

Book Reviews

Justice Contained: Law and Politics in the European Union, by L. Conant (Ithaca: Cornell University Press, 2002, ISBN 0801439108); xv+250pp., £26.95 hb.

Studies in 'the effectiveness of Community law' constitute a well-trodden path in European Union scholarship in which effectiveness is usually defined as the availability of Community law in national courts and the willingness of national judges to apply it. Most such analyses (and almost all student texts) stop at that point. By contrast, *Justice Contained* provides a welcome expansion in our understanding of European legal effectiveness by considering the various responses of governments and ministries to policy challenges created by judicial decision. Taking a scholarly road much less travelled, Lisa Conant poses a multidisciplinary question going to the heart of European integration theory: do states accept the formal supremacy of European law in individual cases precisely because the wider policy impact of those decisions is susceptible to national strategies of containment?

Conant finds that, as with national law, the effectiveness of European law in altering national policies is relatively low unless followed up by substantial support from influential institutions or organized interests. Her project applies a muscular methodology founded on American and European public policy research emphasizing the role of social mobilization in transforming individual legal victories into administrative changes with wide application. From this perspective, the organizational capacity of potential winners and losers, and the relative dispersion of costs and benefits are determining factors. Thus, where beneficiaries are few and unlikely to organize, or where potential losers are well organized and face substantial costs, the likely state response to judicial innovation will be limitation to the parties involved.

The author finds support for her approach in four case studies: the success of the Commission-driven liberalization of European telecommunications where a consensus for change existed amongst Member States and national telecommunications providers; the relative failure of the Commission to open up energy markets on the same legal basis where national and industrial opposition was concentrated; the partial success in opening up public sector employment, and the strong resistance of EU Member States to expanding the social and tax advantages of European migrant workers. Although necessarily limited by the number of case studies brought to bear, Conant's analysis holds up well in these four areas, amply debunking any assumption of a simple causal connection between what courts hold and the policies that ministries and governments adopt or maintain. Comprehensible and backed by extensive research, *Justice Contained* is a major contribution to understanding the actual impact of European judgments on national policy processes. It will be essential reading for teachers and scholars of European integration and public law.

JAMES BERGERON
Cambridge University

European States and the Euro: Europeanization, Variation and Convergence, edited by K. Dyson (Oxford: Oxford University Press, 2002, ISBN 019925026X); xii+418pp., £45 hb.

The latest instalment of Kenneth Dyson's superb investigation of economic and monetary union (EMU) does not disappoint. Dyson's objective on this occasion is to understand EMU as a process of Europeanization, and to evaluate its impact on participating and non-participating Member States.

The 12 essays in this edited volume are divided into three sections. The first section interprets EMU within European and global contexts. A highlight here is the contribution of Wolfgang Wessels and Ingo Linsenmann, which provides a detailed survey of the euro area's macroeconomic policy architecture and evaluates its impact on national institutions and actors. The authors conclude that the open method of economic policy co-ordination is a transitional mechanism, which is likely to pave the way for more supranational forms of governance. The second section takes a closer look at domestic political and policy contexts in six EU Member States: the UK, Denmark, France, Germany, Italy and the Netherlands. The contribution of Andrew Gamble and Gavin Kelly provides a timely survey of the UK's relationship with the euro. The authors argue that unless the Prime Minister and the Chancellor can realign their economic priorities and unless the latter lifts his *de facto* veto, UK membership of EMU is unlikely before 2010. The final section explores the link between sectors, states and EMU. In a stimulating essay on labour markets, wages and EMU, Colin Crouch argues that neo-corporatist wage bargaining is a mechanism for, rather than an obstacle to, macroeconomic adjustment in several Member States. Moreover, the reinforcement of industrial relations at the national level provides greater scope for wage co-ordination at the EU level.

The real highlights of this volume, however, are the editor's introduction and conclusion. The former provides an excellent prologue to the politics of EMU and lists seven crucial methodological challenges, which are encountered when EMU is treated as a variable of investigation. The conclusion draws six lessons from political science, which can improve our understanding of euro economic governance. This volume represents a worthy contribution to the literature. It blends political science and political economy to survey the limits of our knowledge on EMU and highlight future avenues of research for political scientists and economists alike.

DERMOT HODSON

London School of Economics

Establishing a Supremacy of European Law: The Making of an International Rule of Law in Europe, by K.J. Alter (Oxford: Oxford University Press, 2001, ISBN 0199243476); xxvi+258 pp., £40 hb.

This book is an attempt by a political scientist to find the main reasons why national judicial and legislative organs allowed the development and prevalence of the principle of supremacy of EC law. The role of national governments and national courts is analysed by reference to the history of relevant case law at the national level and two countries are put forward as case studies: Germany and France.

The book is divided into six chapters. Chapter 1 sets the topic against the background of an historical analysis of the rule of law at the European level. Chapters 2–4 focus on the causes for the reception of the principle of supremacy by national courts. Chapter 5 examines the causes for the acceptance of supremacy by national governments, and chapter 6 praises the effectiveness of EC law in comparison with international law.

In order to follow the plea of the author to leave any legal background and prejudices aside, one must ignore the small, yet significant, number of factual errors lurking in the chapters of the book. Judicial review is a concept known and indeed used in French law. French judges of the lower courts could oppose the supremacy of EC law simply by ignoring it in their judgments, thus confirming the prevalence of French law, and the anticipatory effect claimed to be the exclusive strength of German judges of the Constitutional Court is neither unusual in Continental legal systems nor is it unknown to their French equivalent. One must also place the book in its era and ignore any developments after the mid-1990s: if one were to take into account the compelling effect of the principle of state liability, and indeed judicial state liability, the conclusions reached in the book would be difficult to support.

Nevertheless, the book remains a fresh view of a rather dated, albeit still crucial topic. It focuses on the historical development of the principle and not on recent changes. It sets a number of interesting questions and manages to present interesting and original answers to them. Moreover, this is undertaken by means of extensive research. In view of the originality of its hypotheses, structure, methodology and approach, the book is definitely worth reading. However, even warm supporters of interdisciplinary research may view this book as an example of impressive research conducted by an otherwise solid researcher exploring a rather alien discipline. The book could have benefited from the active participation of a legal scholar, who may have been able to prevent, not only factual errors, but also the evaluation and subsequent interpretation of civil law jurisprudence through the prism of a common law background. As it stands, chapter 5 on the political support of national governments to the principle of supremacy is the main strength of the book which, despite its weaknesses, is certainly an original, detailed and well-researched account of a much analysed topic.

HELEN XANTHAKI
University of London

The Futures of European Capitalism, by V.A. Schmidt (Oxford: Oxford University Press, 2002, ISBN 0199253684); ix+357pp., £12.99 pb.

Vivien Schmidt asks a very topical and interesting question: what effects did the combined forces of Europeanization and globalization have on the policies and problem-solving capacities of national welfare states. She argues that there are neither signs of a regulatory or fiscal 'race to the bottom', nor of a convergence of national regulations or policies because of overwhelming external pressures. Rather, national welfare states are certainly transformed by processes of Europeanization and globalization, but these transformations are shaped by nationally diverse political pressures and by different national ideas and discourses.

Schmidt supports her perspective with a comparative analysis of three major European nation-states with paradigmatic strands of capitalism: France and its state capitalism, the UK with its market capitalism, and Germany with its managed, corporatist capitalism. She also analyses the transformation of these national economies on three different levels: the adjustment of national economic policies in response to the pressures of Europeanization and globalization, the impact of changing national policies on national economic practices; and the national discourses that serve to generate and/or legitimate the changing national economic policies and practices. Schmidt argues that Germany, with the exception of monetary policy, did not change its policies, France did change but with some important exceptions, Great Britain changed early on. These differences are due to the national transformative discourse, which Margaret Thatcher successfully inaugurated in the UK, which in France was able to change the policies but not to legitimize them, and which in Germany even recreated the traditional discourse detrimental to any change at all.

The strengths of this book are its rich empirical basis and its comparative design. A thorough theoretical discussion of the effects of globalization and Europeanization is confronted with numerous empirical examples from a wide array of policy areas. Furthermore, the book gives a very neat and useful summary of the arguments in the debate on globalization and national welfare states.

However, this empirical richness is the major weakness with respect to the theoretical argument. If the book is to show that national discourses are the central explanatory variable with respect to the successful transformation of national welfare states, it should have focused more on the empirical support of this theoretical claim. Most of the empirical material in the last chapter is sketchy and sometimes inconclusive, especially if one wants to show that these discourses are not mere 'cheap talk'. The empirical support should have been more structured, and more focused on the point of rejecting the 'cheap talk' argument. But this would certainly have necessitated a second major book.

DIETER WOLF

Technical University Munich

The Euro: European Integration Theory and Economic and Monetary Union, edited by A. Verdun (Lanham: Rowman & Littlefield, 2002, ISBN 0742518841); xiii+282pp., £19.95 pb.

Economic and monetary union (EMU) has inspired many scholars to move beyond the conventional frameworks of traditional integration theories. *The Euro* addresses this problem in a threefold way: it assembles research on the theoretical explanation of EMU, accountability and institutional questions, and case studies on national preference formation. While the first part mainly questions the usefulness of neofunctionalism and intergovernmentalism, the second introduces concepts and approaches which have developed out of the study of EMU. The book concludes that European integration is characterized by complexity and that therefore one has to incorporate different theoretical lenses in order to explain EU decision-making.

Whilst this collection does provide a rich contribution to the theoretical debate on EMU and the integration process in general, the case studies on accountability and individual countries seem even more relevant. In this part of the book, Peter H. Loedel applies a multi-level governance framework to the independence of the European Central Bank (ECB). This allows him to point to the 'federalist structure' of the ECB, which found its institutional arrangement within the construction of the European System of Central Banks. Loedel argues that Member State executives 'whether within Ecofin-12 or the national central bank governors in the Governing Council of the ECB, do remain influential' (p. 142), even though the ECB's main concern lies with price stability.

In his chapter on macroeconomic preferences and Europe's democratic deficit, Erik Jones makes a plea for the political independence of the ECB by arguing that critics of the bank's independence are mistaken in assuming that voters would like to trade off inflation against unemployment. 'The assumption that macroeconomic outcomes are the subject of direct and relative preferences within the democratic electorate is simply incorrect' (p. 147). The chapter concludes that one should focus on the distributive preferences of the electorate instead, which leads to questions such as whether EMU was underwritten by a Europe-wide distributive coalition.

Amy Verdun has gathered a number of valuable contributions to the discussion of EMU, covering both theory and practice. The book also offers interesting case studies on national preference formation regarding Maastricht and post-Maastricht issues in France, Germany and Italy. Altogether this is a very valuable volume, which should be of interest not only to EMU specialists, but also more generally to those concerned with integration theory.

MICHAEL J. STEFFENS
University of Sheffield

Social Indicators: The EU and Social Inclusion, by T. Atkinson, B. Cantillon, E. Marlier and B. Nolan (Oxford: Oxford University Press, 2002, ISBN 0199242491 hb, 0199253498 pb); xvi+240 pp, £45 hb., £18.99 pb.

'Social Europe' has made great strides in recent years, with the adoption, first, of the European Employment Strategy and, since 2001, of national action plans for social inclusion. Taking the social agenda forward was very much a priority of the Belgian Presidency in the second half of 2001, especially of its energetic (and academically inclined) Minister for Social Affairs and Pensions, Franck Vandenbroucke, who (along with one of his ministerial colleagues) commissioned two key studies to reinforce the political initiatives.

This book, which looks at the use of social indicators in formulating and monitoring social policy, results from one of these studies. Its purpose is both to review the principles underlying the construction of policy-relevant indicators and their use, and to put forward specific proposals for a range of such indicators that could be used in the EU context. The challenge is to define variables which can be systematically measured and kept up to date, while also being flexible enough to accommodate differences in circumstances between Member States. As might be expected from a group of experienced experts in the field, the approach taken is very much a

pragmatic one. They draw on the extensive academic literature and the varied experience of the Member States of the EU to narrow down the list of potential indicators across a range of social policy domains.

A three-tier approach is then put forward and developed for use in EU policy-making. It comprises, first, a restricted set of 'lead indicators' intended to provide unambiguous monitoring of key policy targets. An example of a 'level I indicator' is poor housing, where the proportion of households in accommodation that lacks specified basic amenities might be used. To complement these headline variables, a second tier of indicators would be used to extend the analytic content, although the authors warn against proliferation. As an illustration, the extent of over-crowding in households is suggested as a way of picking up wider aspects of housing deprivation. The third proposed level is indicators specific to the Member State, thereby taking account of national diversity, although the authors hint at the scope for policy learning in keeping with the spirit of the open method of co-ordination.

The authors had the instant gratification that their work was commissioned as part of a policy process that led to an agreement at the Laeken European Council. The clarity of the exposition in the book no doubt helped, and for anyone who is interested to see how academic analysis of a tricky social science problem can be set out in a manner helpful to policy-making, this is a good model.

IAIN BEGG

London School of Economics

Environmental Policy: Implementation and Enforcement, by N. Hawke (Aldershot: Ashgate, 2002, ISBN 075462067 hb, 0754623114 pb); xxii+392 pp., £60 hb, £25 pb.

As its title suggests, this is not a book that sets out to provide detailed knowledge of substantive environmental laws or policies. Instead, the author examines the factors that shape both the development of environmental policies and the influence that those policies subsequently exert on the introduction and enforcement of environmental laws. That said, the book also includes two chapters in which the author examines these issues in relation to two specific subject areas, namely air pollution and landscape use. The book then concludes with an innovative, though fictional, case study of the decision-making processes that would be involved in relation to a proposal to build a large pulp mill on an estuarine site in England.

Throughout the book, the author primarily focuses on the environmental policies and laws of both the European Community and England and Wales. The author also introduces some comparisons with other Member States and with the United States and Canada. However, in practice, references to the United States and Canada are relatively brief, so readers are likely to gain most from the evaluation that is undertaken of legal developments within Europe.

For readers, the value of this book lies particularly in the insight that it provides into the factors that influence policy-makers, legislators and enforcement agencies. As the author highlights, this influence affects not only the content of particular legislative measures, but also the structure within which the law operates, such as, for example, the move away from purely command and control measures, towards more economically based measures. The author here examines both the range of

economic measures that have been used and also the manner in which they interact with other types of regulatory measure.

The publishers state that the book is aimed at scholars of environmental law and policy, and also governmental and environmental agencies. In practical terms, however, the book is likely to be of most value to readers who already possess a basic knowledge of substantive European Community environmental law. This is because the author, throughout the book, draws upon specific legislative measures to illustrate particular points. These examples are drawn from a broad cross-section of the sectors of environmental law. However, the author does not have the space to examine fully the manner in which each substantive provision operates. Overall, however, readers are likely to find that the author has provided a very thought-provoking book which gives useful insights into the development of environmental law and policy.

BRIAN JACK

Queen's University of Belfast

Wiring Europe: Reshaping the European Telecommunications Regime, by G. Natalicchi (Boulder, CO: Rowman & Littlefield, 2001, ISBN 0847699099); xiv+2202 pp., £20.95 pb.

This book examines telecommunications law from the perspective of a political scientist. The author, associate professor of political science at the University of Florence, analyses the dynamics of telecommunications decision-making at the EU level and identifies the key players. He concludes that there are 'polycentric and multi-layered' phenomena involving not only governments and EU institutions, but also international organizations (such as the International Telecommunications Union (ITU) and the World Trade Organization (WTO)). In addition players such as operators (public and private), manufacturers and trade unions have also played a role.

Even for those who (like this reviewer) have no special expertise in political science, the book gives useful details on the background to EC telecommunications law. After an introductory chapter outlining the aims of the book, chapter 2 describes the history of regulation at European level since the nineteenth century. The text concentrates on the last 20 years and the gradual dismantling of monopolies by 1998 (unfortunately the book does not cover the new package of directives adopted in 2002). The next chapter, on the international arena, is shorter. The author describes the Commission's use of WTO negotiations as a lever to advance liberalization, but does not dwell on bodies like the ITU or CEPT. The overall theme is industry's alliance with the European Commission against resistance from public monopolies and their governments. Chapter 4 examines how policies evolved at national level in four large Member States, and in particular how the German and French governments became more receptive to liberalization. As this change of heart was to be decisive, it would have been interesting to show its effects in chapter 2. Chapter 5 brings together the different strands of national and European policy-making and identifies the political phenomena observed (spillover effects, interstate bargaining, etc.) A final chapter offers conclusions, arguing that the reality is more complex than the theorists of political science (intergovernmentalists *v.* neo-functionalists) might suggest.

By its nature, the book examines how decisions were made, rather than asking if they were good ones. It is surprising how little detail there is on the positions of individual Member States, given the detail given in chapter 4. As a result, Member States and their subtly different views are often simply presented as 'the Council'. Even stranger, there is no mention of any Member State in the index, whereas several Directorates General of the Commission are listed. The work is useful, but disappoints in this respect.

BARRY DOHERTY

Legal Service, European Commission

Reluctant Europeans: Norway, Sweden and Switzerland in the Process of Integration, by S. Gstöhl (Boulder, CO: Lynne Rienner, 2002, ISBN 1588260364); x+269pp., £49.95 hb.

Those western European countries that have joined late or are still outside the European Union have received little attention in the integration literature, yet they provide very interesting cases to test competing theories of integration, most of which tend to assume that small, open economies face particularly strong incentives to join customs unions and single markets. This book takes up the challenge of accounting for their reluctance to join the EU for a long period or, indeed, to date. Over eight chapters, the book develops a theoretical framework combining materialist and ideational factors and applies it to an analysis of Norway, Sweden and Switzerland between 1950 and the mid-1990s.

The first two chapters begin by introducing the puzzle of why small, open, highly industrialized countries have consistently proved to be 'reluctant' towards the EU and points to the failure of both rationalist-materialist and constructivist-ideational approaches, taken in isolation, to explain it. They then present a theoretical framework emphasizing the political constraints facing those countries which, according to the author, must be balanced against the economic incentives to provide a robust explanation of their integration policies. Chapters 3–7 test the model against the empirical evidence provided by key decisions in the respective countries' integration policies over the 1950–90s period, such as the creation of the ECSC and EEC, the UK-led applications to the EEC in the 1960s and the EEA negotiations in the 1990s. Gstöhl finds that her theoretical framework is able to explain a great deal of the variation within and between countries and argues that, by and large, 'the less important market access is and the stronger the domestic and geohistorical constraints are, the lower the level of integration aimed at, in terms of the scope of integration and the degree of institutionalization'.

This is a well researched and well organized book, which takes issues of theory and methodology seriously and provides a robust analysis of the integration policies of the main 'reluctant' countries. Although the author's argument is not counter-intuitive, it is a rigorous formalization of intuitive claims and provides a valuable contribution to the theory of integration. By demonstrating that elements of both rationalist and constructivist approaches, on the one hand, and of international relations and comparative politics, on the other

hand, can be successfully combined in a soundly-operationalized theoretical framework, Gstöhl also offers an important contribution to the current theoretical and methodological debate in political science. This book deserves to be widely read, not only by those with an interest in one of the three countries, but more generally by all students of European integration.

PAOLO DARDANELLI
University of Kent

Germany's European Policy: Perceptions in Key Partner Countries, edited by M. Jopp, H. Schneider and U. Schmalz (Bonn: Europa Union Verlag, 2002, ISBN 3771306116); 280pp., €28 pb.

Since unification Germany has become bigger 'but also less resourceful', as the editors of this book rightly say. Nevertheless, as the chapters demonstrate convincingly, the prevailing perceptions of Germany in 11 of 14 EU states treated here, as well as in Poland, the Czech Republic, Hungary, the US and Russia, remain fundamentally ambivalent. As William Paterson and Valérie Guérin-Sendelbach show for Britain and France, the larger EU states still fear a potential German hegemony. More recently, their fears have no doubt been aggravated by the nationalist and unilateral inclinations of the current German chancellor. At the same time, historical experiences and collective memory still influence the perceptions of Germany in several smaller neighbouring countries like the Czech Republic (Vladimir Handl). In other smaller countries like Portugal (Alvaro de Vasconcelos), previously positive perceptions dating back to German assistance in democratic transition and European integration in the 1970s and 1980s, have become more ambivalent because of greater German self-assertion over issues such as future subsidies to backward regions in western Europe after EU enlargement.

Many of the chapters in this book provide interesting insights into perceptions of Germany in many of its partner countries. The geographical coverage is fairly complete, although it would clearly have been desirable to include at least one or two non-European countries other than the US. The book has other significant shortcomings, however. First of all, the editors do not actually define and develop the concept of 'perceptions' in any detail in their introduction. Perceptions would seem to matter much more in constructivist than realist or liberal intergovernmental accounts of European integration and policy-making. Yet, neither the editors nor the contributors make any attempt to relate their findings to these larger theoretical debates. Moreover, the editors claim that all authors were asked to discuss perceptions of Germany among political elites, the general public and academics (since when do they matter?). Many authors do not deliver on this promise and at times fall back on a traditional discussion of the evolution of bilateral relations instead of systematically analysing perceptions. The absence of a clear theoretical and conceptual framework, combined with the lack of consistency across the chapters, make this book much less useful than it might otherwise have been.

WOLFRAM KAISER
University of Portsmouth

Notes for Contributors

1. Manuscripts of mainstream articles, shorter manuscripts for European Agenda and correspondence relating to the Journal should be sent to the Editorial Assistant, *JCMS*, Room A64 Arts A, University of Sussex, Falmer, Brighton BN1 9SH.
2. Manuscripts are welcome on all areas covered by the Journal as set out in the policy statement on the inside front cover. Manuscripts should be original work, and submissions will be taken to mean the work is unpublished and not under consideration for publication elsewhere.
3. **Three** copies of any manuscript should be submitted. Each copy must have text on one side of the paper only, using double spacing throughout (including any footnotes and references). Authors should indicate the length (in words) of the article and the inclusion of any diagrams. Any figures to be included should be in black and white. Articles should be accompanied by a separate note of the author's name, affiliation and full contact details (including email address), as well as a separate abstract (not exceeding 100 words) which summarizes the argument. Articles should be written to facilitate anonymous refereeing (i.e. avoiding 'as I have argued previously'; 'drawing on my recent work', etc.).
4. Mainstream articles should not exceed 8500 words, *inclusive* of footnotes. Manuscripts exceeding this length will not normally be accepted.
5. Shorter research notes, short notes raising matters for scientific debate, and occasional reviews of important policy developments are published in European Agenda. These should not exceed 4000 words.
6. Bibliographical references should be incorporated into the text using the author-date system, with page numbers where necessary. All references should be listed alphabetically at the end of the article. For journal articles, the volume and issue number, month and year of publication and inclusive page numbers should be provided. Bibliographical references should follow the style used in this issue.
7. Footnotes should be numbered consecutively, and should not solely comprise references.
8. Manuscripts which do not conform to this format, if accepted, may be subject to delay, since it is not possible to have them typeset until suitable copy has been supplied.
9. The Journal is indexed in the Journal of Economic Literature and in ABC POL SCI: A Bibliography of Contents – Political Science and Government.
10. Each article contributor receives 20 free offprints of his or her article, together with a copy of the issue in which it appears. Each review contributor receives 4 free offprints of the review section together with a copy of the issue in which his or her review appears.

Books for Review

Copies of books for review should be sent to the Review Editor, Journal of Common Market Studies, UACES Secretariat, King's College, Strand, London WC2R 2LS, UK.