Acta Politica (2024) 59:847–865
https://doi.org/10.1057/s41269-023-00313-7

ORIGINAL ARTICLE

Using go-it-alone power to overcome intergovernmental deadlock: national vetoes, credible threats, and multi-speed Europe in the British budgetary rebate crisis

Lucas Schramm[1]

Accepted: 15 August 2023 / Published online: 26 September 2023

Abstract
Differentiated integration, and the prospect thereof, is a prominent feature of European integration and policymaking. This article theorizes and demonstrates an explicit link between the threat of differentiated integration and the resolution of major European integration crises. Based on archival sources and secondary literature on differentiated integration, it shows how and why, in June 1984, the United Kingdom and Prime Minister Margaret Thatcher agreed to increase the European Community's (EC) financial resources, despite their years-long insistence on budgetary restraint and their formal right to veto such a decision. The article argues that the prospect of a 'multi-speed' Europe, represented by Franco-German 'go-it-alone' power, threatened to exclude recalcitrant member states. Lacking more promising alternatives to continued membership in a reformed EC, the British government consented to European financial objectives. It also joined the other national governments towards deeper political integration and, eventually, a European Union, despite its actual rejection of European federal ambitions. The article's theoretical expectations and empirical findings on ways to overcome intergovernmental deadlock based on formal national veto rights have broader implications also for more recent European integration crises.

Keywords EC/EU · Budget · Crisis · Power · Rebate · UK

✉ Lucas Schramm
lucas.schramm@gsi.uni-muenchen.de

[1] Geschwister Scholl Institute for Political Science, Ludwig Maximilians University, Oettingenstr. 67, 80538 Munich, Germany

Introduction

Addressing the European Parliament on 23 May 1984, France's President, François Mitterrand, suggested a multi-speed Europe to overcome the current political deadlock inside the European Community (EC). Speaking also in his function as rotating President of the European Council, Mitterrand wanted to terminate the dispute about the United Kingdom's (UK) contributions to the EC budget that had lasted for several years already. In that speech, Mitterrand insisted on Community "own resources" and, once again, rejected the notion of national "fair returns". He also called on "[t]hose of us who are interested" to draft a new treaty with the medium-term objective of creating a "European Union" (Bulletin 1984a, pp. 133–138). Around the same time, Germany's Chancellor, Helmut Kohl, signalized that the circumstances now were right to move forward with European integration. One month later, at the European Council in Fontainebleau on 25–26 June, the heads of State or Government of the 10 EC member states indeed put an end to the budgetary dispute and promised "relaunching" the Community (Bulletin 1984b, p. 8).

The Fontainebleau summit is remarkable in several respects, including the way there and its follow-up. At the summit itself, the UK's Prime Minister, Margaret Thatcher, obtained a quasi-permanent compensation to reduce Britain's contributions to the EC budget, hence the common term 'British rebate'. The European Council conclusions stipulate that from 1985 on, the UK "will receive two thirds (66%) of what it pays […] and what it receives from the Community budget" (Bulletin 1984b, p. 7). In return, Thatcher compromised on several points which she had hitherto rejected, but which other member states considered indispensable for the future of European integration: first, the Fontainebleau summit agreed to create new Community own resources. This was achieved by raising the ceiling of what member states transferred to the EC budget based on a harmonized rate of the value-added tax (VAT). Second, despite their stated commitment to "financial discipline", national leaders, confirming points of agreement reached during the previous months, underlined the secure financing of the Common Agricultural Policy (CAP). In the early 1980s, the CAP represented about 70% of Community expenditure.

Why was agreement in Fontainebleau possible? Why did Thatcher give in on these latter two points, despite her years-long opposition to both more Community own resources and the costly CAP? This article argues that building powerful member-state coalitions, which signalize "go-it-alone power" (Gruber 2000), can overcome intergovernmental deadlock and resolve political crises. In the present case, other national leaders were increasingly frustrated with the British budgetary rebate question and Thatcher's vigorous appearance, which some considered "non-communautaire" (Wallace 1983, p. 100). Most notably, France and Germany, despite having individual policy preferences that often were closer to those of other member states (Simonian 1985, pp. 290–295; pp. 327–330), developed a joint interest to overcome the crisis and rallied their political and financial resources. In the run-up to the Fontainebleau summit, Chancellor Kohl sided with the French government advocating for more EC own resources, while Mitterrand suggested greater use of majority voting (Taylor 1989). Insisting on the Community's founding principles, France-Germany indicated that they were ready to move to a higher level of integration to realize them, if necessary, within a reduced group of core member states.

Discussions about the British budgetary rebate, which had occupied and paralyzed the EC for several years, were of major importance for the Community and its member states. Questions of revenues and allocation are contentious points in every political system. This especially holds for an emerging polity like the EC and today's European Union (EU), where budgetary competences are divided between various levels of government (Laffan and Lindner 2020). Moreover, the British demands for a fixed and permanent rebate called into question the EC's existing budgetary system, including the principles of own resources and the financing of communitized policies like the CAP (Wallace 1983). Following the Treaty of Luxembourg from 1970—the First Budgetary Treaty—the EC budget rested on two sources of revenue (Laffan 1997, p. 41): first, national contributions in the form of a VAT rate were not to exceed 1% of a country's yearly economic output. Second, member states collected own resources in the form of levies on agricultural and sugar trade and customs duties on trade with third countries, which they then transferred to the EC. 'Own resources' thus marked the gradual transition from national contributions to an autonomous system of Community financing.

Contemporary observers (El-Agraa 1985) and later scholars (Ludlow 2020) suggested that Thatcher essentially got her way and the UK 'won' the budgetary negotiations. Leaving the Fontainebleau summit, Thatcher herself declared that the UK "has made a good deal" (as cited in Der Spiegel 1984; my translation). By contrast, this article shows that the UK made at least as many concessions as the other member states, despite having a formal veto right on Community revenues. This becomes obvious when comparing the agreement reached in June 1984 with the original British demands and the offers that Thatcher had turned down 3 months earlier at the Brussels European Council. Facing a united front of other member states, already in Brussels Thatcher accepted the notion and continuing existence of 'own resources' in the sense that any British rebate would only be based on its VAT contributions and not, as hitherto claimed, also on agricultural levies and customs duties. Most consequentially, Thatcher accepted concrete provisions for EC institutional reform. Following the Fontainebleau conclusions (Bulletin 1984b, pp. 9–10), member states set up an "ad hoc committee […] to suggest ways of improving European cooperation". During the next 2 years, this so-called Dooge Committee would pave the way for the Single European Act and deepened integration, including greater applicability of majority voting and more powers for the European Parliament (Moravcsik 1991).

Thus, to settle the budgetary dispute, the British government approved an increase in EC revenues that it did not like and participated in federal plans that it did not want. A rational-choice perspective on differentiated integration (Kölliker 2001) suggests that lacking more promising alternatives to continued membership in a reformed EC, the British government consented to European financial and political objectives. The precondition for these British concessions was that other national governments had established a powerful coalition defining and sharing common interests, namely, to sustain key Community principles and overcome intergovernmental deadlock. It was France and Germany who, demonstrating "go-it-alone power" (Gruber 2000; Moravcsik 1993), signalized that they were determined to move on with European integration, if necessary, without recalcitrant member states like the UK. Eventually, the British government chose participation in a reformed and deepened EC to exclusion from the core of Europe. To develop and test its arguments, this article makes use of a wide range of primary sources including archival material, European Council conclusions, national policy documents, contemporary speeches, and the memoires of leading policymakers. Relevant data were found in the Historical Archives of the European Union in Florence and the 'Frankreich-Bibliothek' of the French-German Institute in Ludwigsburg. Thus, the article presents new archival material to provide a nuanced, theoretically informed and empirically grounded assessment of the British budgetary rebate crisis. It considers the rebate crisis as one instance of a larger universe of potential cases. Accordingly, the article suggests several theoretical expectations, causal mechanisms, and empirical manifestations for how a crisis—defined as intergovernmental deadlock over a key topic of European integration—comes about, intensifies, and might be overcome.

The expectations and insights from the British budgetary rebate crisis have broader implications for European integration and today's EU. From a theoretical perspective, the prospect of differentiated integration can help overcome moments of intergovernmental deadlock, which are characterized by long and difficult negotiations and risk leading to collectively suboptimal policy outcomes. Indeed, irrespective of the prevailing legal rules, differentiated integration, possibly in combination with issue linkage and shifts of the decisional arena, represent a form of "subterfuge" to circumvent formal national veto rights (Héritier 1999). Empirically, signalizing 'go-it-alone power' requires a group of actors that is able and willing to alter the status quo in order to confront recalcitrant member states with stark choices. This group must develop common interests and go beyond strictly defined individual national preferences. Constituting such a "critical size" (Gruber 2000) usually involves the EU's largest member states, such as France and Germany, possibly in combination with other member states or supranational actors like the European Commission.

Go-it-alone power, or: how to overcome intergovernmental deadlock during European integration crises

Go-it-alone power and, related to it, (the prospect of) differentiated integration are ambiguous and contested concepts in the European integration literature. On the one hand, scholars argue that a group of member states moving ahead with integration is beneficial for the entire polity since it allows for progress despite the heterogeneity of national preferences (Kölliker 2001; Leuffen et al. 2021, p. 6). A multi-speed Europe might also create competition and set incentives for the 'laggards' to catch up with the frontrunners, both politically and economically. Others, however, warn that differentiated integration triggers frustration among the ones overruled or left behind which, in the longer run, might even drive the polity apart (Leuffen et al. 2021, p. 6). Some member states going it alone, another argument goes, leads to collectively suboptimal outcomes. This is because every such group of countries will necessarily be either too small and weak to produce public goods or too large and heterogenous to realize effective policy or institutional innovation (Biermann 2023).

Remarkably, scholars so far have paid less attention to go-it-alone power and (the threat of) differentiated integration for the management of major European integration crises. This article establishes such an explicit link and contributes to an important research agenda (Leruth and Lord 2015) in that it documents how go-it-alone power and forms of differentiated integration work in practice and help resolve European integration crises. Such crises are characterized by intergovernmental deadlock due to different opinions on how to deal with the problems and challenges at stake. To be sure, some scholars suggested that France and Germany exercised go-it-alone power during the Euro crisis when, in the face of a UK veto about a revision of the European treaties, they implemented the planned 'fiscal compact' on an intergovernmental basis within a coalition of like-minded member states (Schild 2013). Similarly, media reports showed that when, in December 2020, Hungary and Poland threatened to veto the EU's Covid-19 financial recovery plan, several other member states indicated their determination to implement the plan outside the regular European treaty framework (Fleming and Khan 2020). These more recent instances document the theoretical relevance and practical importance of the interplay between intergovernmental deadlock, go-it-alone power, and (the prospect of) differentiated European integration. However, scholars so far have not explored in greater detail the precise means and ways that powerful member states might employ to overcome integration crises based on formal national veto rights.

Go-it-alone power refers to the capacities and willingness of a group of actors in international relations and regional politics to alter the status quo, irrespective of the preferences of the other actors concerned (Gruber 2000; see also Moravcsik 1993). Such powerful actors share the interest to realize certain policies and pursue polity development. Their motivation also results from the shared determination to overcome intergovernmental deadlock. In the European context, lacking a single dominant actor, go-it-alone power usually is exercised by a group of member states. Most of the time, such powerful actors include France and Germany as founding and the two largest member states of the various European Communities including today's EU. One prominent example of Franco-German go-it-alone power is the creation of the European Monetary System in the late 1970s: once France and Germany had aligned their currencies and made the respective institutional arrangements, also recalcitrant countries like Italy and, later, the UK decided to join because the prospect of being left outside was even worse than participating in the new, disliked system (Gruber 2000, pp. 169–248). While Gruber's example concerns European policymaking in a specific policy field during 'normal' times, this article operationalizes and applies the notion of go-it-alone power and the prospect of differentiated integration to a particular bargaining situation, namely crisis politics, which is characterized by intergovernmental deadlock based on different national preferences and veto rights.

Importantly, exercising go-it-alone power does not necessarily require the actors to fully harmonize their policy preferences. As this study documents, France and Germany held different preferences on almost every *practical* policy issue (Simonian 1985, pp. 290–295; pp. 327–330). Throughout the budgetary rebate crisis, they did not agree on aspects related to the CAP or the Community's overall expenditure, and at times not even on the question of Southern enlargement to include Portugal and Spain. However, France and Germany shared *substantial* considerations that the Community's founding principles must not be undermined or altered (FAZ 1984). This notably included the notion of own resources. In addition, with the crisis enduring and worsening, France-Germany, together with other like-minded member states, developed the shared determination to end the budgetary dispute and focus attention to other Community policies. This included the prospect of putting the EC on a new political and, if necessary, legal basis.

The following sections suggest a theoretical model, consisting of four parts, on how intergovernmental deadlock comes about, how and why it deepens, and how it can eventually be overcome. The model is based on secondary literature concerned with European-level politics, bargaining theory, and power dynamics (Héritier 1999; Kölliker 2001; Leuffen et al. 2021). The decisive factors and mechanisms include (1) the informal or formal possibility for a national government to *oppose* European-level measures; (2) the agreement within a powerful group of member states that the *status quo* has become intolerable and must be overcome; (3) *credible threats* to initiate a multi-speed Europe; and (4) the *fear of falling behind* prompting the recalcitrant government(s) to make concessions.

First, European integration progresses to the extent that there is a minimum convergence of national preferences. This is necessary to meet the legal and political requirements for common measures and reforms. If national preferences are irreconcilable, common measures are not possible and European integration stagnates. There is an *informal* obstacle to European-level measures. This relates to the practice in intergovernmental bodies like the Council of Ministers to make decisions by consensus, irrespective of the applicable Treaty rules. There are two main reasons for this practice (Hayes-Renshaw and Wallace 2006): first, national governments that are part of a majority for the current topic still tend to refrain from voting because they might find themselves in a minority position on another topic. Second, irrespective of the successful vote, the Community still depends on national governments to implement the decision, which might turn out to be difficult if the outvoted governments consider the vote illegitimate. Beyond this informal practice, there is a second, more *formal*, and thus more powerful obstacle to European-level measures. This relates to the national right of veto (Héritier 1999, pp. 14–16). As some Community policies, like raising the EC's financial revenues, require unanimity, every member state can oppose the measure. Somewhat in between these formal and informal rules lie matters of 'key national interests'. Since the Luxembourg Compromise of 1966, national governments asked for further deliberation or a postponement of the decision if they considered the matter discussed to affect their national sovereignty. Importantly, the Luxembourg Compromise had never been codified and can be disputed by other member states (Moravcsik 1991). In sum, a national government has different possibilities to oppose or at least hamper European-level measures, the result of which will be *intergovernmental deadlock*.

Second, if no (coalition of) member states have the will and means to find alternative ways, the intergovernmental deadlock endures, and no common measures are adopted or implemented. Alternatively, a group of member states might consider the current situation to be intolerable and advocate *change to the status quo*. This group must be homogenous enough to develop shared interests and a common understanding of the situation (Leuffen et al. 2021, p. 82). Again, this does not necessarily imply a full harmonization of individual policy preferences. Rather, it requires that these member states develop an overall interest to alter the status quo. In addition, the group must be large and powerful enough to realize the alternative pathways. Rallying a sufficient number of actors (and votes) usually requires having aboard the largest member states. This gives greater credibility to the enterprise and reduces the risk of facing a blocking minority in the medium term or on other issues. At this stage, the alternative pathways of action are still limited to individual policy measures and might be restrained to bargaining practice. Altering the "decision style" (Falkner 2011, pp. 11–13), member states might move from consensus culture to confrontation and majority voting.

Third, if the underlying problems are not settled, the subgroup of member states might look at other, more advanced ways to escape deadlock. This step requires still more material resources and political commitment. If the recalcitrant government has available other and more credible threats than before to oppose European-level measures, the subgroup for its part also needs to develop more *credible threats*. Credible threats on the part of the recalcitrant government might include a formal veto right on a decision that the other member states consider important. Not having any (legal) means to overrule the recalcitrant government on that decision, the subgroup might turn to creative "escape routes" (Héritier 1999, pp. 6–12). Forming an "alternative coalition" (Moravcsik 1993, pp. 502–504), it threatens to exclude the recalcitrant government. This threat of exclusion can concern the allocation of financial resources, for instance via the European cohesion funds. It can also relate to shifting decisional arenas and cooperating more closely in other policy fields within a subgroup of member states. As an ultimate means, the threat of exclusion implies moving on with European integration on a different political and/or legal basis. Signalizing go-it-alone power, the subgroup changes the calculations of the recalcitrant government in that the status quo ante is no longer available (Gruber 2000, pp. 7, 47). The recalcitrant government decides to join (not to join) the subgroup if it considers participation to be less (more) costly than being left behind. Either way, the recalcitrant government cannot prevent the others moving ahead. In the case of the Euro crisis cited above, the UK decided not to join the fiscal compact because it considered the costs to exceed the benefits. Go-it-alone power is more credible the less the recalcitrant government has available more promising individual alternatives and the more it depends on continued membership in the core group.

Fourth, if the recalcitrant government fears *falling behind*, it wants to join the other member states. This might mean that it gives up its opposition and former claims and supports European polity development. Due to the large domestic political pressures and reputation costs involved, however, the government is likely to continue seeking to realize most of its demands. This notably relates to policies where it has a formal veto right thanks to the underlying requirements for unanimity. In any event, in order not to be excluded by the pioneer group, the recalcitrant government makes several important concessions, deviating from its originally declared demands and objectives. These concessions usually exceed those made by other member states. Most importantly, the recalcitrant government approves the key considerations that the pioneer group has shared and defended. This leads to a *confirmation* and *strengthening* of Community principles in the longer term (Kölliker 2001). In addition, the European polity might take a new shape, with policy and institutional innovations being realized.

The following sections scrutinize the emergence, development, escalation, and eventual resolution of the British budgetary rebate crisis. They document how the other member states first overruled a British blockade on the yearly CAP prices and later circumvented the UK's formal veto threats. Following a roughly chronological order, the period of interest extends from June 1979 to June 1984. Carefully tracing the important events, actors, and their interactions (Beach and Pedersen 2019), these sections put the theoretical model outlined above to the test with the empirical record. The British budgetary rebate crisis, and its eventual resolution, serve as a "typical" or "pathway" case for the suggested theoretical model (Gerring 2017, pp. 56–58, 105–114). Thus, the theorized expectations and mechanisms, together with their concrete empirical manifestations, allow for some (tentative) inferences also to other cases.

Intergovernmental deadlock

The UK's new Prime Minister, Margaret Thatcher, raised the British budgetary question for the first time at the European Council of national heads of State or Government in Strasbourg in June 1979. At the next European Council in Dublin in November 1979, Thatcher escalated the conflict when she demanded a permanent British compensation ('rebate') to its contributions to the Community budget and a general restructuring of that budget. Famously asking "our own money back", Thatcher called for EC expenditure to be limited and for the proportion devoted to agriculture to be reduced (as cited in Gowland 2017, pp. 219–225).

In fact, the British budgetary contribution had been a simmering conflict since the UK's accession to the EC in 1973. Unlike other EC member states, the British economy imported much food and goods from third countries, notably the Commonwealth of Nations, while it had a small agricultural sector. This meant that the UK transferred large shares of agricultural levies and customs duties to the Community budget but received little funding from the CAP. As a result, the UK, despite being one of the poorest EC member states in terms of GDP per capita, was the second largest contributor to the Community budget, next only to Germany (Denton 1984, p. 120). The reason for this situation was that the UK joined the Community *after* the most critical rules and provisions had been established. The EC's six founding member states, notably France, had made sure that the Community's financial system, including the CAP, were fully operating starting from the early 1970s (Spence 2012). This created an important cleavage, as the 'old' member states sought to defend the EC's budgetary order while some of the 'new' member states, notably the UK, challenged key principles thereof.

Soon after the UK's entry, the Labour government at the time promised to renegotiate Britain's budgetary terms and hold a referendum on continued EC membership. After the other member states had conceded a budgetary mechanism to correct strong imbalances, two-thirds of British citizens voted in favor of continued EC membership (Lindner 2005, p. 117). However, during the following years, the correction mechanism proved largely ineffective mostly due to rising CAP expenditures. From the beginning, the British interpretation of its budgetary 'problem' and the suggested 'solution' to it caused reservations in some member states and rejection in others. This was because of the tendency to assess the costs and benefits of membership primarily in financial numbers. As Spence (2012) notes, such a "book-keeper's approach" considers direct payments and receipts as a zero-sum game. Such an approach is not limited to the UK nor to a country's annual contributions to the European budget but has become a more general feature of European integration (see below).

Another central contentious point was that Thatcher and her government considered agricultural levies and customs duties as *national* contributions. Most other member states, by contrast, insisted on the autonomy of Community own resources and argued that levies and customs were common revenues collected by member states only on behalf of the Community. Most explicitly, France and Germany, as founding members of the earliest European Communities, stressed that the EC's core principles were not open to debate. Therefore, these countries rejected a general and permanent reduction to the British contributions to the Community budget (George 1998, pp. 154–155). According to Rice (2015, p. 311), Germany's Chancellor during the early stages of the crisis, Helmut Schmidt, countered Thatcher's calls for a British rebate with the following words: "If everyone was to ask for their money back, the Community would be bankrupt within a short time." Most recently, the Covid-19 pandemic triggered similar discussions when national governments, in the context of the Next Generation EU recovery plan, agreed on the creation of new own resources to finance the economic recovery; however, it is not yet clear how these additional resources will be raised (Schramm et al. 2022).

To emphasize its claim for a rebate, the British government repeatedly threatened to block the EC's yearly decisions on agricultural price levels. The price levels were the cornerstone of the CAP system, with agricultural ministers usually taking their decisions by consensus. In this way, the British government sought to establish a link between the agreement on CAP prices and concessions to its budgetary claims. As a result, between 1979 and 1984, the UK several times negotiated a temporary reduction of its budgetary contributions. In May 1980, member states agreed to reduce British contributions by two-thirds for the following 2 years. In June 1982, the UK obtained another temporal reduction, this time for 1 year (Gowland 2017, pp. 226–227).

Intolerable status quo

Due to the significance of the CAP for most member states, agreement on the yearly agricultural price levels was crucial. Over time, however, the other member states became increasingly frustrated with the UK's opposition and its threat to make consent to the CAP conditional on a budgetary rebate. Most national governments stressed the importance in budgetary terms of own resources. In addition, some governments also sought to oppose the British rebate on rhetorical grounds (Lindner 2005, p. 119). This rhetorical move not only served to (over-) emphasize differences between opposing actors but also to close ranks among like-minded actors. For instance, by drawing on notions of fairness and equity between national payments and receipts, French policymakers accused the UK to violate key principles of the Community's financing system. In early 1982, France's Minister of Agriculture, Édith Cresson, declared that her country opposed any notion of "juste retour", that is, the idea that a member state must get back the same amount from the EC budget that it had paid in (Le Monde 1982). Similarly, Foreign Minister Claude Cheysson stressed that "juste retour" was not a community idea and suggested that the British government and the other member states were not speaking of the same community (L'année politique 1982, p. 209).

The British government, for its part, tried to frame the budgetary issue as a general Community problem. Along these lines, the UK's Foreign Minister, Geoffrey Howe, argued that the British demands concerned the entire Community and renewed the call for an "upper limit on the net budgetary burden" (Howe 1984). Other national governments, however, mainly referred to a *British* problem and considered the notion of a budgetary *burden* as inappropriate reductions of what Community actual membership meant and entailed (Wallace 1983, p. 100). Moreover, J. Ørstrøm Møller, head of department at the Danish ministry of foreign affairs, complained that the discussions about "net contributions" not only restricted the perspectives for additional future Community policies as some member states made their approval of new policies dependent on immediate national material "benefits". In addition, discussions about budgetary effects on individual member states, especially in connection with the CAP—the only fully communized policy with its own budgetary logic—risks jeopardizing the "fundamental structure of the cooperation" (Møller 1982; my translation).

In a momentous move, the French government advocated for majority decisions on agricultural prices if the UK was to become isolated in the negotiations. After all, it was France that had 'invented' the Luxembourg Compromise in 1966. Ever since then, French policymakers had argued that when a government considers an issue discussed at the European level to affect its national interest, negotiations had to continue, and a decision based on majority must not be made. Redefining the scope of the Luxembourg Compromise, France now sought to alter its applicability (Editorial Comments 1982). Recent demands for greater use of qualified majority voting in matters of EU foreign policy or tax policies, often related to frustration about lengthy negotiations and occasional intergovernmental deadlock due to the prevailing unanimity rule, again suggest possible revisions in decision-making practices.

Indeed, in May 1982, the Belgian EC Council Presidency at the time called for an explicit vote. Forming a qualified majority, seven member states decided on the annual agricultural prices against the British representative, with also Denmark and Greece voting against (Wallace 1983, pp. 104–105). As noted above, this decision was in accordance with the European treaty rules but had not been practice before. Due to the political sensitivity of majority decisions and member states' commitment to abstain from voting if vital national interests were at stake, decisions were usually taken by consensus. In the present case, however, the other member states argued that annual agricultural prices did not constitute a vital British national interest.

According to Wall (2008, p. 13), surprised British civil servants reported back to their foreign ministry "that France and Germany had sided against the UK because they claimed that 'our use of the [Luxembourg] Compromise was not appropriate in our case because our motives were procedural rather than substantive and related to issues in a context other than that in which the Council was reaching decisions'". Bypassing a protesting British government, the other member states signalized that they were willing and able to override British obstruction to policies that they considered fundamental for their own interests and for the Community. They thereby also rejected the British attempt to link consent to agricultural prices with claims for its budgetary rebate (see also George 1998, p. 150). This episode shows that national interests and European decision-making practices are not fixed. Rather, a powerful coalition of actors can (re-) define the prioritization of these interests and the applicability of Community rules. Powerful actors can also link or de-link policy issues that they consider should or should not be dealt with together (Héritier 1999, pp. 11–12).

Shortly thereafter, however, the UK had a second and more credible threat potential. Rising expenditures mostly related to the CAP and the prospect of Southern enlargement brought the EC to the verge of bankruptcy. Its founding treaty prohibits the Community from running a deficit. Already in 1980, the European Commissioner responsible for the budget, Christopher Tugendhat, had warned that in a few years the Community might run out of money as its own resources will no longer be sufficient (Tugendhat 1980). Indeed, in 1983, the EC managed to balance the budget only by the artificial device of delaying some agricultural payments into the next year (Laffan 1997, p. 44). The European Commission, together with some member states, therefore advocated increasing the EC's revenues through a rise in the harmonized national VAT rate, which at the time could not exceed 1%. The approval to lift the revenue ceiling required—and today still requires—unanimity among member states. Thatcher signalized that she would make consent to an increase in the EC's financial resources conditional on the UK obtaining a general and permanent rebate to its budgetary contributions (Gowland 2017, p. 227).

The threat of multi-speed Europe

As a response, the other member states for their part increased the pressure on the British government to make concessions and find an agreement to the budgetary problem. Applying majority votes where they were possible, they had already demonstrated their determination to overcome British opposition on issues related to the CAP. Moreover, in the early 1980s several national governments were willing to give new impetus to the Community. Economically, the EC had shown weak growth rates for several years and had fallen behind in global competition. Politically, time-consuming decision-making processes, often due to unanimity requirements, and the forthcoming enlargement to include Portugal and Spain, made institutional reforms seem overdue. Importantly, the British government of Margaret Thatcher shared these economic concerns and advocated greater European market integration (Warlouzet 2018).

In 1981 already, the Foreign Ministers of Germany and Italy, Hans-Dietrich Genscher and Emilio Colombo, had drafted a “European Act” in which they called for more majority voting, more powers for the European Parliament, and the creation of a “European Union” (Bulletin 1981, pp. 87–91). The Genscher-Colombo initiative provided the impetus for the “Solemn Declaration” that the European Council of Stuttgart adopted in May 1983. This declaration had the explicit aim to “relaunch” the Community, including a possible change to the European treaties (Bulletin 1983, pp. 24–29). The initiative also indicated that the political spin and backing of a European relaunch would not only come from France and Germany but would also include other member states like Italy. The British government, however, spoke out against both treaty changes and deeper European political integration (Wall 2008, p. 8).

Against this background, several member states signalized their willingness to proceed with integration, if necessary, without the UK. Starting in 1981, the notion of a “multi-speed” Europe gained traction, implying that a subgroup of member states would develop and realize common policies and institutional reforms (Der Spiegel 1983; Le Monde 1984a). According to this article’s theoretical model, a coalition of actors, provided they are of a sufficient size and manage to define common interests and objectives, can alter the status quo for recalcitrant actors. This is because the coalition pursues and realizes objectives, irrespective of the preferences hold by the recalcitrant actors. The latter are therefore likely to re-assess the costs and benefits of participating in the coalition’s new undertaking.

Indeed, with most other national governments determined to overcome British opposition and to carry European integration to the next stage, the British government was concerned that it could be excluded from the core of European integration. Wall (2019, pp. 258–288) notes that so long as the dispute over its budgetary contributions continued, there was an increasing risk that some member states might take concrete steps in integration at the expense of others. Hence, contrary to what Ludlow (2020, pp. 66–67) suggests, the threat of a multi-speed Europe was well noticed: British government officials feared that the UK would be left behind when the Community moved on. On several occasions, Thatcher rejected the speculation that she considered a British withdrawal from the EC. This indicates that, irrespective of the quarrels about the British budgetary rebate, she rated continued membership more favorable than any outside option (see also Taylor 1989, pp. 3–8).

France and Germany were particularly determined to drive European integration forward, if necessary, without the UK, if no agreement was found on the budgetary dispute. They were the most important actors because both countries would have to pay most for any British rebate. Following Gruber (2000), France-Germany were of a critical size because their respective financial shares were necessary conditions for any solution to the budgetary question. This constellation did not imply that both countries shared the same policy preferences. There is ample contemporary evidence showing that the preferences held by France and Germany—in relation to the CAP, EC expenditure, enlargement, and Community institutional reform—actually were closer to those of other member states. Like the UK, Germany, which in absolute numbers was the largest contributor to the Community budget, criticized high EC expenditure (e.g., FAZ 1984; see also Simonian 1985, pp. 290–295; pp. 327–330). At important moments during the crisis, however, Germany opted to side with France, rather than with the UK. Taylor (1989, p. 7) calls this an exemplary instance of France and Germany deciding to join forces to overcome intergovernmental deadlock, despite having national (financial) preferences which might have suggested otherwise.

For their part, France's President Mitterrand and his ministers criticized a destructive British approach. Already in 1982, Mitterrand had suggested that it might be better for all parties if the UK ceased to be a full member of the Community and instead negotiated some "special status" (as cited in George 1998, p. 150). Speaking to the European Parliament in May 1984, he again insisted that agricultural levies and customs duties were Community own resources and as such could not be taken into account when calculating any national rebate. On that occasion, Mitterrand also underlined that France was prepared to "embark[ing] on fresh initiatives", including a new treaty on European Union, and to move on "in a Europe of different speeds" (Bulletin 1984a, p. 137). Concurring with Mitterrand, Germany's Chancellor Kohl said that circumstances now were right to move towards completing the European common market via institutional and legal reforms.

In the first half of 1984, Franco-German coordination on the budgetary crisis intensified, both at the administrative and the highest political levels. Mitterrand and Kohl met multiple times bilaterally and ahead of European Council meetings (Lind 1998, pp. 82–88). In his memoirs, France's Minister for European Affairs, Roland Dumas (2007, pp. 215–217, 385–396), lists several position papers and joint Franco-German initiatives outlining two scenarios: first, if agreement on the budgetary crisis was reached, the Community as a whole could embark on a European "relaunch" (*relance*). Second, if no agreement was reached, the French government would commence discussions on how those member states who were committed to further integration, excluding the UK, might move ahead. It is not clear how exactly these alternative pathways would or could have looked like. Dumas himself acknowledges that the European treaties do not entail any legal means to revoke a country's membership against its own will. However, referring to reflections made within the French foreign ministry, he points out the option of creating a new community, next to the existing European Economic Community, that would only include those member states that were ready for closer political cooperation (Dumas 2007, p. 215). Irrespective of the legal feasibility and political practicability of such reflections, Kohl and Mitterrand on several occasions underlined their commitment to speed up the European integration process. Notably, at their bilateral summit in Rambouillet in late May 1984, they agreed to remove identity checks at the Franco-German border from 1 July that year (Le Monde 1984b). This move paved the way for borderless travel on the European continent including, some months later, the Schengen agreement. This agreement was widely perceived as a key part of a broader European relaunch.

European polity development and strengthening

By the end of 1983, various issues had piled up on the European agenda. These notably included the British budgetary problem, an increase of the EC's revenues, and the future financing of the CAP. At the European Council in Brussels in March 1984, the other member states offered the British government a rebate of about 1000 million ecus (European currency unit, which was the European unit of account) for the current and the following year. This corresponded to approximately two-thirds of what the British government transferred to the Community and received back from the EC budget, thus its 'net' contribution payments. Thatcher turned down the offer, insisting on a larger amount and a general rebate. In a first important concession, however, she agreed that any British rebate would be based on the country's contributions in the form of the harmonized VAT rate, and not, as hitherto requested, also on agricultural levies and customs duties. Confirming a key principle of the EC's budgetary system, the British government accepted that levies and customs were own resources that it collected only on behalf of and then transferred to the Community (George 1998, p. 155).

At the European Council in Fontainebleau on 25–26 June 1984, the national governments finally settled their points of contention including the British budgetary question. The heads of State or Government agreed that "any Member State sustaining a budgetary burden which is excessive in relation to its relative prosperity may benefit from a correction at the appropriate time" (Bulletin 1984b, p. 10). They further reiterated that the basis for this correction was the gap between the share of a country's VAT payments and the share of EC expenditure in that country. With respect to the UK, the governments agreed that for 1984 it would receive a lump sum of 1000 million ecus. From 1985, the UK would receive an annual rebate of two-thirds of its normal VAT share in the EC budget. In return, contrary to her years-long position, Thatcher consented to an increase of the Community's revenues and to lift the VAT rate from one to 1.4% by 1986. The Fontainebleau conclusions also mention the possibility of a further increase of the VAT rate to 1.6% by 1988.

France and Germany were decisive for the settlement of the budgetary crisis. One British civil servant closely involved in the negotiations confirmed that "the only players in this final end-game of the 5-year match were the French, the Germans and ourselves" (as cited in Ludlow 2020, p. 64; see also Rice 2015, p. 326). The final text agreed in Fontainebleau was the result of a compromise found between French and British civil servants (Wall 2008, p. 31). In absolute terms, France and Germany would carry the largest shares of the costs of the British rebate. From 1984 onwards, France became a permanent net contributor to the EC budget. Germany, for its part, negotiated its own rebate so that its contributions to the British refunds would be limited to two-thirds of its normal VAT share. Nevertheless, Germany remained by far the largest contributor to the EC budget (Denton 1984).

At first view, one might argue that the Fontainebleau formula just confirmed what had been agreed or offered already at the Brussels European Council 3 months earlier. From a British perspective, however, the Brussels terms had been superior to the ones eventually agreed in Fontainebleau. Reports by British civil servants indicate that 3 months before, some national governments had been prepared to go beyond the lump sum of 1000 million ecus. After Thatcher had turned down this sum, they were not ready to renew this offer in Fontainebleau (Wall 2019, pp. 284–285). Moreover, already during the Brussels European Council, Kohl had threatened to walk away if the British government was not ready to compromise. He was again ready to do so in Fontainebleau if no final formula was to be found (Taylor 1989, pp. 7–8). Thus, in line with the theoretical expectations outlined above, there is evidence suggesting that Thatcher had "overplayed her hand" (George 1998, p. 157). With other national leaders holding firm and closing their ranks, she realized that the other member states were not ready to make similar, let alone any further concessions.

This corresponds to an assessment made by Le Monde (1984b) following the Fontainebleau summit. According to their calculations, had the new system already been in place during the previous years, the UK would have received a smaller budgetary compensation than it actually did. Indeed, lump sum payments to the UK notably in the years 1981 and 1982 exceeded 1000 million ecus and were expected to further raise in the following years (Denton 1984, pp. 118–119). In other words, the temporary rebates agreed in the period between 1980 and 1983 were more generous than the formula of an annual rebate totaling two-thirds of the British VAT share. Even more consequentially, in Fontainebleau Thatcher consented to "relaunching Europe" (Bulletin 1984b, p. 8) in that the European Council agreed to set up an ad-hoc committee—the later 'Dooge Committee'—to suggest future ways of European cooperation, including institutional and legal reform. Creating a new dynamic, the national governments in March 1985 would support an initiative from the Dooge Committee to complete the European internal market. A few weeks later, they set a concrete timetable for the 1992 single market program, including broader use of majority voting and extending the powers of the European Parliament (Moravcsik 1991, p. 40). In the medium term, the Fontainebleau conclusions thus paved the way for deeper European political integration.

Conclusions

This article has theorized and analyzed the implications and concrete manifestations of differentiated integration as a mean to overcome European integration crises, which are characterized by intergovernmental deadlock. In the concrete case, the article has shown how the fear of being left behind from the core of Europe led the British government to make several important concessions during the budgetary rebate crisis, which lasted from 1979 to 1984. Most notably, France and Germany, the two founding and financially strongest members of the European Community, threatened to "go it alone" (Gruber 2000), that is, to rally behind them a large number of other member states and put European integration on a new political and legal basis. That way, they removed the status quo ante—that of frozen EC revenues and agricultural decisions based on consensus—from the range of alternatives. In turn, facing high costs of exclusion in a "multi-speed Europe" (Moravcsik 1993, p. 503), the British government gave up its resistance to more Community revenues and European political objectives.

How and why was agreement and a resolution of the crisis possible? For several years, the British government threatened to hold back its consent for European-level measures if the other member states did not give it a fixed and permanent compensation ('rebate') to its contributions to the Community budget. This British linkage strategy for the first time backfired in May 1982, when the Council—against common practice—agreed on the yearly agricultural prices via a majority vote. With the UK linking its consent to an increase in Community revenues to a British budgetary rebate, and with Prime Minister Thatcher having refused several offers already, the other member states turned around the linkage strategy: there would be no permanent solution to the British budgetary question until the UK agreed to greater EC revenues and accepted key Community principles including the CAP. Overcoming the crisis thus required the formation of a large and powerful coalition of member states, the definition of common objectives, and the creation of credible threats towards the recalcitrant member state.

More concretely, the other member states, and France in particular, used a triple negotiation strategy to get the upper hand and shape the process. On a rhetorical level, French policymakers accused the UK of pursuing 'juste retour' and hence of violating the spirit of the Community's financing system. Similarly, while the UK tried to present its budgetary demands as a general Community problem, France, but also others, tended to frame the British demands as a British problem, the solution to which depended on British concessions. This served to rally the support of other member states and to (further) isolate the UK. Third, and most importantly, the French government re-interpreted the applicability of the Luxembourg Compromise and called for majority votes on matters concerning the achievement of treaty-based objectives, such as agreement on the yearly CAP prices. These framing exercises and negotiation strategies could only be credible because France and Germany, together with a large number of like-minded member states, managed to overcome differences on individual policy preferences and focus on larger aspects concerning the European polity (Simonian 1985).

These arguments and findings have several broader implications for the present-day EU. First, questions about the (direct) costs and benefits of EU membership are still relevant. Between 1979 and 1984, the UK largely followed a "book-keeper's approach" (Spence 2012). Indeed, the British government almost exclusively focused on the *revenue* side of the EC budget, rather than suggesting more Community *spending* in the UK, for instance via the recently created European Regional Fund (Wallace 1983). Considering both the direct and indirect implications of membership, together with its more general and long-term benefits, appears indispensable for estimating the real effects of EU membership for the individual countries. This notably concerns cross-border policies exceeding national 'net' contributions and receipts, such as climate mitigation or external security. Such considerations could enrich current discussions about the promotion of "European public goods" (Pisani-Ferry 2019). Moreover, research on differentiated integration shows that the provision of such public goods can lead formerly recalcitrant member states to eventually join the core group (Kölliker 2001).

Second, the mentioned examples from the Euro crisis including the fiscal compact and from the Covid-19 pandemic including the recovery plan suggest that go-it-alone power and (the threat of) differentiated integration continue to matter. If member states consider the costs of exclusion and falling behind to exceed the benefits of opposing European-level measures, they will lift their opposition and join the core group. This is what happened with Hungary and Poland which, despite rejecting new rule of law provisions, decided to participate in the recovery plan (Krotz and Schramm 2022: 539). Establishing go-it-alone power and credible threats might be more challenging in an EU of 27 member states compared to the ten member states in the early 1980s. However, it appears remarkable that a single member state can paralyze European policymaking over a long time and on different aspects. In recent years, Hungary prevented or diluted common measures on numerous occasions including sanctions against Russia. To be sure, adopting sanctions requires unanimity, as does lifting the EU's revenues. Yet, some measures could be taken on an intergovernmental basis among like-minded member states, circumventing the opposition of a single country. Alternatively, a core group can (threaten to) move forward with European integration and exclude the recalcitrant country from policies that the latter considers essential. The recent withholding of EU recovery and cohesion funds over concerns about the rule of law in Hungary is a case in point.

Therefore, this article concludes on a more optimistic note than other scholarly accounts that claim the dividing character of differentiated integration and suboptimal collective outcomes following the exercise of go-it-alone power (cf. Biermann 2023). Instead, this article's findings show that go-it-alone power and (the prospect of) differentiated integration can help overcome intergovernmental deadlock and major European integration crises. The core group of member states threatening to move forward with integration might be large and heterogenous. However, if it shares a common concern and interest, at least for some time, it might strengthen core principles of European integration and the European polity in the longer term.

Funding Open Access funding enabled and organized by Projekt DEAL.

Declarations

Competing interests No competing interests related to this submission must be reported.

References

Beach, Derek, and Rasmus B. Pedersen. 2019. *Process-Tracing Methods: Foundations and Guidelines*, 2nd ed. Ann Arbor: University of Michigan Press.

Biermann, Felix. 2023. The Differentiation Paradox of European Integration: Why Going It Alone Produces Suboptimal Results. *Journal of Common Market Studies* 61 (2): 344–361.

Bulletin. 1981. Bulletin of the European Communities 14(11), 1981. http://aei.pitt.edu/65375/

Bulletin. 1983. Bulletin of the European Communities 16(6), 1983. http://aei.pitt.edu/65280/

Bulletin. 1984a. Bulletin of the European Communities 17(5), 1984. http://aei.pitt.edu/65290/

Bulletin. 1984b. Bulletin of the European Communities 17(6), 1984. http://aei.pitt.edu/65291/

Denton, Geoffrey. 1984. Re-structuring the EC Budget: Implications of the Fontainebleau Agreement. *Journal of Common Market Studies* 23 (2): 117–140.

Der Spiegel. 1983. Senkrecht im Bett. December 12, 28–30.

Der Spiegel. 1984. Schlechte Karten. July 2, 98–100.

Dumas, Roland. 2007. *Affaires Étrangères*, vol. I, 1981–1988. Paris: Fayard.

Editorial Comments. 1982. The Vote on the Agricultural Prices: A New Departure? *Common Market Law Review* 19 (3): 371–372.

El-Agraa, Ali. 1985. Mrs. Thatcher's European Community Policy. In *The Conservative Government 1979–84*, ed. David S. Bell, 161–183. London: Croom Helm.

Falkner, Gerda. 2011. Introduction: The EU's Decision Traps and Their Exits. In *The EU's Decision Traps: Comparing Policies*, ed. Gerda Falkner, 1–19. Oxford: Oxford University Press.

FAZ (=Frankfurter Allgemeine Zeitung). 1984. Was zwischen Bonn und Paris steht: In der Europapolitik gibt es mehr Übereinstimmung mit Großbritannien. January 5.

Fleming, S., and M. Khan. 2020. Brussels Considers Creating Recovery Fund Without Hungary and Poland. *Financial Times*, December 2.

George, Stephen. 1998. *An Awkward Partner: Britain in the European Community*, 3rd ed. Oxford: Oxford University Press.

Gerring, John. 2017. *Case Study Research: Principles and Practices*. Cambridge: Cambridge University Press.

Gowland, David. 2017. *Britain and the European Union*. London: Routledge.

Gruber, Lloyd. 2000. *Ruling the World: Power Politics and the Rise of Supranational Institutions*. Princeton: Princeton University Press.

Hayes-Renshaw, Fiona, and Helen Wallace. 2006. *The Council of Ministers*, 2nd ed. London: Palgrave Macmillan.

Héritier, Adrienne. 1999. *Policy-Making and Diversity in Europe: Escaping Deadlock*. Cambridge: Cambridge University Press.

Howe, Geoffrey. 1984. The Future of the European Community: Britain's Approach to the Negotiations. *International Affairs* 60 (2): 187–192.

Krotz, Ulrich, and Lucas Schramm. 2022. Embedded Bilateralism, Integration Theory, and European Crisis Politics: France Germany and the Birth of the EU Corona Recovery Fund. *Journal of Common Market Studies* 60 (3): 526–544.

Kölliker, Alkuin, 2001. Bringing Together or Driving Apart The Union? Towards a Theory of Differentiated Integration. *West European Politics* 24 (4): 125–151.

L'Année politique. 1982. *L'Année politique, économique et sociale en France 1982*. Paris: Moniteur.

Laffan, Brigid. 1997. *The Finances of the European Union*. London: Palgrave.

Laffan, Brigid, and Johannes Lindner. 2020. The Budget: Who Gets What, When, and How? In *Policy-Making in the European Union*, 8th ed., ed. Helen Wallace, Mark A. Pollack, Christilla Roederer-Rynning, and Young R. Alasdair, 208–231. Oxford: Oxford University Press.

Le Monde. 1982. Paris estime que l'attitude du Royaume-Uni pose le problème de sa présence dans le Marché commun, May 20.

Le Monde. 1984a. Londres maintiendra ses exigences budgétaires jusqu'au sommet de Fontainebleau… au moins. May 7.

Le Monde. 1984b. L'accord conclu par les Dix permet d'assurer un fonctionnement normal de la Communauté. June 28.
Leruth, Benjamin, and Christopher Lord. 2015. Differentiated Integration in the European Union: A Concept, a Process, a System or a Theory? *Journal of European Public Policy* 22 (6): 754–763.
Leuffen, Dirk, Berthold Rittberger, and Frank Schimmelfennig. 2021. *Integration and Differentiation in the European Union: Theory and Policies*. Berlin: Springer.
Lind, Christoph. 1998. *Die deutsch-französischen Gipfeltreffen der Ära Kohl-Mitterrand 1982–94: Medienspektakel oder Führungsinstrument?* Baden-Baden: Nomos.
Lindner, Johannes. 2005. *Conflict and Change in EU Budgetary Politics*. London: Routledge.
Ludlow, N. Piers. 2020. A Double-Edged Victory: Fontainebleau and the Resolution of the British Budget Problem, 1983–84. In *Reshaping Europe: Towards a Political, Economic, and Monetary Union, 1984–1989*, ed. Michael Gehler and Wilfried Loth, 45–72. Baden-Baden: Nomos.
Møller, J.. Østrøm. 1982. Der Haushalt der EG: Plädoyer für eine Versachlichung der Diskussion in den Mitgliedstaaten. *Europa-Archiv* 8: 231–238.
Moravcsik, Andrew. 1991. Negotiating the Single European Act: National Interests and Conventional Statecraft in the European Community. *International Organization* 45 (1): 19–56.
Moravcsik, Andrew. 1993. Preferences and Power in the European Community: A Liberal Intergovernmentalist Approach. *Journal of Common Market Studies* 31 (4): 473–524.
Pisani-Ferry. 2019. Europe Can Take a Bigger Role in Providing Public Goods. *Bruegel comment*, December 5.
Rice, Matthew. 2015. 'Thorny British Question: Mrs Thatcher's Bilateral Summitry from 1979–1984 and the Multilateral Issuer of the British Budgetary Problem. *The Hague Journal of Diplomacy* 10 (3): 306–330.
Schild, Joachim. 2013. Leadership in Hard Times: Germany, France, and the Management of the Eurozone Crisis. *German Politics and Society* 31 (1): 24–47.
Schramm, Lucas, Ulrich Krotz, and Bruno De Witte. 2022. Building 'Next Generation' after the pandemic: The implementation and implications of the EU Covid Recovery Plan. *Journal of Common Market Studies* 60 (S1): 114–124.
Simonian, Haig. 1985. *The Privileged Partnership: Franco-German Relations in the European Community, 1969–1984*. Oxford: Oxford University Press.
Spence, James. 2012. Forty Years On: The UK and Europe. *International Affairs* 88 (6): 1237–1260.
Taylor, Paul. 1989. The New Dynamics of EC Integration in the 1980s. In *The European Community and the Challenge of the Future*, ed. Julien Lodge, 3–25. London: Pinter.
Tugendhat, Christopher. 1980. *Some Thoughts on the European Communities Budget*. Hamburg: Speech to the Institute for World Economic Research.
Wall, Stephen. 2008. *A Stranger in Europe: Britain and the EU from Thatcher to Blair*. Oxford: Oxford University Press.
Wall, Stephen. 2019. *The Official History of Britain and the European Community (Vol. III): The Tiger Unleashed, 1975–1985*. London: Routledge.
Wallace, Helen. 1983. Distributional Politics: Dividing Up the Community Cake. In *Policy-Making in the European Community*, 2nd ed., ed. Helen Wallace, William Wallace, and Carole Webb, 81–113. Hoboken: Wiley.
Warlouzet, Laurent. 2018. *Governing Europe in a Globalizing World: Neoliberalism and Its Alternatives Following the 1973 Oil Crisis*. London: Routledge.

Lucas Schramm is a Postdoctoral Researcher/Assistant Professor of Political Science at LMU Munich. His research interests concern European integration history and theory, EU crisis politics, and Franco-German political relations in Europe. Lucas holds a Ph.D. from the EUI in Florence and is also a non-resident researcher at ARENA Oslo.