



To Liberalise or Not to Liberalise? Explaining European Shipbuilding Policy

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Abstract

Why did European member states agree to liberalise an industrial sector by decreasing the level of state aid allocated to it? In this thesis, I aim to research the neglected study of the European shipbuilding industry from the late 1970s onwards. I first develop some theoretical arguments based on the rational choice institutionalism and bargaining theory. Then, using strategic interaction analysis and conceptual experiments, I propose a number of hypotheses in order to account for the changes in European shipbuilding policy over time. European legislation on state aid to shipbuilding is operationalised in the qualitative index as the dependent variable. The independent variables include the international market, the number of European member states, international agreements and political decision-making rules. After the conceptual experiments, methodologically, I apply comparative statics to empirically assess whether or not the explanatory variables have an impact on the output of European shipbuilding policy. The empirical results indicate that international agreements and decision-making rules may lead to changes in European shipbuilding policy. Furthermore, I extend the argument to another industrial sector, the European aerospace industry, based on the most similar case selection. However, evidence shows that international competition leads to an increase in R&D expenditure in aerospace, while international agreements merely play a marginal role. The different inferences drawn from these two sectors may be a result of their industrial characteristics, and this deepens our understanding for the IPE literature.



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Bio:

Po-Kuan Wu holds a B.A. in International Relations from the National Taiwan University and an MPhil in International Studies from the University of Cambridge, with a concentration in European representation in global affairs. Before his arrival in the European University Institute, he worked as an assistant research fellow in the Taiwan WTO Centre, Chung-Hua Institution of Economic Research. At Taiwan's leading think tank, he was in charge of research projects relating to trade remedies and multilateral negotiations in the WTO and OECD. In particular, he participated in the international negotiation on shipbuilding in the OECD with the Taiwan Delegation as a consultant in 2005. His research interests include trade politics, regional integration and the EU as a global player.