

Methodological Appendix – by Prof. Bob Hancke, LSE

Raw scenarios

The building blocks for the scenarios in chapter 6 are the conclusions of chapters 3, 4 and 5, which develop three broad topic-specific sub-scenarios. Combining all the logically possible sub-scenarios across these three chapters produce $3 \times 3 \times 3 = 27$ scenarios. These are listed in table X below.

Evaluate internal consistency

While logically possible, many of these raw scenarios are not internally consistent. For example, as in the combination number XX in table X, a sub-scenario that builds on free contracting between parties in the labour market is not easily compatible with a sub-scenario in the area of the green and digital transition that builds on economic governance through business groups, employers' associations and trade unions in these areas, and a sub-scenario in the field of strategic autonomy that emphasises the central role of the state. (Please note that the latter two may be compatible – but not with the former). If a scenario produces such incompatibilities, in which the logic and effects of one sub-scenario contradicts the logic of at least one of the other sub-scenarios, we score that zero (0). If the sub-scenarios produce positive interactions, we score that combination 6; when the combination has neither positive nor neutral mutual interaction effects, it receives a score of 3. (We used 0-3-6 as scales to make differences less ambiguous than a 0-1-2 scale would allow us to do. Note that these are ordinal scales – the larger numbers just sharpen distinctions between ranks but do not substantively change the ordinal logic underlying the ranking.)

Political viability

A parallel logic guided us in 'scoring' what we loosely call 'political viability'. Here the operational question is whether a combination of sub-scenarios has the potential to produce a blocking minority, loosely along QMV decision lines, or can be expected to meet with relatively little resistance. While such an approach is undoubtedly incomplete – many decisions are, as we know from the history of European integration, linked to negotiated outcomes in related, adjacent or even entirely unrelated fields – this method allows us to evaluate the *ex ante* political viability of a combination of sub-scenarios. Again, if political viability was considered impossible to find (for example because it pitted at least two large entrenched groups of member states against each other) we scored it 0. If we considered that the combination was highly viable (ie would elicit relatively little resistance and/or require few side payments to become acceptable), it received a score of 6. The remaining residual combinations of sub-scenarios obtained a score of 3 – neither politically impossible nor relatively likely, but probably without a coalition of member states to carry it through.

Raw scores and deliberation

The scores themselves resulted from a combination of expert judgments and deliberation among experts – a standard combination in evaluation projects of this type. All four members of the team are considered experts in the overall theme covered by the report for this scenario-building exercise; we included one person outside the team *stricto sensu* as a control. These five judges were asked to score each one of the combinations in table X on the 0-3-6 scale. Their scores were then discussed in group in a Delphi-style feedback round, and this process was repeated until the team developed a consensus on a score for each of the combinations (we reached a consensus by the second round). The scores in table X are therefore the measured collective consensus opinion of the team.

The very first scenario requires a short explanation: even though it was considered politically unviable, the team agreed to include it because of two considerations. One, it could be seen as a minimal (market-oriented) baseline for other scenarios; two, failure to negotiate positive scenarios, ie those that require active intervention, may tip the balance in favour of a 'lowest common denominator' (or 'negative' scenario). The team therefore felt that a combination of

