The EUROPEAN UNION and the MEMBER STATES

Cooperation, Coordination, and Compromise

edited by
Eleanor E. Zeff
Ellen B. Pirro

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This book is dedicated to

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Introduction

Eleanor E. Zeff & Ellen B. Pirro

To many people, "Europe" represents the most exciting and remarkable political development of the current era. And at first glance, it does appear that the nations of Western Europe are moving slowly but inexorably toward integration. Under closer scrutiny, however, it becomes apparent that this idea of "Europe" has yet to be entirely realized. The 15 member states still vary considerably in their positions on many policies, as well as in the ways that their governments translate European Union (EU) laws at the national and subnational levels. "Common policies" often are very general and dodge the tougher issues. There is also the lack of what Karl Deutsch has labeled a "we-feeling"[1]—instead of thinking of themselves as "European," individuals continue to identify themselves with their nation, calling themselves Germans, Italians, Danes, and so on.

The policy perspective adopted in this volume provides a unique insight into how the individual member states cooperate with the institutions of the European Union, as well as how they compromise and coordinate their own national policies to fit with those of the European Union. (Further insights into this policy perspective can be found in John Peterson and Elizabeth Bomber's work on the European Union[2] and in Aaron Wildavsky's *Seeking the Truth*.[3]) The processes of cooperation, coordination, and compromise consist of a series of decisions that the member states are willing to make because they expect to receive some perceived benefits. Each of these steps contributes to the actual building of a series of European "we-feelings," such as the monetary "we" and the environmental "we." But the particular set of attitudes, culture, and needs in each of the 15 member states still makes this "we-feeling" difficult to achieve.

The chapters that follow describe how and at what level of government (the supranational, national, or subnational) EU policies are developed and implemented. The focus of the book is on how each individual member state implements EU policies at national and subnational levels and how EU policies affect its members—what benefits, for example, are gained—as the policies are absorbed into existing national policies, culture, and tradition.

This first chapter establishes the format and design of the book, and Chapter 2 provides an overview of the European Union and its institutions with regard to policymaking and implementation. Then, chapters on the 15 member countries are grouped according to the time that the country joined the Union (see Table 1.1). The first grouping consists of the six countries that signed the Treaty of Rome in 1957: France, Belgium, the Netherlands, Germany, Italy, and Luxembourg. (Germany was not reunited at that time, but still fits most appropriately with this group.) The second section contains chapters on the three countries that joined the Union in 1973: the United Kingdom, Ireland, and Denmark. The third section covers the countries that entered in the 1980s: Greece (1981), Spain (1986), and Portugal (1986). And the final section includes the most recent (1995) entrants: Austria, Sweden, and Finland.

There are many opinions about how to group, or in which order to discuss, the European Union's member countries; suggestions that we received include alphabetical order, "reluctant states" vs. "enthusiastic states," and geographical location, yet no approach seemed to satisfy everyone. We decided, finally, that the chronological order in which the states joined the Union provides a valuable historical view—and, more to the point, that the order in which these countries are discussed is not as important as the fact that all 15 of the current member states are brought together in one volume, enabling the reader to look at the full scope of today's European Union.

Table 1.1   EC/EU Member States, 1957–2001

Original Member States (1957)	1st Enlargement (1973)	2d Enlargement (1981)	3d Enlargement (1986)	4th Enlargement (1995)
Belgium	Britain	Greece	Portugal	Austria
France	Denmark		Spain	Finland
German	Ireland			Sweden
Italy				
Luxembourg				
Netherlands				

The European Union represents a new type of political institution, one that breaks down the previously accepted notions of international organizations. Each new stage of its growth and development not only alters the European landscape, but also changes the balance of the whole international system. The process of policy development and implementation provides the student and analyst a unique opportunity to examine an evolving situation.

Thus, it seems critically important to focus on what is actually occurring: that is, a series of policy moves, in a number of issue areas, which each of the 15 member states then implement separately. Within this reality, there is tremendous diversity to examine and to stimulate analysis.

The Framework of the Chapters

Each of the chapters in Parts 1 through 4 focuses on how the member states implement and modify policies handed down to them by the EU. The chapters also describe the difficulties encountered by the member states during the process of implementation. Specifically, for each member state the authors consider how and in what areas the member state has influenced EU policy, what institutional mechanisms the state uses to implement EU policy, how and in what areas the EU has influenced the policies of the member state, and the member state's implementation record. Some authors chose to emphasize all four of these tasks; others felt they needed to discuss one area more thoroughly in order to better explain a particular country's implementation record.

The policies discussed in the member-state chapters are organized according to the system of three pillars found in the Treaty on European Union (TEU, popularly known as the Maastricht Treaty). Pillar One is the European Community (EC), embracing the European Economic Community, the European Coal and Steel Community, and the European Atomic Energy Community. The issues covered include the full range of areas of economic concern, such as the single market, Common Agricultural Policy (CAP), financial policy, competition, consumer protection, taxation, and environmental policy. First-pillar issues are supranational, falling mainly under the governance of the EU Commission. Many decisions are made by Qualified Majority Voting (QMV), although consensus is highly valued. EU policy on first pillar issues should subsequently be enacted into law within the member states.

Pillar Two is the Common Foreign and Security Policy (CFSP), encompassing such issues as enlargement of the European Union, the relationship of the EU to NATO, and involvement in the Balkan conflicts. Authority in this area is intergovernmental, shared by the member states and the Union.

Pillar Three is Cooperation on Justice and Home Affairs (JHA), dealing with internal security, drugs, crime, the European Police Office (EUROPOL), international terrorism, and related issues. Authority in this area also is intergovernmental, though it includes some policy issues that are the prerogative of the member states.

In addition to these substantive issues, there are some significant theoretical issues that crosscut the three pillars and have an impact on each area covered. Discussions of these theoretical issues—which include sovereignty, subsidiarity, transparency, legitimacy, and the "democratic deficit"—are incorporated into the analyses of substantive issue areas and policy implementation where appropriate. For example, the chapter on Britain emphasizes that country's continued concern over its sovereignty and demonstrates how Britain has sought to slow EU integration by stressing a need for subsidiarity (see Chapter 7).

Policymaking and Implementation
in the European Union

The nature of the European Union creates its own complexities. As John McCormick describes in Chapter 2, the distribution of power among the institutions of the European Union, especially the Commission, the Council of Ministers, the European Council, the European Parliament, and the European Court of Justice (ECJ), changes frequently, and the relationship between these EU institutions and the member states is ambiguous. Furthermore, the EU has no real constitution clearly stating which institutions should be responsible for policymaking and implementation, and it has only limited powers of enforcement and a very small budget.[4] This focuses most of the policy implementation at the national level, minimizing EU involvement.

The EU institutions have divided competencies for policymaking, which prevents any one of them from becoming too powerful and that allows the member states to guard their sovereignty and play a role in policymaking. The European Commission, for example, is restricted in its attempts to oversee policy implementation of First Pillar issues. It can bring member states before the ECJ if a directive from the EU is

not being properly transposed into national law, but it cannot physically enter the state to gather evidence of noncompliance.

The Maastricht Treaty's emphasis on subsidiarity has confused the issue about whether the EU institutions or the member states should be responsible for achieving and implementing policy goals.[5] Despite these limitations, the authority of the European Union over its member states has both deepened and broadened over the years, and the number of EU laws is growing. The European Union passes about 60 to 80 directives every year and 160 to 190 decisions.[6]

Although the Council of Ministers has the final say in passing policy after it has been created by the other EU institutions, the Commission and the member states have the responsibility for implementing these policies. Policymaking is no more than goal setting unless policies are implemented and enforced.[7] With a small budget and limited enforcement powers, the Commission must rely heavily on the member states to implement policies passed by the EU institutions. Because of the restricted budget and the EU's evolving institutional framework, implementation of regulations, directives, and decisions—all forms of EU legislation—is a difficult process with varying results.

The European Court of Justice helps the implementation process by making sure that EU laws are uniformly applied and that disputes are resolved. The ECJ has also been active in implementing and even in enforcing EU laws especially in the area of social policy. The European Union has a harder time implementing policies than it does making them, and the ECJ has often taken the lead in policy implementation when the other institutions have been ineffective. As the EU enlarges, it becomes more challenging to bring together all the disparate interests and traditions and to form coherent and unified policies. Consequently, there are a lot of general policies that avoid awkward choices. As John McCormick states, "The absence of central control has created a policy process that is driven largely by compromise, opportunism and unpredictable political pressures."[8]

Each of the 15 nations has faced formidable obstacles in adapting EU policies to its own national traditions. Making policy that is acceptable to all its members is a difficult task for the European Union as well, and often has led to compromises and to regulations that meet only the lowest common denominator among the member states. This inevitably leads to new problems: for example, if the standards in one member state are lower than they are in others, products will be manufactured in the country where laws are less stringent and the products cost less to produce, thus giving that country an unfair trade advantage.

Although the European Union passes a lot of legislation each year, it has trouble implementing it because of these types of considerations.

Underlying all of the discussion that follows is the question: "What is Europe?" Each and every area of concern develops from this unresolved issue. Right now, there is no consensus (in a system in which consensus is the goal) on such basic questions as what nations "belong" in Europe, where the expansion of the EU should end, what its major objectives should be, and where it is heading. As the European Union considers admitting more members, the potential for even greater disparity in views grows. A unique balance, discussed in the chapters of this book, has evolved between national and European identity. The fate of this balance is the story of "Europe's" future.

Notes

The authors wish to thank Dale A. Zieske for significantly contributing to the production of this volume and Clayton J. Cleveland for assisting with this introductory chapter.

1. Karl W. Deutsch et al., *Political Community and the North Atlantic Area: International Organization in the Light of Historical Experience.*

2. John Peterson and Elizabeth Bomberg, *Decision-Making in the European Union.*

3. Aaron Wildavsky, *Speaking the Truth to Power.*

4. John McCormick, *The European Union,* p. 204.

5. Ibid., p. 203.

6. Dominik Lasak and John William Bridge, *Laws and Institutions of the European Communities.*

7. McCormick, *The European Union,* p. 210.

8. Ibid., p. 212.

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Policy Performance in the European Union

John McCormick

Public policy is a complex issue. Even in democracies—where systems of government are institutionalized and generally predictable—it is not always clear how agendas are developed, who makes policy, why some options are adopted and others ignored, and whether the policies pursued have worked or not.

With the European Union, the public policy process adopts a new level of complexity. Not only are the policymaking structure and principles of the EU very different from those found in conventional state systems, but the EU is still evolving, the balance of power among EU institutions and member states is constantly changing, and the forces at work in the EU policy process are not yet fully understood. Studies of EU policymaking are replete with such adjectives as complex, unique, inefficient, unpredictable, unstable, distinctive, arcane, and fragmented. Helen Wallace talks about the "intellectual maze" that faces the student of EU policymaking,[1] and Jeremy Richardson concludes that the complexity of the EU policy process demands the use of multiple concepts from multiple models.[2]

Understanding the EU policy process would be easier if the EU had a formal constitution: a single, permanent, codified document that could function as a blueprint for the powers and responsibilities of the "government" of the EU. But it does not, and European integration is guided instead by an increasingly convoluted set of treaties whose details are regularly amended and whose meaning is constantly fine-tuned as a result of debates among the governments of the member states, struggles for influence among the major EU institutions, new laws adopted by the EU, and decisions reached by the European Court of Justice. The treaties provide a list of the policy areas in which the

EU is active (these include agriculture, transport, social affairs and the environment) but they say little about how responsibility is—or should be—divided in these areas between the EU and its member states. They provide a series of policy principles, outlining the general goals that the EU should aspire to achieve, but these goals are often ambiguous and subject to differing interpretations.

There is little question that the authority of European institutions has deepened and broadened since the creation in 1952 of the European Coal and Steel Community. The member states have since transferred so many powers to Brussels that the EU now deals to varying degrees with most aspects of economic, social, agricultural, regional, and environmental policy. Yet despite this "Europeanization" of the policy process, and despite the growing workload of European institutions, the EU still has no direct powers of enforcement and implementation, and it has a very small budget—about $110 billion in 1998, smaller than the budgets of many of the larger state governments in the United States. Questions also remain about whether the EU is a supranational arrangement with a life of its own, or whether it is still driven essentially by intergovernmental bargains among the governments of the member states.

Against that background, this chapter will set the scene for the country case studies that follow by assessing the policy relationship between the EU and the member states. It begins with a review of the EU policy cycle, outlines the forces at work on that cycle, discusses the critical issue of implementation, and then assesses the division of policy responsibilities between the EU and the member states. It concludes that there are no clear answers to the question of how much power the EU and the member states have relative to each other, and still no consensus regarding the most effective division of policy tasks.

The European Union Policy Cycle

Writing about the policy process in the United States, Guy Peters argues that "American government has a number of structures but no real organization, for the fundamental characteristic of these structures is the absence of effective coordination and control." He notes that the absence of central control was intentional given the concern of the framers of the Constitution about the potential for tyranny of a powerful central executive, and about the control of the central government over the states.[3]

Similar arguments can be made about the EU. There are institutions, structures and processes, but overall organization is loose,

changeable and occasionally lacking, in large part because of the ubiq-
uitous concerns among the governments of the member states with loss
of sovereignty. A brief summary of the policy cycle in the EU would
read as follows:

- The European Council sets the broad agenda.
- The European Commission fills in many of the details of that
  agenda and develops proposals for new laws and policies.
- The European Parliament and the Council of Ministers discuss
  and amend Commission proposals, the Council making the final
  decisions on which laws to adopt and which policies to pursue.
- The Commission oversees implementation through the member
  states.
- The Court of Justice interprets and adjudicates.

As with all systems of administration, however, the simple outline
overlooks the many nuances, details, political realities, and informali-
ties that often color the manner in which government functions. There
are many different ways of approaching the study of public policy, but
the most common is to describe it in terms of a cycle. Reduced to its
key elements, the EU policy cycle, and the key players in that cycle,
can be expressed as follows.

Problem Recognition and Agenda Setting

All governments are faced with problems that demand resolution. Be-
fore a policy choice can be made, there must be political agreement on
the definition of a "problem," and a decision must be made to add that
problem to the list of policy concerns that are considered part of the
remit of government. In a democracy, the development of the policy
agenda is normally driven by a combination of the individual prefer-
ences and priorities of elected officials and their advisers, the struggles
for power among political institutions, and the combined pressures of
public opinion and media attention.

For its part, the EU agenda is driven largely by the European Coun-
cil, which outlines broad policy goals and often sparks new policy ini-
tiatives, and the European Commission, which develops proposals for
new laws and policies. However, the pressures and influences that lead
to such initiatives come from many different sources: public opinion,
treaty obligations, recommendations from consultative committees, per-
sonal initiatives of individual leaders, tension among member states, the
need to harmonize laws, international treaty requirements, discussion

papers, specialist reports, and changes in the outside world. Parliament may put pressure on the Commission to develop policies in new areas, interest groups or corporations may try to influence the Commission stance on a particular problem, and a judgment by the Court of Justice may have effects on the development of policy.

There are at least three important differences between agenda-setting at the national and at the European level:

- Elected leaders at the national level often add issues to the policy agenda in response to public and media opinion. At the EU level, however, there really is no European "public" in the sense that there is a large body of citizens demanding change at the European level. Thus policy is heavily driven by pressures internal to the process of European integration, and by leaders rather than by citizens.
- The EU policy process is pulled in different directions by the often competing motives and agendas of the major institutions. While the Commission and the Court of Justice take a supranational approach to agenda setting, for example, Parliament's choices are often driven by its desire to exert itself and develop an identity. Meanwhile, the European Council and the Council of Ministers represent the interests of the governments of the member states.
- The complexity and variety of the needs and priorities of the member states make it more difficult to identify pan-European problems and to tease out the common causes of such problems, to build political support for a response, or to anticipate the potential effects of policy alternatives. This is particularly true in regard to policy issues on which there is less of a European consensus, such as foreign policy, where the member states often bring different values and priorities to bear.

Policy Formulation

Once a problem or a need has been recognized, a response must be formulated. In the case of the EU, this usually involves publishing discussion papers, drafting work programs or action programs, making public announcements, or developing proposals for new laws and new budgetary allocations. Whichever response is chosen, it might be reasonable to expect that some kind of methodical and rational policy analysis would be conducted in which the causes and dimensions of a