity of a subject and obtaining a full understanding of the attitudes among the interviewees (ibid.). A good mixture of open and closed questions must therefore be found. Asking open questions is fruitful because the interviewees are not forced to choose an alternative and are hence freer to express themselves. As a result, the researcher receives more nuanced results. Also, this approach allows the researcher to assess to what degree the interviewee is confident about what he/she

is talking about. This would be impossible in an interview with exclusively closed questions.

In the cases where the interviews, for some reason, cannot be conducted in person or over the phone, the interviewees will be allowed to answer the questions in writing. Even though there are some obvious drawbacks with this technique, such as the impossibility of asking follow-up questions or asking an interviewee to elaborate on a topic, there are also a couple of advantages. The interviewee has the time to read the questions in advance and ponder the answer, perhaps even consulting colleagues. The answers will also be concise and clear and provide me with less work in systemizing the data.

The key word for any interview is flexibility, one must be able to approach the interview with an open mind and be ready for new input. A particular input that could steer your writing in a direction you had not considered before but which could be fruitful for the thesis. One must be capable of adjusting the interview in a way that ensures the obtaining of the greatest possible information from the interviewees.

3.3.1 The Interviewees – Selection and Limitations

The interviews will be with Danish political actors active on the EU-level as well as members of the academia. Three Members of the European Parliament will be interviewed, as well as one person with close professional ties to the Danish Commissioner, two members of the MEP staff group, two members of the Coreper, one member of the secretariat general of the Council of the European Union, two academic experts of the Danish opt-outs and one Swedish politician with extensive experience from the Council.

These actors are all experts in their particular area. All Danish political actors are chosen on the grounds that they work closely with the areas connected to the opt-outs. I've also chosen to interview two persons that are unconnected to Danish politics. This is in order to receive an outside view of the situation and thereby get a more accurate picture. The word civil servants could imply independence of political affiliation, that is not always the case and for the purpose of this thesis a political actor who is not politically elected or appointed will be considered a civil servant. Notably missing are representatives from the different DGs. None of the DG officials contacted wished to participate in an interview. Therefore first hand information about the status in the DG is missing. However, the two academics could provide information from their interviews for the DIIS report. This compensates for this absence to a certain extent.

There is a risk that the interviewees will adjust their answers to fit what they believe the interviewer wants to hear (Esaiasson et al. 2005:262). This is hard to prevent except for choosing non-value laden questions and to inform the respondent that all answers are equally interesting.

One must be careful not to choose interviewees in a way that would produce a certain result, one that might not have emerged with a different selection of interviewees, i.e. *selection bias*. As many relevant actors as possible have

therefore been contacted in order to get a large sample. It is impossible to get an answer from everyone, nevertheless the selection of interviewees represents different parties, policy areas, genders and ages. A tendency found in a large sample is less likely to be spurious in comparison to one found in a small sample (Esaiasson et. al, 2003:203). There is always a risk of self-selection bias. It is quite possible that the actors that choose to participate in this study are ones with an interest of expressing a certain viewpoint. The way to avoid this, is to be aware of the risks and try to compensate for them in the analysis. In the analysis relevance will be assigned to different statements depending on how often they occur among the interviewees.

It is risky to draw any definite conclusions about a topic when all the data comes from one point in time. In this case it is impossible to take into consideration the fact that a loss of Political Capital as a consequence of the Danish opt-outs might be more prevalent under a different Treaty or with different actors present in the system. Therefore, it will only be possible to draw conclusions about present time not the past or the future.

Another thing that must be kept in mind, is the personal interest of the interviewees. There is a certain truth in the saying ‘where you stand depends on where you sit’. It is quite possible to imagine that a politician, representing a party that is EU-skeptic, would find it in his/her interest to downplay the consequences of the opt-outs and vice versa. The way to go to avoid this is to be aware of it and include actors with different interests in the study.

3.4 Operationalization

Operationalization is the manner in which the researcher makes a concept or phenomenon empirically measurable (Esaiasson et. al, 2003:62). This is a very important step in the research process since a different operationalization can produce a different outcome. It is therefore crucial to operationalize the concept of Political Capital in such a way that it is possible to draw legitimate conclusions about the consequences of the opt-outs for Danish politicians. Chapter four elaborates on the concept and definition of Political Capital, which will be used in this thesis. The definition of Political Capital is:

the combination of various forms of capital, embodied in a political actor, which through deliberate actions can be acquired, used or lost that together constitutes a means of influencing policy-making in a political system.

There are two obstacles that have to be overcome in order for this study to have a reliable operationalization. Firstly, when gathering data about Danish political actor’s ability to influence policy-making, the results obtained, will inevitably be based on a subjective perspective of the concept of Political Capital. Therefore, it will be impossible to prove the hypotheses objectively. The way to overcome this obstacle is to be aware of the fact that everyone has a subjective perception of Political Capital. Since this thesis explicitly deals with Danish political actor’s

opinions on influence and opt-outs, the subjective element can be justified. Opinions are easy to define and operationalize. They are people's perception of phenomena and events. By asking questions during the interviews that are connected to the theoretical definition, one will be able to assess the hypotheses in a methodologically justifiable way.

The second obstacle, which is very much tied to the first, is the consequences a subjective operationalization has for the intersubjectivity of the study. An intersubjective study is, according to political scientist, Lennart Lundquist, a study that explicitly describes every step of the research process so that the study can be duplicated by another scientist with the same results (Lundquist, 1993:52). Producing the very same results, in a hypothetically new study, is of course tricky when one deals with subjective opinions. The way to prevent this study from becoming untransparent will be by explicitly presenting all sources and describing every step and assumption in the research process.

Taking this into consideration, it can be said with confidence that this study can contribute to the subject of EU studies in a satisfying way.

3.5 Validity / Reliability

In any study it is important to have a consistent approach to one's methods and concepts, that is, to make sure that they harmonize and that the study pertains to the objectives cited at its' onset. If this is not kept in mind throughout the research process there is a risk that a small error in one part of the process starts a snowball effect, which might have dire consequences for the whole project. This is referred to as systematic errors (Djurfeldt et al. 2003:109) and to prevent this from happening, a study must have both a high validity and a high reliability.

Validity refers to how well a study measures what it sets out to (Esaiasson et al, 2003:61). It can be expressed as the correlation between the theoretical definition and the operational definition. This can be a delicate matter when it comes to a concept like Political Capital that is hard to define and which different people might do so differently. However, disputed concepts like Political Capital tend to be more fascinating to deal with than concepts that are very clear-cut. Conversely it makes the operationalization more challenging (Esaiasson et al. 2007:66). But by incorporating the subjective dimension of the concept into the operationalization and by asking the interviewees questions that are in harmony with this thesis' definition of Political Capital, a result with high validity should be achieved.

Reliability is similar to the previously discussed concept of intersubjectivity and refers to the consistency of a set of measurements. That is, that the study will produce the same results if replicated. Qualitative studies, such as this one, are often in danger of having a higher validity but potentially a lower reliability (Djurfeldt et al. 2003:109). By taking the precautions discussed in the previous section, and by bearing these two concepts in mind throughout the research process, a high degree of both reliability and validity can be guaranteed.

4 Political Capital – Theory

Political Capital is a concept that is widely used in newspaper articles and in political speeches. It has also found its way into the academic literature as a model that seeks to explain political influence on different arenas. Rather puzzlingly though, it seems as though the literature fails to offer a good and stringent definition of what Political Capital is. Most of the time when the concept is mentioned by a politician or in an article, the definition seems to be implicit. It is up to the listener or reader to fill the concept with meaning. This chapter will, drawing on the writings of Kimberly L. Casey and Pierre Bourdieu, create a definition of Political Capital that can be used in the study of actors in the European Union. Without a sound definition of a concept, the concept itself becomes meaningless.

4.1 Political Capital – Definition

Political Capital does not consist of one single entity. According to Casey, Political Capital is made up from several different forms of capital (Casey, 2008:2). This is an extension of the sociologist Pierre Bourdieu's theories on different forms of capital: Material Capital and Non-Material Capital. Material Capital is economic capital in its' strict sense, which is "immediately and directly converted into money and may be institutionalized in the form of property rights" (Bourdieu, 1986:243) but he argues that capital also can take the form of Non-Material Capital (Bourdieu, 1986:242). In his theory, these forms of Non-Material Capital are Social Capital, "made up of social obligations ('connections'), which are convertible under certain conditions, into economic capital and may be institutionalized in the form of a title of nobility" (Bourdieu, 1986:243) and Cultural Capital, "which is convertible, on certain conditions, into economic capital and may be institutionalized in the form of educational qualifications".

A crucial aspect of Bourdieu's theory is that one form of capital can be converted into other forms, but more about that later. According to Bourdieu a person occupies a position in a multidimensional social space and this position is defined by the amount of capital he or she possesses. This idea of a person possessing different forms of capital, which in turn works as a decisive factor in a social environment, can easily be projected on a political situation, thus generating Political Capital. However, over the years scholars have argued that other forms of capital exist and that these forms of capital determine to what extent a person can be influential in a political environment. Casey identifies

seven different forms of capital: *Institutional, Human, Social, Economic, Cultural, Symbolic* and *Moral Capital*.

The following sections will examine the different forms of capital and their influence on politics. In order to illustrate the theories they will be placed in an EU context.

4.1.1 Institutional Capital

Institutional Capital can refer to the power structures that a particular institutional setup gives rise to. Casey uses the following definition of Institutional Capital in a Political Capital context: “Institutional Capital is associated with the resources governmental institutions bring to the candidate” (Casey, 2008:11). For the purpose of this thesis, a more appropriate term than candidate would be ‘political actor’. The term Institutional Capital is also used in Development Studies as a way of describing the importance of social and economic order for a country’s development (Platje, 2008:231). A source for Institutional Capital can be an institution or the structural set-up of a political environment but it can be argued that also the country or the party/interest group an actor represents can be a source for Institutional Capital. An illustrative example is Norway’s role as a peace negotiator in several conflicts around the world, including Sri Lanka, Israel-Palestine and Sudan. Norway’s credibility as a peace negotiator is based on its’ image as a small, independent country with no particular alliances (SR1). An American negotiator would probably not enjoy the same legitimacy in a corresponding situation.

Examples of Institutional Capital in an EU context are the voting rules for qualified majority voting in the Council under which Germany, France, the United Kingdom and Italy each have 29 votes; hence these states have more Institutional Capital than the smaller states because of the formal rules regulating the voting procedures in the Council. Other examples are: the chairman of the meeting who can influence the agenda and the fact that the consultation procedure does not render the parliamentarians any formal power.

4.1.2 Human Capital

Human Capital is a concept that describes the importance of education, on-the-job-training, health investments etc. (Becker, 1964:153). Schooling, vocational training, expenditures on health care are also capital. This is because they increase profit, improve health and generally increase the knowledge and virtues of a person (Econlib). Expenditures on education, training, medical care, etc are all investments in Human Capital. It is called Human Capital because “people cannot be separated from their knowledge, skills, health, or values in the way they can be separated from their financial and physical assets” (ibid.). Casey has adapted the concept of Human Capital to fit the theory of Political Capital. In her view, Human Capital is the experience a person brings to a political setting. This

includes political experience as well as the non-political, along with skills and education (Casey, 2008:12).

The EU has recognized that investment in Human Capital is of key importance for securing EU competitiveness in the future (EU3) and, furthermore several of EU's programs, for example the Leonardo da Vinci-program focuses on vocational training and the increasing of Human Capital (EU4). An example where great weight was put on an actor's relevant Human Capital was when a Slovak Commissioner was to be appointed after the enlargement in 2004. There were two candidates and Jan Figel, who had negotiated Slovakia's accession, was chosen over, former Coca-Cola manager, Ivan Stefanec. The press reported that one of the reasons for choosing Figel was his political experience (ICE1). A document, supposedly leaked from the Commission before the appointment, confirmed this (ibid.).

4.1.3 Social Capital

The father of Social Capital theory is Robert D. Putnam, whose theories on multi-level negotiations and Social Capital has earned him a reputation as one of the most prominent political scientists in recent years. In his book "Bowling Alone" he argues that USA has undergone an unprecedented collapse in civic, social, associational, and political life, i.e. Social Capital, since the 60s and this has had dire consequences. For example, for the local communities, the economy, democracy and even for individual health (Putnam, 2001:305) Putnam argues that social networks matters and can even increase productivity for both an individual and a group (Putnam, 2001:18).

When it comes to political matters, Putnam argues that if political deals are anchored in social networks the incentives for opportunism and corruption decreases (Putnam, 2001:21). Social Capital as a component of Political Capital has to do with social relations between political actors. Terms like reputation, endorsement, and mutual assistance are essential to understand the importance of Social Capital in politics.

Social Capital in a EU setting is a hot topic that has been studied by many political scientists, among them Korbinian Frenzel, who concludes that social networks function as an engine for politics, enterprises and organizations. These have a great impact on political day-to-day business and are more influential in Brussels than other European Capitals (Euractiv). An institution, closely associated to the idea of social networks as a driver of politics, is the Coreper. The Coreper can be described as an epistemic community, "a network of professionals with recognized expertise and competence in a particular domain" (Cross, 2007:1). There is a certain *esprit-de-corps* within the Coreper, which facilitates decision-making. Since the permanent ambassadors know that they are tied together in a network and will meet again in the future, they strive to get everyone on board and take each other's interests into consideration (Lewis, 2000:282).

4.1.4 Economic Capital

Economic Capital is probably what most people first think about when they hear the term capital, namely, economic resources. Resources that can be channeled into political campaigning, or different forms of marketing and hence constitute a source of Political Capital. These resources can either come from personal wealth or donations – a phenomenon more common on USA's than Europe's political scene. More importantly, and something Casey fails to mention, is if a political actor is in control of financial resources. The actors who control resources, such as, for example, those with budgetary powers, immediately become very influential and via this power they are able to influence other actors who are dependant on financial resources for their' ability to practice their work in an optimal way. It can of course be argued that this is more of an institutional aspect, but it is so clearly related to economic matters that it fits better in this category.

A clear-cut example of how it is possible to influence politics by means of controlling the budget is the European Parliament's role in CFSP. The Council adopts CFSP decisions and the EP is only kept informed, even if the Council sometimes listens to the parliamentary debates about foreign policy (Diedrichs, 2004:34). Diedrichs writes that the hardest competencies of the EP in CFSP are in the budgetary field. The operational expenditure for CFSP is covered by the EC budget, while administrative expenditure is covered by the Council's budget and not subject to interference by the EP, according to the so-called Gentlemen's Agreement between the institutions. This way the EP can use Economic Capital to influence conflict prevention mechanisms (2004:38).

4.1.5 Cultural Capital

Cultural Capital is referring to the forms of knowledge, sophisticated taste, or other attributes of culture, which give actors a higher status in society (Calhoun, 2002). It is tricky to operationalize Cultural Capital so it can be understood in terms of Political Capital. Casey argues that it is best measured as the connection between the political actor and the culture of their political market. That is, the connection between him/her and the group or region he/she is supposed to represent (Casey, 2008:14). This is perhaps more accurate in a local election where a politician should represent a small constituency but it can work on a national/international level, in which case it is the person who best represents the aggregate group who gains most Cultural Capital.

Looking at Cultural Capital on the EU level, the first thing that needs to be done is to establish which group an actor is supposed to represent. Logically an actor who represents their group in a good way would increase their Cultural Capital. For a civil servant working in DG development, supposedly a bureaucrat without national ties, this would refer to the way he/she acts according to the general interests of that DG. However many actors in the EU does not have explicit loyalties to just one group. A member of the European Parliament might support one proposal that is close to the heart of his/her party group whereas it

might not be as popular in his/her home country, or vice versa. In one fell swoop this fictitious MEP both won and lost Cultural Capital but within different groups.

4.1.6 Symbolic Capital

Symbolic Capital relates to Cultural Capital and is described as resources available to an actor on the basis of prestige or recognition, which functions as an authoritative embodiment of cultural value (Calhoun, 2002). The term was developed by Pierre Bourdieu as an extension of Max Weber's analysis of status (ibid.). This prestige can come from different sources: attending a prestigious university, a title that the actor has acquired, either a professional title or inherited. Another, but very concrete, form of Symbolic Capital, is the extra status a war veteran might enjoy if they ran for office. Recently, this was seen in the latest American Presidential Campaign during which Senator John McCain's history as a Vietnam War veteran was seen as an asset in the competition for the presidency. What is considered to be of symbolic value of course varies between cultures and contexts.

An example of how Symbolic Capital can influence the EU level, is the extra symbolical value a large state has if it backs up a proposal. Drawing on realist theory, Tallberg writes that the outcomes of international negotiations are likely to represent the interests of the most powerful states. Jean-Claude Juncker, long-serving prime minister of Luxembourg, states: "Greater member states have a greater say" (Tallberg, 2007:7). The larger state simply enjoys "the legitimacy of its claims to influence" (Tallberg, 2007:8). Another aspect is the extra power or credibility that having an official title, like holding the presidency, gives to a politician. Except for the formal powers the presidency also holds a symbolic power. It is possible to imagine that a politician's words have a greater impact when they are holding the presidency, as they would be perceived to represent the view of the Union, than when he/she is not. Therefore Václav Klaus words that: strengthening the powers of the European Parliament as foreseen by the Lisbon Treaty, would worsen the democratic deficit in the EU, possibly attracted more attention than had he not been president at the time (euparl.europa.eu).

4.1.7 Moral Capital

Moral Capital might just as well be called Norm Capital as it is closely connected to the perception of what is considered to be the norm in a certain political culture. José G. Alejo Sison defines Moral Capital as "excellence of character, or the possession of a host of virtues appropriate for a human being within a particular sociocultural context" (2003:31). This definition captures the notion that moral is a subjective thing that can differ between cultures. Being considered a moral person and one that follows norms will increase your capital and, conversely, being considered immoral and a norm-breaker will decrease your influence.

Rebecca Ulfgard (2005:13-14) provides an excellent example of what the consequences of breaking the norms in the European Union might lead to in terms of influence. She studied the EU14-Austria crisis⁶ where the EU14, in January 2000, launched a protest against the coalition between Wolfgang Schüssel's ÖVP (Österreichische Volkspartei) and Jörg Haider's right-wing FPÖ (Freiheitliche Partei Österreichs). FPÖ was blamed for violating EU's fundamental values expressed in Article 6(1) TEU, which states that:

The Union is founded on the principles of liberty, democracy, respect for human rights and fundamental freedoms, and the rule of law, principles which are common to the Member States.

In order to set an example that these parties, whose ideology represents a clear breach of EU norms, would not be tolerated, diplomatic sanctions were initiated (ibid.). Even though the Austrian government remained unchanged after the sanctions, Ulfgard argues that the whole procedure strengthened the norms-related development of the political Union (Ulfgard, 2005:15). On the other hand these sanctions caused the EU to lose popular support in Austria and therefore one could argue that both sides lost Political Capital as a consequence of the crisis. However it is quite possible that EU increased its' Moral Capital in the eyes of the other 14 Member States.

4.2 Bourdieu's Interconvertibility Theory

According to Bourdieu's theories, all forms of capital are interconvertible (Bourdieu, 1986:53ff, Casey, 2008:4). This is true both between Material Capital and Non-Material Capital, and between different forms of Non-Material Capital. Thus it is possible for say an MEP to, before an election, invest Economic Capital in a campaign which portrays him/her as a candidate with close ties to, and great knowledge of, the country they are standing for election in, thereby increasing his/her Cultural Capital. Equally it is possible to convert the non-material Moral Capital into Cultural Capital. This is perhaps most clearly visible in national elections, where, if a candidate's moral standards and track record adheres to the general population's view of what is considered to be morally desirable, this can be transformed into Cultural Capital in the form of public support or interest group support.

A good analogy is the law of *conservation of energy*. It states that the total amount of energy in an isolated system remains constant, it can only change form. Kinetic Energy can turn into Thermal Energy just like Moral Capital can turn into Social Capital. The spending of Political Capital can be likened with the second

⁶ In 2000 the EU consisted of 15 states, the EU15. EU14 is EU15 minus Austria.

law of thermodynamics that states that energy can be totally converted into heat, but not vice versa.

However interconvertibility is not equally possible in all directions (Casey, 2008:4). Generally Economic Capital transfers more easily into other forms of capital than the other way around (ibid.). Whilst interconvertibility is an important dimension of Political Capital theory, it will not be the focus of analysis in this thesis.

4.3 Spending and Acquiring

The analogy of Political Capital implies that it is something that can be acquired and spent. Just as investment in financial capital may generate revenue, investment in Political Capital, by taking measures to raise the value of its' components, may raise one's potential to influence a certain political environment. Therefore Political Capital can be thought of as any other financial resource. "We are able to invest in it and realize returns on it, it carries an opportunity cost, and it can appreciate or depreciate over time" (Ocasio, & Pozner, 2005:26).

Although, when it comes to spending Political Capital, that is, using one's collective resources to influence an environment, the capital analogy is not perfect. It is possible to exercise influence without this rendering oneself less influential in the future. Just because one spends some of ones' Political Capital doesn't mean that one suddenly has a less attractive degree, is less of a moral person or lost one's influence over the budget. In this sense, the capital analogy is insufficient. But thinking of capital like Adam Smith did, namely as a stock of resources that is not used for immediate consumption, but rather to create revenue, the analogy is suitable (ibid.). A more appropriate word than *spending* Political Capital would therefore be *using* Political Capital, since the word *using* does not automatically imply that whoever used the Political Capital had less capital left after using it.

It is of course also possible to lose capital. Rather puzzlingly, this has not been mentioned in any of the literature. Just like a bad investment can cause you to lose financial resources, a political *faux pas* can make you lose Political Capital. Examples from recent times are the Swedish Ministers who had to resign during the very first days of the Reinfeldt Government because they had not paid their TV license (SVD 1), or the forced resignation of American Republican Senator Larry Craig, who voted against gay marriage and endorsed 'family values' after he was caught seeking to procure sex in a public bathroom (The Guardian). In this case Senator Craig lost a large amount of both Moral and Cultural Capital, which in turn caused him to lose much of his Political Capital.

4.4 Political Capital – A Definition

Taking the aforementioned factors into consideration, the researcher shall create a definition of Political Capital, which encompasses all features discussed above. Initially however, an assessment of existing definitions will examine the grounds for the justification of adding another.

Bourdieu defines Political Capital as: “a variation of Social Capital and the source for observable differences in patterns of consumption and lifestyles” (Casey, 2008:6).

Casey defines it as: “the sum of combining other types of capital for purposive political action or the return of an investment of Political Capital which is returned into the system of production” (Casey, 2008:7).

Ocasio and Pozner’s definition states: “Political Capital is the stock of resources available to organizational actors to affect the behavior of the organizational system and its political coalitions through the mediating mechanisms of relative dependence, status and identification.” (Ocasio & Pozner, 2005:13).

Bourdieu’s definition fails to capture the many forms of capital that are Political Capital. Also, he doesn’t mention that an actor can use Political Capital deliberately in order to exercise influence. It is almost as if it is treated as a static given. Both Casey and Ocasio & Pozner include the important variable of an actor using different forms of Capital intentionally to influence politics. However, it is not clear if they include policy-makers in their’ definitions or if they are only thinking in terms of politicians. Ocasio & Pozner do not explicitly mention that Political Capital isn’t a static resource. It is a resource that can change over time. The dynamic feature of Political Capital is included in Casey’s definition, even if her definition does not capture the prospect of losing capital.

Therefore the definition that shall be used for the purpose of this thesis is that Political Capital is:

the combination of various forms of capital, embodied in a political actor, which through deliberate actions can be acquired, used or lost that together constitutes a means of influencing policy-making in a political system.

The various forms of capital are: Institutional, Human, Social, Economic, Cultural, Symbolic and Moral Capital.

4.5 Political Capital in the EU – Other Aspects

Finally there are certain questions about Political Capital in the EU that one might encounter while studying the topic. Are there differences between Political Capital at election times and during day-to-day politics? It is possible to imagine that different capital components are more important at election times such as

Cultural, Symbolic and Moral whereas the Institutional, Human and Social components are perhaps more important in everyday politics. Another question is if there are differences between civil servants and politicians. Intuitively, a civil servant would not be as dependent on the forms of capital that are reliant on external support such as Cultural and Symbolic Capital as a politician. Then again civil servants and politicians are representing different groups and Symbolic Capital might be every bit as important in a DG. Finally, different cultures most likely privilege different forms of capital. Although, it has been mentioned before, one can imagine that this also differs between Member States. Is it so that Symbolic Capital is valued more in aristocratic society, Cultural Capital serves more in bureaucratic states, and Economic Capital provides extra advantages when more areas of social life are commercialized, as Calhoun suggests (2002)?

All of these issues are interesting but too extensive to be dealt with in depth in this thesis. Nevertheless, they might provide interesting starting points for further studies.

5 Deriving the Hypotheses

This chapter will introduce the hypotheses and the rationale behind them. The theoretical definition of Political Capital will be applied to scholarly work about influence in the EU and the workings of the EU.

Even if the previously mentioned analysis made by DIIS clearly states that the opt-outs cause Danish politicians to lose influence in the EU, it is not one hundred percent certain that being excluded from European Integration in certain areas necessarily leads to this consequence. Lindahl and Naurin investigate the political price of not participating in European integration *en par* with the other Member States. They find no evidence that being excluded from the EMU-cooperation has put the United Kingdom, Sweden or Denmark in a worse position in the EU-cooperation than any other Member State. 79 % of the actors that were interviewed said that standing outside the EMU did not affect the cooperation in the working groups of the Council. The ones that answered that it mattered were all members of the working groups that deal with financial politics (Lindahl & Naurin, 2004:11). Lindahl and Naurin also discard the idea of there being a 'free rider effect', which would make the three non-EMU states more unattractive as cooperation partners. The United Kingdom is one of the more popular states for cooperation and both Sweden and Denmark are both more attractive partners than for example eight Euro-members⁷, of whom five have more votes in the Council than Denmark (Lindahl & Naurin, 2004:28), something that at first glance ought to make them more attractive partners.

On the other hand, in 1996, an official inquiry was ordered by the Swedish government into the consequences of a potential Swedish membership to the EMU in which the authors established that standing outside European integration, manifested in the form of EMU, would have serious consequences for Swedish influence in the EU (SOU, 1996:428ff). The main political argument for participating in the EMU, according to this inquiry, was the possibilities of exercising influence in the EU. According to the authors it was especially important for a small country to participate, as the chances of otherwise influencing the agenda were perceived to be slim (SOU, 1996:431). Arguments relating to a diminished level of influence on international arenas such as IMF, OECD and the WTO were also raised (SOU, 1996:430).

Returning to the DIIS study and the concluding chapter there, it determines that the opt-outs make it more difficult for Denmark to shape EU politics in the areas regulated by the Edinburgh agreement. First and foremost, by literally being excluded from forums where decisions are made. But also, in more informal

⁷ This was in 2004 when EU had 15 Member States and 12 Euro-members

discussions where, according to many of the more than 155 interviewees, the opinions of Danes are paid less attention to, since Denmark is not obliged to follow any legislation or decision made in these areas (DIIS, 2008:400). The concluding sentence reads: “[...] the opt-outs can prevent Denmark’s opportunities to influence the direction that other countries in the EU have chosen” (DIIS, 2008:402 [*my translation*]).

Looking at this, it can be argued that the case of influence loss, or loss of Political Capital, as a consequence of having opt-outs is not clear-cut. Since both the SOU and the DIIS report are more extensive than Lindahl and Naurin’s article and since the DIIS report explicitly deals with the Danish conditions and has interviewed relevant Danish actors about their view on the matter, more weight will be attributed to their conclusions. However Lindahl and Naurin’s findings prove that there is no unanimity about this topic and some uncertainty still exists and therefore this thesis might have something to contribute within this field. Based on previous research the first hypothesis is:

H1: Danish politicians at the EU-level lose Political Capital because of the Danish opt-outs.

Several factors leads us to believe that the influence Danish actors are enjoying might differ between different institutions in the EU. Firstly, both the Parliament and the Commission are considered to be supranational institutions, where the members are supposed to represent the EU as an organization as opposed to their Member States (De Schoutheete, 2002:32). The Council, in contrast, is considered to be the intergovernmental institution *par excellence*, where the members are representing the national interests (Heyes-Renshaw, 2002:67). Sensitive national interests might provoke a defense of national views and therefore any influence loss would be more evident in these instances. Since national interests are more prevalently discussed in the Council than in the other two institutions, it would be expected that any influence loss would be more noticeable there.

The Council members also possess the most Institutional Capital when it comes to the areas where Denmark has opt-outs. All three areas are traditionally ones that fall under the competence of the Nation State and in the Treaties none of the policy spheres are exclusively decided upon with the Community method. Of the three institutions the Council take most decisions alone, only consulting the Parliament on certain matters and with little influence from the Commission. Add to this that most decisions in these matters are taken with unanimity. Even if Council members go through great lengths to get everyone on board when taking a decision, Denmark has given up the chance of acting as a veto power by having the opt-outs (Irish Times). Therefore, the second hypothesis is:

H2: H1 is truer for the Council than for the Parliament and the Commission

There are also certain factors that would point in the direction of there being a potential difference in Political Capital loss between the Parliament and the Commission. First of all, in the cases where institutions other than the Council

have a say in JHA, EMU or ESDP matters, it is the Parliament that is consulted. Hix argues that MEP's are more likely to succumb to national interests. The reason for this is that national parties are more able to detect and punish defection than the European level parties. Hix concludes that when there are conflicts between the national and European parties, the voting behavior of MEPs tends to be similar to the position of the national party (Hix, 2002:696). The Commission is appointed to look after EU interests only and as a consequence nationality matters less. Provided that H1 is true it would be more expected that Danish parliamentarians are more affected by the influence loss as they have the possibility of exercising greater influence over the actual decision-making and are participating more in the actual bargaining, than an actor working in the Commission. The MEP's also co-decide on the budget for CFSP, thereby having influence over that policy area. In addition to this, a Commissioner is mostly involved with matters relating to his/her portfolio. No Danish Commissioners have been in charge of a portfolio relating to the opt-outs, although Henning Christophersen was the Commissioner in charge of the budget until 1995.

Although a Commissioner in theory should be completely immune from national pressure, there are indicators that point toward there being certain factors that could influence Commissioners in a direction that is harmonious with the interests of their country of origin. Schneider investigates national influences in the Commission and suggests that national governments seek to influence the nomination and appointment process of a new Commissioner, attempting to get their candidate to be appointed, in their view, an important portfolio (1997:2). There have also been occasions, when particular Commissioners have outspokenly defended national interests such as the 1997 so-called Renault affair where the Belgian Commissioner openly declared support for his Prime Minister against the French company (ibid.).

Another indicator of the importance for a Member State to have a Commissioner with an important portfolio is the fact that even EU integration-skeptic governments appoint EU-positive commissioners since the risk of an EU-skeptic Commissioner being assigned a marginal portfolio is imminent (Schneider, 1997:7). He goes on to suggest that a weak Commission can be the result of mixed national interests and a weak president (Schneider, 1997:13). However, Schneider concludes that Commissioners become more supranational oriented and less affected by national interests than perhaps originally intended by the Member States, because of coalition forming patterns in the Commission. Policy divergence between Commissioners and their home governments is a consequence of the Commissioners' needs to be placed in a "political position that guarantees a place in a stable policy-making coalition" (Schneider, 1997:3). Even though from time to time there are national interests at play in the Commission, such occasions are rare and less influential than in the Parliament. Therefore the third hypothesis is:

H3: H1 is truer for the Council and the Parliament than for the Commission

It can be argued that most decisions taken by the EU-machinery are already prepared at earlier stages before they are formally adopted in the Commission, Parliament and the Council.

In the Commission, the different DGs are negotiating among themselves before the matter finally reaches ultimate assessment. The same is very much true for the Council, where the Coreper prepares most decisions. It is here that the majority of issues are decided before legislation is even seen at the ministerial level (Hix, 2005:83). It is estimated that as many as 90 % of the issues tackled by the Council are already settled beforehand (ibid.).

Furthermore, in the Commission, all decisions are prepared by a DG that is responsible for policy initiation and management in a particular policy area (Hix, 2005:47). The DG consists of national bureaucrats but nowadays there are no national quotas of servants to the DGs. Lisbet Hooghe investigated the attitudes among DG officials and found that their attitudes towards the role of the Commission, the integration process and the policies of the EU were not so much shaped within the Commission, but rather from party affiliation, prior work experience and nationality (Hooghe, 1999a, 1999b). She found evidence of officials defending the interests of their Member States and that they harbored ideological preferences about EU policies (Hix, 2005:49). In this thesis, the main focus will be on the civil servants working for the Commissioner's cabinet but the different DGs will also be considered.

In the European Parliament, decisions are not as visibly prepared at earlier stages. Of course much power lies in the different committees assigned to prepare an issue before it is dealt with in a plenary session. The committees prepare the legislation and propose amendments. Without the backing of a committee, amendments are unlikely to be adopted by the Parliament (Hix, 2005:93). Obviously much power lies with the Rapporteurs in this case. Even so, the assistants to the MEPs possess a certain power. It can be their job to prepare an issue before a committee meeting, as well as to brief their MEP on relevant matters relating to a question that he/she will tackle in their committee later on. The fact that MEP assistants can exert a certain influence is manifested by them being a target for lobby groups trying to influence Parliament policy (Interviewee #10).

Now, assuming that H1 is true — that Danish politicians actually lose Political Capital on the EU-level because of the opt-outs — and assuming further that most decisions are actually prepared in advance, before they reach the 'highest' level in respective institution, this would logically mean that the opt-outs also affect Danish civil servants in their jobs. Therefore the fourth hypothesis is:

H4: The same patterns found in H1-H3 can also be found at the preparatory stages among civil servants

Despite there being indicators toward the fact that many decisions are being taken before they reach the 'highest' level in respective institution, most of the hard bargaining takes place between politicians. It is on the political level that the different forms of Political Capital have the most noticeable effects. Institutional Capital is also more prevalent on the political level as the institutional set-up puts more power in the hands of the politicians than those of the civil servants. It is on the political level that the actual bargaining and logrolling takes place and where Danish representatives must influence policy-making in a favorable direction. It can also be argued that Cultural Capital is an element of Political Capital that is

likely to have a greater effect on politicians than on civil servants, since the politicians are the ones actually elected or appointed to represent Denmark and to protect its' interests. Since the other constituents of Political Capital does not intuitively seem to favor either civil servants or politicians, one could make a good case for Danish politicians being more sensitive to a loss of Political Capital than Danish civil servants. These arguments are nothing more than mere assumptions, but it is still interesting and relevant to put this, the final hypothesis, forward for testing. Therefore the fifth and final hypothesis is:

H5: Danish politicians lose more Political Capital because of the Danish opt-outs than the civil servants on the preparatory stages.

This hypothesis testing study will therefore investigate any perceived loss of influence both horizontally and vertically (see figure 1⁸). The first hypothesis states that Danish politicians at the EU-level lose Political Capital because of the Danish opt-outs. The second stipulates that Danish Council members are more exposed to a Political Capital loss than their colleagues in the other institutions. The third states that Danish Council members and MEPs lose more Political Capital as a consequence of the opt-outs than a Danish politician in the Commission would. Fourthly, that there is also some influence loss prevalent on the preparatory levels that is in the Coreper, DGs and the MEP secretariat will be tested. The fifth and final hypothesis is that the Political Capital loss is more prevalent on the political level than on the preparatory levels among the civil servants.

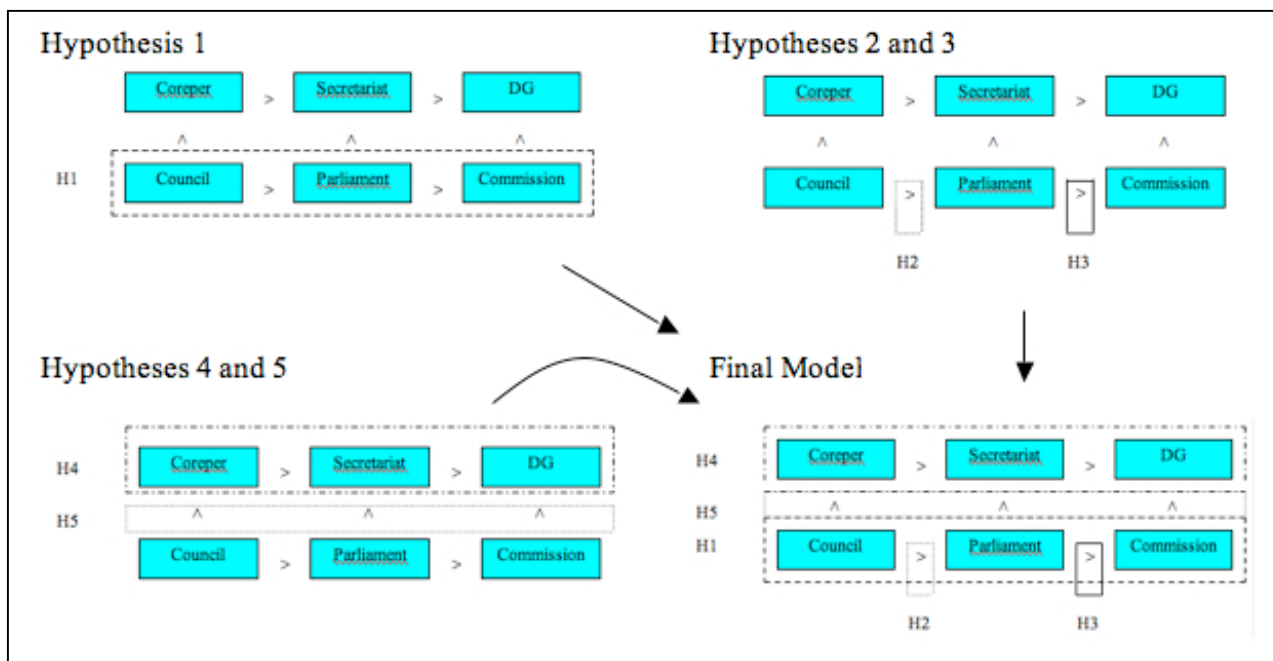


Figure 1.

⁸ The symbol > means 'bigger influence loss than'.

6 Analysis of Findings

This chapter will present the results of the conducted interviews. These findings can in no way be considered definite descriptions of the political climate for Danish actors in the EU, since this study is not far reaching enough. However it is an indicator of how the opt-outs affect Danish influence in the European Union and the way it is perceived from the perspective of the actors interviewed.

This chapter will be structured in the follow way: each hypothesis will be dealt with one at the time. Since they build on each other the most rewarding approach is to start with the first hypothesis and move forwards. The discussion of each hypothesis will begin with a thorough account of the interviews' results. Then a section about each hypothesis will be devoted to considering the prevalence and effect of the different types of Political Capital. Based on these discussions the hypotheses will then be confirmed or rejected.

6.1 Analysis H1

H1: Danish politicians at the EU-level lose Political Capital because of the Danish opt-outs.

To assess this hypothesis information provided in twelve interviews with Danish EU politicians and key figures with great insight in the workings of the EU is evaluated. They were asked questions relating to Danish influence in the opt-out areas. The politicians were also asked if they personally had ever experienced their influence diminished as a consequence of the opt-outs. Most respondents were also asked if the opt-outs are harmful for Danish interests and in all other interviews the answer to this question was implicit. The result of this question is shown in figure 2.

<i>Are the opt-outs harmful for Danish interests?</i>	YES	NO	DK
<i>Number of responses</i>	10	2	0

Figure 2

As the figure shows, a large majority of the interviewees thought that the opt-outs are harmful for Danish interests. The two people who answered negatively were either non-Danish or from an outspokenly EU-skeptic party. Already, there is a clear indicator of perceptions regarding the effect of the opt-outs among the

respondents but it is also necessary to discuss other aspects of the opt-outs' consequences.

First of all, it is important to discuss if these opt-outs can be said to reflect the Danish people's will. They have, after all, chosen to opt-out from four areas and perhaps it is pointless to discuss influence in these matters after the Danes resigned this opportunity in a referendum? Interviewee #8 questioned the notion of a people's will after Maastricht and said that an artificial will had to be created to save the Treaty. They said that if you had asked anyone in 1992 what needed to be changed in the TEU they would not have answered that they wanted these particular four opt-outs but that now the general feeling is that everyone thinks this is the will of the people, even if opinion polls show that the Danes would at least like to get rid of the foreign policy opt-out (Interviewee #8, *gallup.dk*). There is also the official Government position stating that the opt-outs are a problem for Denmark and that they should be abolished since they constitute a hindrance to Danish maneuverability in the EU (Regeringsgrundlag, 2002:70ff). It must also be noted, that several of the opt-out areas have grown in importance to a large extent since 1992, especially in the area of JHA, something that was unforeseen at the time. So even if the opt-out reflected a popular will in 1992, it cannot be said to do so in 2009 (Interviewee #8). Furthermore, the Government declaration stated that the opt-outs were created "in a different time and under special circumstances" (Regeringsgrundlag, 2002:70). On this topic, The DIIS report concludes that in the future Denmark will be standing outside in areas where it would be in their interest to participate. Therefore, the opt-outs "are counter-effective since they limit, not ensure, Danish freedom" (DIIS, 2008:399 [*my translation*]).

Whether or not there is a spillover effect — that is if the opt-outs also affect Danish influence on other policy areas — is an often-debated question. The respondents were almost unanimous in saying that it did not affect other policy areas. The reason for this is that the EU has become very compartmentalized. Each section now functions quite independently (Adler-Nissen, 2009).

Assuming that the Danes do lose influence in the decision-making process, exactly when does this influence loss occur? One theory is that it occurs throughout. Before the negotiations, since Denmark cannot participate in all meetings, during, since there is no reason to listen to them in the instances when they do participate and afterwards since Denmark does not know all the details of what happened (Interviewee #7). Another theory is that the influence loss occurs at the later stages since in the beginning "anything is up for grabs" (Interviewee #8). When no one has made up their mind you are able to influence the proposal. During the bargaining in the later stages, you can make claims and block proposals and this is where Denmark allegedly loses most influence (*ibid.*). To say anything certain about this matter, further studies are required.

One concrete situation where Denmark has lost influence is during the Intergovernmental Conferences, where the Member States negotiate amendments to the founding treaties. On these occasions, Denmark has had to put a lot of time and effort into securing the opt-outs and hence the negotiators have had fewer resources to spend voicing their opinions on other policy areas. This was

apparently especially evident during the negotiations around the Treaty establishing a Constitution for Europe (Interviewee #11, DIIS 2008:372-373).

Finally there is one more procedure to discuss more in depth before going into the more institution-specific mechanisms. This is compensation. Many of the interviewees testified that it is possible to compensate for the influence loss by pulling strings, thorough preparations and knowing the right people. When and how this is manifested, will be discussed later in this chapter. Two of the respondents were asked if it is possible to compensate fully for an influence-loss and they indicated that it was indeed possible, on certain specific matters. However, this takes some effort. The example that was raised was the Family Reunification Directive from 2003 (2003/86/EC) in which Denmark managed to influence the shaping of the Directive, even if it would not apply in Denmark. This was done by using special expertise and arranging seminars stressing the importance of the Danish position. It is also important to know the right persons, something many of the politicians that were interviewed also corroborated. Interviewee #7 said that much of the compensation measures is dependent on the social network and that the most experienced Danish politicians and civil servants, who know the game and their way through the EU labyrinth are now leaving Brussels, either for retirement or new jobs. This might lead to a further reduction in Danish influence.

6.1.1 H1 and the Different Forms of Capital

The definition of Cultural Capital is the connection between the political actor and the culture of his political market. Assuming that the opt-outs reflect the will of the Danish people then political actors and especially politicians increase, or at least maintain, their Political Capital by letting their policy reflect the Danish standpoint. This is rational since the electorate in the end often holds the politicians responsible in elections. The flipside of the Cultural Capital is that other Cultures that the political actor is representing, a Government, a Party Group, a Coalition etc might very well have other preferences. So, as a politician one could theoretically increase and decrease one's Political Capital at the same time, but in different groups. On the other hand, if there is no distinguishable will of the people, then one would not represent the Danish political culture by following the opt-outs and you would still have the same problem of representing the other groups.

The question of where in the process the potential influence loss occurs can be divided. Following Interviewee #7's theory then the exclusion from certain meetings reduced your Institutional Capital. Not being listened to can also be an Institutional matter since Denmark cannot block a decision, at least in not the Council, and it is therefore not necessary to get them on board. Intuitively one could imagine that Moral Capital could also be involved, but the respondents discard this theory. Danes losing influence as a consequence of not knowing all details and therefore being less informed causes a reduction of Human Capital for the Danish political actors.

During intergovernmental conferences it seems that Denmark is forced to use a lot of Human Capital securing the continuance of the opt-outs. Effort that could have been spent trying to shape other articles in the Treaty in a direction favorable to the Danes.

The means of compensation is undoubtedly closely tied to the Social Capital of the political actors, their networks, their social skills and their political experience. These are all means of compensating for other forms of capital that apparently reduce Danish influence.

As a final point, it should be mentioned that the growing importance of the opt-out areas increase the significance of all the effects mentioned above.

6.1.2 Conclusion H1

Looking at the interviewees' answers, as shown in figure 2, it can be said with confidence that the opt-outs affect the influence of Danish political actors in a negative way. The examples that were raised point in that direction and the effects of the opt-outs in the different institutions will be elaborated further on in the remainder of this chapter. Even if there are factors we cannot draw any definite conclusions about, and others that remain to be explored in detail, it is safe to draw the conclusion that: H1 is verified.

6.2 Analysis H2

H2: H1 is truer for the Council than for the Parliament and the Commission

While conducting interviews with the actors who were not related to the Council most of them referred to it as the institution where the opt-outs would be most noticeable and there are undoubtedly situations where the opt-outs do compose a hindrance for Danish politicians. They will be discussed here:

Firstly, there is the question of whether Denmark would be able to hold the presidency in an effective way. The presidency is a powerful position, which allows a country to prioritize certain issues and areas and is considered to be a very influential and important position for a country (Elgström, 2003:1ff). The DIIS report evaluates the Danish presidency in 2002 and concludes that it must be considered to be very successful and that the Danish representatives were not impaired in any way by the opt-outs. A reason for this could be that the priorities and the hot topics in 2002 were focused around the eastern enlargement and the opt-out areas were not that prominent (DIIS, 2008:367). One official explained it as lucky that the opt-outs never really became a problem (ibid.). Interviewee #8 also stressed that Denmark used other factors to influence policy-making. Denmark used special expertise, arranged extra seminars focusing on the Danish perspective of a certain topic, thereby changing the contents of that directive. Looking at the future presidency, the report raises the question of whether or not

Denmark would be able to chair the meetings in the JHA, Foreign policy, Defense and Ecofin Councils (DIIS; 2008:369ff), provided that the Lisbon Treaty is ratified. The presidency in 2012 will, with the opt-outs intact, reduce Denmark's position in strategic management (ibid.).

Secondly, it has been debated whether the opt-outs make Denmark less attractive as a coalition partner. Rutger Lindahl and Daniel Naurin find, as previously mentioned that no such evidence could be found. 79 % of the people they interviewed said that the opt-outs had no effect. But the majority of those that said yes was working with economic policy and said that it only mattered in Euro-questions or economic-political questions (Lindahl & Naurin, 2004:28). Both Interviewee #7 and #8 said that the questions Lindahl and Naurin asked were whether Denmark was an interesting country to cooperate with and not whether they actually used them as a coalition partner. A more accurate question would perhaps be to ask if the other Member States would be willing to include Denmark in a coalition in an area regulated by the opt-outs. In that situation Interviewee #8's experience is that the answer would be no. There is no need to bring Denmark on board in such a matter. Therefore, the coalition patterns could be seen to exclude Denmark in the areas of the opt-outs, but not in other areas. However, it is impossible at the time and within the framework of this thesis to draw any definite conclusions about Denmark's position as a coalition partner.

Two non-Danes with great insight in the Council workings were also asked about their opinion on Danish influence in the Council. Interviewee #12, a secretary in the Council of the European Union, had not noticed any informal influence loss. And Interviewee #11, who has participated in GAERC (General Affairs and External Relations Council) and European Council meetings during several years, said that Danish politicians in general had lost relatively little influence and stressed that on the political level there is an understanding that different Member States have different considerations and provided that you have good arguments for your opinions, you are listened to. However, Interviewee #11 said that Denmark and other non-Euro countries have lost influence in the Ecofin Council. This is because the exclusion is more real and the substantial discussions are held in the Euro Group. However, perceptions about the price of staying outside the various coordination and decision-making forums differ among the euro-outsiders (Dyson, Marcussen 2009:17). For instance, Angela Eagle, a British Treasury minister, emphasized, that she did not see the price of exclusion to be very high, if existent at all:

We do not see a problem with the Euro group existing or meeting. We have not discovered that there are any disadvantages to not being at that group. I suppose there is always the question that they might meet early caucus and try to bounce, but we are confident enough in the way that we handle ourselves as negotiators in Ecofin itself that we can look after our own economic wellbeing and our own economic interests within Ecofin itself. We are relaxed about it (ibid.).

This might be a sign that the formal exclusions have a larger impact on smaller states than to the larger Euro outsiders.

Interviewee #4 accentuated that the opt-outs prevented Denmark from pursuing its most cosseted policy, namely the Comprehensive Approach, in which

military action is combined with civil action. This is an approach that Denmark tries to promote in all contexts, especially in NATO. Because of the defense opt-out, Denmark is prevented from promoting this policy in the EU, an organization with great possibilities of exercising this policy. Interviewee #4 said that, for him, this was the biggest hindrance in normal policy-discussions.

Do the opt-outs affect Danish influence differently in the different Council constellations? None of the interviewees, with insight in the Council workings, had any experience of the opt-outs being an issue in any other Council formation than those explicitly dealing with the opt-out areas. One mentioned that Denmark has an extreme position in JHA-matters and that this affects the possibilities of influencing policy in a negative way but that this was unrelated to the opt-outs.

Finally, the most tangible way that the opt-outs affect Danish politicians in the Council is that they do not participate in the decision-making in the opt-out areas. Therefore Denmark has also surrendered its' veto power. Interviewee #4 described a normal situation in a discussion about defense policy:

As soon as there's talk about a military operation, we do not take part in the discussion, give comments etc. But we are present in the room and we listen to the debates but we do not get involved. And if there is talk about a joint action [...] then we have a footnote saying that we do not participate because of the opt-out [*my translation*].

Under JHA Denmark cannot formally vote in intergovernmental matter, the same goes for Schengen issues and the parallel agreements, where Denmark is bound by EU law. However, the possibility of influencing Schengen policy is bigger since there is awareness that Denmark in practice is obliged to follow all new legislation (DIIS, 2008:400).

6.2.1 H2 and the Different Forms of Capital

There are several different forms of Capital distinguishable in the Council. Firstly, looking at the possibility for the Danes to host a successful presidency there is of course the Institutional Capital loss that immediately springs to mind. Denmark will not be able to chair influential meetings but will have to hand the responsibility over to another country thus reducing Denmark's possibility to influence the policy at hand. There are as mentioned ways of counterbalancing this loss. In 2002 Denmark hosted several seminars and mobilized their top national experts (Interviewee #8). You could say that Denmark as a country lost Institutional Capital but used its Human Capital to counterbalance it. Instinctively, it could also be argued that there is a danger of Denmark losing Symbolic Capital when they are unable to chair important meeting but there are no statements in the material to back that up.

The (un)willingness to include Denmark in a coalition in an area regulated by the opt-outs is tricky to connect to one certain form of Capital. It would be possible to make a case of it being a sign of reduced Symbolic, Moral as well as Institutional Capital. It is probably the Institutional Capital that is most likely to

have an effect but seeing as the opt-outs' effect on Denmark's position, as a coalition partner is so vague, it is impossible to say anything definite.

It is also interesting that Denmark is unable to pursue a policy that lies so close to its heart as the Comprehensive Approach. Since the promotion of this policy is an outspoken goal for the Danish government it can be argued that this renders Danish representatives a Cultural Capital loss since they are unable to represent the Danish will sufficiently, even if the reason why they are unable to do so is more institutional.

There are indicators that Human Capital is important insofar as it seems like you are listened to in the Council as long as you have good arguments. So by being well prepared you stand a good chance of influencing Council policy.

The biggest Capital deficit inflicted on Denmark is the Institutional Capital deficit that occurs as a natural consequence of the Danish opt-outs. The fact that Danish ministers are unable to voice their opinions during certain Council meetings and therefore cannot shape policy, or even in an extreme case veto a proposal, is a severe influence loss. This can to a certain extent be compensated by knowing the right people and engaging in informal discussions, but this takes a lot of time and effort. On several occasions Denmark has asked Sweden to speak on their behalf or at least be informed about the Danish opinions. Sweden did not always forward these opinions to Council because of a conflict of interest, so it is not a guarantee to get your voice heard (Interviewee #11).

6.2.2 Conclusion H2

A definite conclusion about H2 will have to wait until H3 has been thoroughly investigated, thus allowing us to compare the Council, the Parliament and the Commission.

6.3 Analysis H3

H3: H1 is truer for the Council and the Parliament than for the Commission

Looking at the Commission, there are at least three instances where Danes lose influence on the EU level. Firstly, the head of the Danish Commissioner's cabinet explained that even though there are no formal limitations for a Danish Commissioner, or his/her cabinet in the opt-out areas, there are limitations in that the cabinet have less information about what is going on in, for example, the Euro-group, than the other cabinets (Interviewee #6). This is because in practice the cabinets get their information from the national permanent representations. This makes the Danes ill suited to take part in a substantial discussion. They would never be able to suggest important changes to a proposal or block a proposal in, for example JHA. This would be very costly for the Danish cabinet in

their relationship with the other cabinets and in the end it would never ‘make it’ in the Commission (ibid.).

This is the only occasion, this thesis could find, when the Danish Commissioner is affected by the opt-outs. The second and the third instances are not explicitly connected to the Danish Commissioner but rather to Denmark’s possibility to influence the Commission as a country. Nevertheless, these aspects are also relevant for this study and deserve further exploration.

So, secondly, the Commission’s role as the institution that negotiates opt-outs with the Member States also affect Danish influence. The reason the Commission’s role is so important is that it holds responsibility for the Union and the Common legal order. It is therefore also responsible for the opt-out areas on a day-to-day basis. Interviewee #8 said that in interviewing Commission officials for the DIIS report she found that the Danish opt-outs really frustrate the Commission. So even though the Commission tries to respect the Danish situation, there are limits as to how far they are willing to go. It seems like it is especially frustrating for the Commission’s legal section that has to spend a lot of time and resources on negotiating parallel agreements. It has proven to be quite difficult to negotiate parallel agreements, and a significant amount of resources have been used in reaching these arrangements. This is partly because the Commission only allows parallel agreements if it deems them to be in the interest of the entire Community and partly because the parallel agreements makes it difficult to foresee how legislation will be interpreted in different situations (DIIS, 2008:322). The Commission is also reluctant to create precedence, which “can undermine the goal of common binding rules for all Member States” (ibid.). This is also the case for the United Kingdom.

The third instance, relating not only to the Commission but also to the Parliament, which leads to decreased Danish influence was raised by Interviewee #7 who had observed that there are not that many Danes working for the Commission with Justice and Home Affairs, Financial and Foreign Policy, nor are there many Danes working in the relevant committees in the Parliament. He also noticed that Danish MEPs have relatively few assignments as Rapporteurs for the committees dealing with the opt-out areas. His theory is that Danes working for, or thinking of working for these institutions engage in a self-exclusion mechanism. They seem to be thinking that a Danish political actor would not belong in a working group or a committee dealing with matters that Denmark has no legal obligation to respect, or that they would have a smaller chance of influencing policy-making in one of these aforementioned institutions.

Turning to the Parliament, the three MEPs that were interviewed were all in accord, saying that the opt-outs have a very small effect, if any, on the day-to-day work of a MEP. This has naturally to do with the fact that the European Parliament deal with all questions, not exclusively financial matters as is the case in the Ecofin Council. Add to this that the Parliament has not yet got legislative powers in the areas covered by the Danish exceptions. As previously mentioned these are areas traditionally associated with the nation state and as such the supranational Parliament has not been entrusted with legislative powers in these areas. They are still consulted in certain matters though. One interviewee

mentioned that he thought most MEPs were unaware of the opt-outs and that they “couldn’t care less” since a vote is a vote anyway. Interviewee #2 said that under JHA there have been several occasions in which the Parliament could adopt legislation specifically mentioning the case of illegal immigration. Even though Denmark is not bound by this legislation, the MEP participated in the discussion and voting and behaved just as in any other matter. So in a way this raises an interesting democratic question since, in the Parliament, Denmark has a chance of formally influencing a proposal they are not obliged to adopt. It should be noted that some Danish MEPs choose not to vote in these instances.

All the interviewed MEPs were chosen because they are working in committees that are handling matters regulated by the opt-outs and upon asking if they had ever experienced any loss of influence in these committees because of the opt-outs the answer was almost unanimously ‘no’. Interviewee #2 said that he acts as if he comes from a country without an opt-out and has never experienced any other Parliamentarians advising him not to participate in a discussion on these grounds. Interviewee #3, who has been sitting in the Parliament for 20 years said that over this time there have been a couple of cases where he felt that he had lost informal influence on a subject. However, drawing on his experiences and contacts, he was able to convey the Danish views anyhow.

Generally, the Parliament is like any other supranational institution, against Member States being awarded opt-outs. However, the attitudes depend on which party group you represent since the system with opt-outs is very popular in the nationalistic camp (Interviewee #8). But in general, the opt-outs seem to have a negligible influence over the Parliamentarians.

6.3.1 H3 and the Different Forms of Capital

Firstly, looking at the Commission and the reasons behind their skepticism towards allowing Danes parallel agreements, these can be divided into two categories: the ideological and the practical. The ideological reason is the notion that a Member State should participate fully in European integration. This is of course connected to the idea of Moral Capital. The Political Capital loss that occurs is therefore on the sub-level a loss of Moral Capital. The other category, the practical reason, finally boils down to economical reasons. The Commission spends much time and manpower on negotiating parallel agreements and it can be argued that even if the Danish negotiators does not lose or use Economic Capital *per se*, the fact that the negotiations are costly to the Commission and that the Commission is frustrated with the Danes, is way for the Danish representatives to use Economic Capital. You could say that they are transforming their part of the Commission’s Economic Capital into Institutional Capital in the form of parallel agreements.

Self-exclusion processes arguably taking place in committees and DGs do not automatically fit into any capital category. It can be argued that voluntarily surrendering opportunities to exercise influence is equal to voluntarily foregoing a prospect to increase one’s Institutional Capital and consequently a loss thereof.

Another source of Institutional Capital loss in the Commission is the prolonging of the Institutional Capital loss in the Council mentioned above. Since the Coreper representatives are not allowed to take part in all meetings, they are unable to feed the vital information to the Commissioner's cabinet, again reducing Danish influence.

The Institutional set up in the Parliament works in Denmark's favor. MEPs can vote on all matters independent of whether their country has an opt-out or not. There is evidence that in the few cases where a Danish MEP actually perceived that he had lost influence, he had been able to compensate for this by using some of his Human and Social Capital. In this case, he had significant political experience and knew the influential MEPs. Finally one of the interviewees said something interesting. He/she said that if you were to go against your Party Group and repeatedly vote in another way, you would be in danger of being marginalized within your party (Interviewee #10). This means the MEP would not represent the culture they ought to represent and the influence loss caused by this potential marginalization is in fact due to a loss of that MEP's Cultural Capital. In a worst-case scenario, the Party Group thinks in one way but the electorate in another. Then you find yourself in a lose-lose situation in terms of Cultural Capital.

6.3.2 Conclusion H2 and H3

Despite statements by two non-Danes that Denmark does not lose that much influence in negotiation situations in the Council, the fact that the opt-outs can hinder an effective Danish presidency, that they can not promote the Comprehensive Approach and that they do not participate in the decision-making in opt-out areas, thereby surrendering their veto power, allows me to confidently say that the opt-out leads to reduced Danish influence in the Council and to a larger extent than in the Commission or in the Parliament. Surprisingly contrary to the hypothesis, it seems that Danish opt-outs affect their interests in the Commission to a certain extent whereas the consequences in the European Parliament are more or less negligible, save the fact that there are indicators of a self-exclusion process by the Danes from relevant committees. Therefore H2 is verified whereas H3 must be considered falsified.

6.4 Analysis H4

H4: The same patterns found in H1-H3 can also be found at the preparatory stages among civil servants

To make a definite conclusion about whether or not the opt-outs also cause Danish civil servants to lose influence is not easy. For example, looking at Danish civil servants' possibilities to obtain influential positions in the areas regulated by the opt-outs, the interviewees provided information that point in two directions.

Interviewee #8 said it was impossible to say because certain research states that it does matter whilst other studies state the exact opposite. Interviewee #7 however, pointed to the fact that there are few Danes working in influential positions in the different DGs. To be able to draw a more definite conclusion a more elaborate study, where one counts all Danes working in the different institutions, assesses how influential their jobs are and compares the results with the other 26 countries, is necessary. The Danish Head of Commissioner Marianne Fischer Boel's cabinet, Interviewee #6, was certain that the opt-out severely hinders Danes from being hired in influential positions connected to an area regulated by an opt-out. He said that:

In the same way that it in the real world is impossible for a Danish commissioner to get a portfolio touching on an opt-out area, it will also be extremely difficult for a Danish civil servant to make a career on a high level in a DG responsible for opt-out matters.

At the same time, a civil servant in the Commission is generally very loyal to it. The identity in the Commission is so strong that it does not matter whether you are Estonian, Irish or Danish. Add to this the fact that DG Justice, Freedom and Security had two consecutive British secretary-generals, even though Britain has an opt-out from this area, and the picture gets even more blurred (DIIS, 2008:377).

A second way the opt-outs affect Danish civil servants is if another Member State comments on Danes expressing their opinion thereby stigmatizing them. For example during a discussion about immigration and civil law the French representative said in front of everyone, after the Dane had spoken: 'thank you Denmark, it's always nice to hear an outsider's view' (Interviewee #8). Interviewee #8 raised the point that this could become a vicious circle where Danish civil servants abstain from speaking because they fear reprisals from the other states. Interviewee #8 calls this act *self-censorship* and stresses that this does not apply for the UK, a country with an opt-out, but with a bigger influence.

On the preparatory stages of a piece of legislation, it seems like the opt-out does not impede the Danish influence that much. The Danish Coreper-members that were interviewed testified that the way their work is affected is that they do not speak or raise the Danish standing point. In the Parliament however, no Dane would raise their voice and say that Denmark has an opt-out before a meeting starts, since everyone "pretends that nothing is wrong" (Interviewee #8). Such a statement would lower the Danish influence further. Both members of MEP secretariats testified that their work is unaffected by the opt-outs (Interviewee #9, #10) In the early stages of legislation proposal it seems like Denmark is heard, to the same extent as other Member states and has an equal chance of shaping the agenda.

6.4.1 H4 and the Different Forms of Capital

What forms of Capital shape Danish civil servants' possibilities of excising their influence over European policy-making? There are three forms of capital that

affect the Danish influence in a negative direction and a couple that affect it in a positive direction. First and foremost, there is the Institutional Capital, the very premises laid down for a Danish civil servant in the EU. There seems to be indicators, although no definite ones, that the opt-outs provide an institutional hindrance for Danes that aspire to work in high positions in the areas covered by them. Also, and perhaps most tangible, there are the cases when Danish representatives are not allowed to speak, a clear institutional restraint and an obvious source of influence loss. There is also a symbolic and perhaps also moral aspect to the self-censorship, described by Interviewee #8. The symbolic restriction works in the sense that, on certain occasions, such as the aforementioned French case, there seem to be a symbolic issue when the Danish representative speaks his/her mind in an area Denmark is not obliged to follow. The moral aspect here, which you can read from the comment, is the notion that the Member States are puzzled as to why they should listen to the views of a country that is not taking part in European integration to the same extent as the other Member States.

On the other hand, most of the time the institutional setting is not a hindrance for Danish actors. It is not that the institutional set-up benefit Danish interests but in most cases it is definitely neutral. There are also occasions where having political experience and being tactical can help the Danish interests. This is especially true among civil servants, where everyone is not always aware of the opt-outs. Interviewee #8 mentioned that several civil servants from other Member States said that they sometimes forget that Denmark has opt-outs. In these instances an experienced Danish civil servant, one with a high amount of Human Capital, can work this to their advantage by ‘playing full member’ and thereby voicing Danish opinions in these fields, compensating for the Political Capital loss.

Finally, the same compensation patterns, as earlier discussed, are also widespread at the civil servant level. In the words of one Coreper-employee:

I can address the questions in other settings. Over a lunch or a cup of coffee [...] They are happy to talk to us but the degree to which we can exercise influence is limited [*my translation*].

Most interviewees said that this Social Capital compensation is again manifested by being more prepared, having good ideas and by having many informal contacts.

6.4.2 Conclusion H4

It can be said without any doubt that the Danish opt-outs also affect the civil servant level. It is quite clear that it is the Council civil servants that are mostly affected by the opt-outs. However, it is difficult to say if the consequences are more evident in the Parliament than the Commission. No evidence allowing the complete verification of this hypothesis could be found. Therefore it can neither be verified nor rejected.

6.5 Analysis H5

H5: Danish politicians lose more Political Capital because of the Danish opt-outs than the civil servants on the preparatory stages.

Interviewee #8 said that, in conducting PhD-research, they had found the question of authority is vital in negotiation. The matter of authority is, according to her, more influential on a ministerial level than on the civil servant level. She explained that this is because on the ministerial level the ministers have a wide range of matters to consider and they might not be as initiated in all the details as the civil servants are. Therefore general impressions and symbols become more important on the ministerial level. So the big state / small state dimension is more important among ministers. Therefore the opt-outs have, according to her, generally a bigger impact on the ministerial level than among the civil servants who meet more often and are the ones shaping the details of a proposal.

One Danish official working in the Coreper expressed that he was quite certain that the opt-outs affected civil servants and politicians in the same way since these exceptions lay down the very premise that they have to work with (Interviewee #4).

6.5.1 H5 and the Different Forms of Capital

It is apparent that two forms of capital are decisive in this question. The first, most obvious form is the extra Symbolic Capital large states enjoy in negotiations as Tallberg describes (2007). However this large/small state dimension has an obvious institutional aspect, as larger states have more votes on a ministerial level and thereby better possibilities of tipping majorities in their favored direction.

The institutional set-up, i.e. the opt-outs, is also a decisive factor in shaping the environment that Danish actors work in as Interviewee #4 points out. It seems like having both less Symbolic Capital and less Institutional for support, will reduce a given state's chances of exercising influence.

6.5.2 Conclusion H5

Finally, the question of whether or not politicians lose more Political Capital than the civil servants boils down to quantitative assessment. Solely qualitative measures can only get a general idea of the situation and based on the interviews, the hypothesis cannot be confirmed. There are indications saying that symbols are more important on the political level, in this case the Council level and this might have a more hindering effect on Danish politicians. This study found no evidence about any differences in the Parliament or the Commission and this fifth hypothesis must therefore be rejected, at least based on the information provided in this thesis.

7 Conclusion

This case study sought to answer the questions of whether the opt-outs cause Danish political actors to lose Political Capital on the EU-level and if so, what the patterns between the different EU institutions look like and if there are any differences or similarities between politicians and civil servants. In order to answer these questions, five hypotheses were formulated. Seeing as the literature fails to offer a clear and stringent theoretical definition of Political Capital, a definition for the purpose of this thesis was developed. The definition reads: *Political Capital is the combination of various forms of capital, embodied in a political actor, which through deliberate actions can be acquired, used or lost that together constitutes a means of influencing policy-making in a political system.* The various forms of capital are: Institutional, Human, Social, Economic, Cultural, Symbolic and Moral Capital.

To be able to test the hypotheses, data in the form of interviews with Danish political actors and actors with great experience from the EU, was collected. A total of twelve interviews were conducted and based on the informants' reports and previous research, the hypotheses were put to the test.

Just by asking the interviewees if they thought that the opt-outs were harmful for Danish interests and by considering that the areas of the opt-outs have grown in significance since 1992, it is possible to confidently say that the opt-outs have caused Danish political actors to lose influence at an EU level. Add to this the fact that Denmark cannot use its' full potential to influence intergovernmental conferences, since much time and effort has to be put into securing the opt-outs. Thus the first hypothesis was confirmed.

Even if there are indicators saying that Denmark does not lose that much influence in actual negotiations in the Council, the fact that the opt-outs can hinder an effective Danish presidency, that they cannot promote the Comprehensive Approach and that they do not participate in the decision-making in the opt-out areas, thereby surrendering their veto power, clearly constitutes a source of Political Capital loss. Turning to the Parliament, it was quite clear that the institutional set-up reduces the consequences of the opt-outs to a minimum. One interviewee said that he had experienced an influence loss only a couple of times over a period of twenty years. There is, however, a possibility of there being a self-exclusion process in the Parliament and the Commission, which would correspond to a voluntary loss of Political Capital, although it is impossible to say anything with certainty about this at this stage. In the Commission, the opt-outs affect the Danes' Political Capital in the sense that the cabinet does not receive the same information from the permanent representation and that they struggle to negotiate with a reluctant Commission that does not like divergence from the common European integration. The Political Capital loss seems to be most

tangible in the Council followed by the Commission but without any apparent effect in the Parliament. Consequently, the second hypothesis is confirmed and the third discarded.

It can be said without any doubt that the Danish opt-outs also affect the civil servant level. The jury is still out regarding whether or not the opt-outs pose a hindrance for Danes that wish to be hired in influential positions, but there is evidence of self-censorship and in the preparatory Council meetings, Denmark does not speak when a matter regulated by the opt-outs is discussed. Whether or not the same patterns found on the political level could also be found among the civil servants was impossible to ascertain and hence the fourth hypothesis could be neither verified nor rejected.

The fifth hypothesis, that the opt-outs generally have a larger impact on politicians than on civil servants, also had to be rejected. There was simply not enough information to draw any definite conclusions. Perhaps the symbolism of a certain proposal being backed by a certain state is more concrete among politicians but this remains to be investigated further.

One finding deserves a little extra attention: the salient existence of compensatory mechanisms. In all institutions and on all levels there was evidence of the political actors compensating for the influence loss by employing different methods, such as making use of social networks, being extra well-prepared or using other agents to convey Denmark's opinion. These mechanisms can make up for much of the Political Capital loss and reduce or even nullify, the negative impact of the opt-outs.

It is worth noting that the different forms of capital generally seem to affect the Danish influence in different directions. To put the forms of capital in very blunt categories it would appear as if Institutional, Moral and Symbolic Capital, in the case of the Danish opt-outs, affect actors' influence in a negative way, Economic and Cultural Capital are not very prominent and Human and Social Capital can work in Denmark's favor. If there are any conclusions to be drawn from this is not a matter for this thesis to discuss.

Finally, a few words about how much weight we can attribute to this research. It must be kept in mind that the data collected is from a very narrow time period and from a limited number of informants. One cannot disregard the fact that a different result could have been attained if other actors had provided the data. However, this study is a clear indicator as to what the consequences of the opt-outs are and it can provide the starting point for a deeper, more extensive study.

Returning to the original research questions it is fair to say that, based on the premise of this thesis, it can be established that the opt-outs do cause Danish political actors to lose Political Capital on the EU-level. This is most notable in the Council but also in the Commission, whereas the Parliament is virtually unaffected. The opt-outs do not only concern the politicians, but the work of the civil servants is also affected, particularly in the Council.

8 Executive Summary

This case study seeks to answer whether Danish opt-outs cause Danish political actors to lose Political Capital on the EU-level and if so, what the patterns between different EU institutions look like and if there are any differences or similarities between politicians and civil servants. The thesis uses the Danish Institute of International Studies' report of the consequences of the opt-outs as a point of departure. The DIIS report established that Denmark has lost a significant amount of influence on the EU-level because of the opt-outs. This study's contribution is to investigate the extent to which the influence loss has affected various Danish political actors in different institutions and whether it also affects Danish civil servants. Denmark is opting-out from the European Monetary Union, the European Security and Defense Policy, Justice and Home Affairs and the common citizenship of the EU. The latter is not dealt with in this thesis because it has become obsolete. The thesis rests on the realist assumption that a state wants to maximize its influence and promote its idea as to how a common European stance in a political matter should appear.

To provide a theoretical framework, this thesis develops Political Capital theory and applies it to the case of the Danish opt-outs. To develop Political Capital theory to adhere to a European Union context, this thesis draws on the writings of Pierre Bourdieu and Kimberly L. Casey. Seeing as the literature fails to offer a clear and stringent theoretical definition of Political Capital, a definition for the purpose of this thesis is developed. The definition reads: *Political Capital is the combination of various forms of capital, embodied in a political actor, which through deliberate actions can be acquired, used or lost that together constitutes a means of influencing policy-making in a political system.* This definition encompasses the dynamic feature of Political Capital — that it can change over time — and that one, besides spending and acquiring Political Capital, also faces the danger of losing parts of it by conducting political mistakes. This definition also captures the multi-faceted characteristics of Political Capital, which actually consists of several different forms of capital. The various forms of capital are: Institutional, Human, Social, Economic, Cultural, Symbolic and Moral Capital. Another important aspect of Political Capital, not explored in length in this thesis but worth mentioning, is that it is interconvertible. Bourdieu found that one form of capital could be converted into another. The schoolbook example of this is an election campaign where Economic Capital can be invested in portraying the candidate as a person with high moral standards who endorses family values, thereby increasing his/her Moral Capital.

To be able to answer the research questions, five testable hypotheses were developed. The hypotheses were derived by applying existing scholarly research

about the influence and workings of the different institutions to the theoretical definition of Political Capital. The five hypotheses were:

- *H1: Danish politicians at the EU-level lose Political Capital because of the Danish opt-outs.*
- *H2: H1 is truer for the Council than for the Parliament and the Commission.*
- *H3: H1 is truer for the Council and the Parliament than for the Commission.*
- *H4: The same patterns found in H1-H3 can also be found at the preparatory stages among civil servants.*
- *H5: Danish politicians lose more Political Capital because of the Danish opt-outs than the civil servants on the preparatory stages.*

In order to test the hypotheses, data in the form of interviews with Danish political actors and other actors with great EU experience, was collected. A total of twelve interviews were conducted. The interviewees were three Members of the European Parliament, one person with close professional ties to the Danish Commissioner, two members of the MEP staff group, two members of the Coreper, one member of the secretariat general of the Council of the European Union, two academic experts of the Danish opt-outs and one Swedish politician with extensive experience from the Council. Based on the informants' reports and previous research, the hypotheses were tested.

Ten of the twelve interviewees thought the opt-outs were harmful for Denmark's interests. Seeing as the areas of the opt-outs have grown in significance since 1992, it is possible to confidently say the opt-outs have caused Danish political actors to lose influence on the EU level. In addition, there is evidence that Denmark cannot employ its full potential in influencing Treaty re-negotiations during intergovernmental conferences, since much time and effort is required in re-negotiating the opt-outs. Thus, it was possible to confidently say the first hypothesis was confirmed.

This thesis found little evidence of Denmark losing much influence in concrete negotiating situations in the Council. Still there were factors that impede Denmark's maneuverability and possibility of exercising influence in Council settings. For example, the opt-outs hinder an effective Danish presidency and Denmark cannot promote its much-cherished Comprehensive Approach. Furthermore, Danish actors do not participate in decision-making in opt-out areas, thereby surrendering their veto power. These examples clearly constitute a source of Political Capital loss. Turning to the Parliament, it was quite clear that the institutional set-up reduces the consequences of the opt-outs to a minimum. One Member of European Parliament had personally experienced less influence over a political issue, due to the opt-outs, two or three times during a twenty-year period. There is, however, a possibility of there being a self-exclusion process in the Parliament and the Commission. Due to perceived fears of inadequate contributions, actors may voluntarily refrain from seeking influential positions in committees and working groups dealing with the opt-outs. This corresponds to a voluntary loss of Political Capital. However, at this stage, there is no way of drawing any definite conclusions about this process. Further research is needed. If

there were few indicators of a loss of Political Capital in the Parliament, this thesis found more substantial support for the opt-outs affecting Danish officials in the Commission. In the Commission, the opt-outs affect the Political Capital of Danes in the sense that the cabinet does not receive the same information from the permanent representation, which begets a disadvantage. Also, Danish representatives struggle with negotiations with a reluctant Commission that disapproves of divergences from a common European integration. The Political Capital loss seems to be most concrete in the Council followed by the Commission and without any apparent effect in the Parliament. Consequently, the second hypothesis was confirmed and the third discarded.

What about the level of the civil servants? There is an ongoing debate as to whether or not the opt-outs constitute a hindrance for Danes seeking employment in influential EU positions. There are indicators pointing in both directions. Nonetheless, there is evidence of self-censorship in the preparatory Council meetings, which means Denmark does not speak when a matter regulated by the opt-outs is discussed even if they are technically permitted. It was impossible to ascertain whether or not the same pattern found on the political level between the different EU institutions could also be found among the civil servants. Hence the fourth hypothesis could neither be verified nor rejected.

The fifth and final hypothesis — that the opt-outs generally have a larger impact on politicians than on civil servants — had to be rejected. Based on the data collected, there was simply no way of drawing any certain conclusions. The statement that the symbolism of a proposal being backed by a large state would be more important among politicians than among civil servants is the only indicator supporting the hypothesis. Further investigations into the matter are necessary.

An interesting finding is the prevalence of compensatory mechanisms. In all three institutions, both politicians and civil servants used different methods to compensate for the formal and informal losses of Political Capital. This was done by making use of social networks, knowing the right people, being particularly well-prepared or by using other agents to deliver Denmark's opinion. These mechanisms can compensate for much of the Political Capital loss, and reduce, or on some occasions even nullify, the negative impact of the opt-outs.

It is worth noting the different forms of capital generally seem to affect Danish influence in different directions. To put the forms of capital in oversimplified categories, it appears: Institutional, Moral and Symbolic Capital in this case affect actors' influence in a negative way; Economic and Cultural Capital are not very prominent; and Human and Social Capital can work in Denmark's favor as compensatory mechanisms. However, it is beyond the scope of this thesis to discuss any possible conclusions of these observations.

At last, a few words must be said about how much weight we can attribute to this research. The data is collected from one point in time and the number of informants is limited. One cannot disregard that a different result could have been attained if other actors had provided the data. A bigger time span and more informants would be desirable to be able to draw more definitive conclusions. However, this study is a clear indicator as to what the consequences of the opt-outs are and it can provide the starting point for a deeper, more extensive study.

Returning to the original research questions it is fair to say, based on the premise of this thesis, that the opt-outs cause Danish political actors to lose Political Capital on the EU-level. This is most noticeable in the Council but also in the Commission, whereas the Parliament is virtually unaffected. The opt-outs concern not only the politicians, but also the work of the civil servants is affected, particularly in the Council.

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9.3 Interviews

Interviewee 1: Mogens Camre, Danish Member of the European Parliament, March 10, 2009
Interviewee 2: Johannes Lebech, Danish, Member of the European Parliament, March 19, 2009
Interviewee 3: Christian Rovsing, Danish, Member of the European Parliament, March 18, 2009
Interviewee 4: Lars Faaborg-Anderson, Ambassador, Danish, representative in Political Security Committee and representative in Western European Union, March 18, 2009
Interviewee 5: Jeppe Søndergaard Pedersen, Danish, Coreper defence advisor, March 18, 2009
Interviewee 6: Poul Skytte Christoffersen, Danish, Head of Mariann Fischer Boel's Cabinet, March 19 2009
Interviewee 7: Ian Manners, PhD, British, senior researcher DIIS, April 1, 2009
Interviewee 8: Rebecca Adler-Nissen, Danish, PhD student, University of Copenhagen, researcher DIIS, April 17, 2009
Interviewee 9: Lisbeth Sejer, Danish, secretary to Christian Rovsing, April 22, 2009
Interviewee 10: N.N., Danish, secretary to a Member of the European Parliament, April 21, 2009
Interviewee 11: Lars Danielsson, Swedish, Ambassador, former secretary of state, April 22, 2009
Interviewee 12: Massimo Mauro, Italian, Principal administrator at the Council of the European Union, March 12, 2009