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THE NEW EUROPEAN UNION SERIES

# Policy-Making in the European Union

Fifth Edition



Helen Wallace, William Wallace,  
and Mark A. Pollack

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**Fifth Edition**

Edited by

Helen Wallace,  
William Wallace

and

Mark A. Pollack

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# Preface

This is a new book which builds on four previous editions. It follows the pattern established in *Policy-Making in the European Communities* (1977), extended and developed in the second, third, and fourth editions of 1983, 1996, and 2000. All of its chapters have been rewritten, many extensively, with references to the earlier versions as appropriate. Readers who wish to understand the historical development of EU policies and policy-making in more detail are encouraged to refer back to earlier editions, to gain a broader sense of how patterns of policy-making and institutional interaction have changed over the past two decades.

In the five years since the last edition went to press the European Union (EU) has enlarged from fifteen to twenty-five members, with yet more would-be members waiting in the wings. It is early days still to judge the policy impacts of this most recent enlargement. As our policy cases show, so far the story is mainly about the efforts to maintain the *acquis communautaire*. How sustainable this will prove remains for the moment a matter of speculation. In the meantime a good deal of work has been put into reforming the institutional fabric of the EU. In 2000 an Intergovernmental Conference produced an interim reform in the Treaty of Nice, followed by the experiment of a more broadly based Convention on the Future of Europe. Its central result was a Constitutional Treaty signed symbolically in Rome in October 2004. It awaits ratification by the twenty-five members of the EU. In January 2002 the euro was launched, a single European currency with the surprising number of eleven member states participating—Greece joined later—in the experiment of economic and monetary union (EMU). But even as this remarkable experiment was made the member governments of the EU realized that this would not be enough to ensure a prosperous European economy. In March 2000 at the European Council in Lisbon the goal was set of making of the EU the ‘most dynamic knowledge-based economy in the world’ by 2010. This ‘Lisbon strategy’ has yet to yield substantive results. Over the past five years Europeans have witnessed profound changes in the global environment and have found themselves struggling to define collective responses. Initially aligned in the immediate response to the 9/11 attack on the twin towers in New York, Europeans from many countries took part in the invasion of Afghanistan. The American decision to invade Iraq provoked much more disagreement in Europe. Nonetheless European foreign and security policy cooperation has proceeded pragmatically to gain momentum and to acquire responsibilities. In parallel and in response to the international turbulence, European policy collaboration on internal security, migration, justice, and home affairs has been among the most active domains within the EU.

This is a study of policy-making, not of European integration as such. We do not therefore plunge into discussions of the broader political processes of the EU. Other dimensions of the EU are well covered in the companion volumes in *The New European Series*. Our aim here is to provide a detailed picture of the diversity of EU policy-making across a range of policy domains, to identify predominant patterns, and characteristic styles and trends over time.

The first edition was produced to fill a gap in what was then a thin academic literature on west European integration. Since then European academic research has mushroomed, contributing to a broadening flow of empirical and theoretical publications. We have included in this edition a new chapter by Mark Pollack setting out some of the theories and conceptual lenses which can be drawn on to help us better understand and explain EU policy-making. This fills a void in the third and fourth editions.

The fifteen case studies have been chosen both to cover the most important fields of EU activity and to illustrate the range of policy domains in which EU institutions now operate. Familiar issues of distribution and redistribution, the single market, agriculture, competition, external trade, north-south relations, monetary integration, and foreign policy have been covered in each of the five editions. The expansion of the EU's policy agenda since the early 1980s is reflected in the inclusion of case studies of environmental regulation, the social dimension, justice, and home affairs, and the response to the journey of the central and east European states from the socialist bloc to full EU membership for eight of them in 2004. Some of the most insightful examples of how European policy is made and managed emerge from examination of developing fields of policy, or of narrowly-defined sectors of established policy. Case studies of the fisheries regime and of the attempts to develop common policies in the biotechnology sector illustrate the blend of entrenched interests, expert communities and encapsulated regimes which characterizes much of EU policy-making. We have added to this edition a case study of employment policy, in part to address the pressing challenge of the Lisbon Agenda.

Ten of the eighteen authors of this volume contributed to the fourth edition, and the other eight are new conscripts, in particular Mark Pollack, who joins as co-editor, a task he cheerfully undertook without fully realizing quite what would be involved, and who in turn extends his thanks to the College of Liberal Arts at Temple University for their research support. The authors come from a spread of nationalities and intellectual traditions. This volume continues to benefit from informal ties and friendships among contributors since the first edition, sustained through exchanges of visits and children as well as through conferences and shared research. Special thanks go to those authors who have succeeded in producing both chapters and babies at the same time.

We would like to thank Sue Dempsey and Ruth Anderson at Oxford University Press for their patience and encouragement, as well as John Peterson, series co-editor, for his constant vigilance and commitment. Children grow up, and thus Edward and Harriet Wallace have not been available to help their parents out in the preparation of this edition. Instead Clare Tame, a freelance editor based in Florence, has brought her excellent skills and experience to steer us through the final stages of putting the volume into order. Tim Oliver carried out work on the graphics, Bastian Giegerich worked as research assistant for the chapter on CFSP, and Wim van Aken compiled data on contested voting in the Council of Ministers. All should be thanked for their help. Angelika Lanfranchi and Jennifer Chapa provided calm secretarial support. Gracia Marin Duran has carefully checked our references to the treaties and legislation. A special debt is owed to Josef Falke and Stephan Leibfried for compiling the remarkable statistics on the case loads of the European Courts, which appear in

Tables 3.4*a*, 3.4*b*, and 3.5. Table 4.1 is reproduced by kind permission of the Royal Institute of International Affairs. Figure 3.3, Box 3.1, and Table 3.3 in Chapter 3 also appear in Chapter 10 of the forthcoming volume on the Council of Ministers by Fiona Hayes-Renshaw and Helen Wallace, and has been reproduced here with the kind permission of the authors. Table 7.4 has been reproduced with the permission of the Institut für Agrarentwicklung in Mittel- und Osteuropa.

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# Abbreviations and Acronyms

ACFM	Advisory Committee on Fishery Management
ACP	African, Caribbean and Pacific countries
AFSJ	area of freedom, security and justice
Agis	framework programme in the area of cooperation against international crime
AGRI	Directorate-General for Agriculture
APEC	Asia Pacific Economic Cooperation
ARGO	action programme for administrative cooperation in the areas of asylum, immigration, visas and external borders
AWACS	Airborne Warning and Control System
Benelux	Belgium, Netherlands and Luxembourg
BEPG	Broad Economic Policy Guidelines
BEUC	European Bureau of Consumer Unions
BKA	Bundeskartellamt
BSE	bovine spongiform encephalopathy
BUDG	Directorate-General for Budget
CAP	common agricultural policy
CARICOM	Caribbean Community and Common Market
CCBG	Committee of Central Bank Governors
CCP	common commercial policy
CCT	Common Commercial Tariff
CEECs	countries of central and eastern Europe
CEEP	European Centre of enterprises with Public Participation and of Enterprises of General Economic Interest
CEFAS	Centre for Environment, Fisheries and Aquaculture Services
CEN	Committee for European Norms (Standards)
CENELEC	Committee for European Electrical Norms (Standards)
CEPOL	European Police College
CFI	Court of First Instance
CFP	common fisheries policy
CFSP	common foreign and security policy
CIREFI	centre for information and exchange on migration
CIS	Commonwealth of Independent States (ex-USSR)
CITES	Convention on International Trade in Endangered Species
CJTF	Combined Joint Task-Forces
CMEA	Council for Mutual Economic Assistance ('Comecon')
CNE	Climate Network Europe
CNPEM	Comité national des pêches maritimes et des élevages marins
COG	chief of government
COPA	Confederation of Professional Agricultural Organizations
CoR	Committee of the Regions



Coreper	Committee of Permanent Representatives
Coreu	Correspondant Européen (European Communications Network of EPC)
COMP	Directorate-General for Competition
COSAC	Conférence des organes spécialisées aux affaires Européennes
CSCE	Conference on Security and Cooperation in Europe
CSF	Community Support Framework
CT	Constitutional Treaty
CTEU	Consolidated Treaty of the European Union
DDA	Doha Development Agenda
DG	Directorate-General (for European Commission, see Table 3.1)
DSU	Dispute Settlement Understanding
EA	Europe Agreement
EAGGF	European Agricultural Guidance and Guarantee Fund
EAP	Environmental Action Programme
EBA	Everything But Arms
EBRD	European Bank for Reconstruction and Development
EC	European Community
EC6	Belgium, France, Federal Republic of Germany, Italy, Luxembourg, and the Netherlands
EC9	EC6 plus Denmark, Ireland, UK
EC10	EC9 plus Greece
EC12	EC10 plus Portugal, Spain
EC/EU15	EC10 plus Austria, Finland, Sweden
EU25	EU15 plus Cyprus, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia, Slovenia
ECB	European Central Bank
ECHO	European Humanitarian Aid Office
ECN	European Competition Network
ECO	European Cartel Office
ECJ	European Court of Justice
Ecofin	Council of Economic and Financial Affairs
ECOWAS	Economic Community of Western African States
ECR	European Court Reports
ECSC	European Coal and Steel Community
ecu	European currency unit
EDC	European Defence Community
EDF	European Development Fund
EDU	European Drugs Unit
EEA	European Economic Area
EEB	European Environmental Bureau
EEC	European Economic Community
EEG	European Employment Guidelines
EES	European Employment Strategy
EET	European Employment Taskforce
EEZ	exclusive economic zone
EFSA	European Food Safety Authority

EFTA	European Free Trade Association
EIB	European Investment Bank
ELARG	Directorate-General for Enlargement
EMCDDA	European Monitoring Centre on Drugs and Drug Addiction
EMCO	Employment Committee
EMA	European Medicines Agency, previously the European Agency for the Evaluation of Medicinal Products
EMI	European Monetary Institute
EMPL	Directorate-General for Employment
EMS	European Monetary System
EMU	economic and monetary union
ENV	Directorate-General for Environment
ENVIREG	programme combining economic resources and environmental protection
EP	European Parliament
EPC	European political cooperation
EPSCO	Employment, Social Affairs, Health and Consumer Affairs Council
ERDF	European Regional Development Fund
ERM	exchange-rate mechanism
ERT	European Round Table of Industrialists
ESA	European Space Agency
ESC	Economic and Social Committee
EDSI	European Security and Defence Identity
ESCB	European System of Central Banks
ESF	European Social Fund
ETUC	European Trade Union Confederation
EU	European Union
EUMC	European Monitoring Centre on Racism and Xenophobia
Euratom	European Atomic Energy Community
€ euro	name of the single currency for EMU
Eurocorps	multilateral European force, expanded from Franco-German brigade in 1991
Eurodac	European system for collecting fingerprints from asylum-seekers (from French abbrev.)
Eurogroup	European group within Nato from 1970
Eurojust	EU body to coordinate investigation and prosecution of serious cross-border and organized crime
Europol	European Police Office
Falcone	programme to enhance cooperation and exchange between persons and organizations involved in the fight against organized crime
FDA	Food and Drug Administration (US)
FIFG	Financial Instrument for Fisheries Guidance
FISH	Directorate-General for Fisheries
FSC	Foreign Sales Corporation Tax (US)
FTA	Free Trade Agreement
FTAA	Free Trade Agreement of the Americas
FTC	Federal Trade Commission
FYROM	former Yugoslav Republic of Macedonia

G7	Group of 7 (western economic powers): Canada, France, Germany, Italy, Japan, UK, US
G8	G7 plus Russia
G20	Group of Twenty, finance ministers and central banks of Argentina, Australia, Brazil, Canada, China, France, Germany, India, Indonesia, Italy, Japan, Korea, Mexico, Russia, Saudi Arabia, South Africa, Turkey, the UK, the US, and the EU
G24	Group of 24 (member states of OECD)
GAC	General Affairs Council
GAERC	General Affairs and External Relations Council
GATS	General Agreement on Trade in Services
GATT	General Agreement on Tariffs and Trade
GDP	gross domestic product
GDR	German Democratic Republic
GMO	genetically modified organism
GNI	gross national income
GNP	gross national product
Govecor	Economic Governance through Self-Coordination
GSP	Generalized System of Preferences
ha.	hectare
ICCAT	International Commission for the Conservation of the Atlantic Tuna
ICES	International Council for the Exploration of the Sea
IDP	Integrated Development Programme
IEEP	Institute for European Environmental Policy
IEPG	Independent European Programme Group
IFREMER	Institut français de recherche pour l'exploitation de la mer
IGC	Intergovernmental Conference
IMF	International Monetary Fund
IMP	Integrated Mediterranean Programmes
IMPEL	European Network for the Implementation and Enforcement of Environmental Law
IR	international relations
ISO	International Standards Organization
ITQ	individual transferable quotas
JA	Directorate-General for Justice and Home Affairs
JHA	justice and home affairs
K4	committee of senior officials for JHA (now Article 36 Committee)
LDC	less developed country
LIBE	Committee on Citizens' Freedoms and Rights, Justice and Home Affairs
LIFE	Financial Instrument for the Environment
MAFF	Ministry of Agriculture, Fisheries, and Food (UK)
MAG'92	Mutual Assistance Group (for 1992)
MAGP	Multi-annual Guidance Programme
MAI	Multilateral Agreement on Investment
MEDSPA	Mediterranean Special Programme of Action
MEP	member of the European Parliament

Mercosur	Common Market of the Southern Cone
MFN	most-favoured nation (in GATT)
MLG	multi-level governance
MSC	Marine Stewardship Council
MTR	Mid-Term Review of Uruguay Round
NACC	North Atlantic Consultative Council
NAFTA	North Atlantic Free Trade Area
NAMA	non-agricultural market access
NAP	national action plan
Nato	North Atlantic Treaty Organization
NCA	national competition authority
NEAFC	North Eastern Atlantic Fisheries Commission
NFFO	National Federation of Fishermen's Organizations
NGO	non-governmental organization
NTB	non-tariff barrier
Octopus	programme to tackle corruption in eastern Europe
OECD	Organization for Economic Cooperation and Development
OEEC	Organization for European Economic Cooperation
OFT	Office of Fair Trading (UK)
OISIN	cooperation programme against organized crime
OLAF	European Anti-Fraud Office, Office de la Lutte Anti-Fraude, formerly UCLAF
OMC	open method of coordination
OSCE	Organization for Security and Cooperation in Europe
PCOTF	European Police Chiefs' Task Force
PESC	politique étrangère et de sécurité commune
Phare	Pologne-Hongrie: Actions pour la reconversion économique (extended to other CEECs)
PJCCM	police and judicial cooperation in criminal matters
PO	producers' organization
QMV	qualified majority voting
QR	quantitative restriction
R&D	research and development
rDNA	recombinant DNA
RDP	Regional Development Plans
SAAs	Stabilization and Association Agreements
SAD	Statement of Assurance
SANCO	Directorate-General for Health and Consumer Protection
SBF	'Save Britain's Fish'
SCA	Special Committee on Agriculture
SCIFA	Strategic Committee on Immigration, Frontiers and Asylum
SCIFA+	SCIFA plus heads of national border control authorities
SCV	subsidies and countervailing duties
SEA	Single European Act
SEM	single European market
SFC	Sea Fisheries Committee
SFF	Scottish Fishermen's Federation

SG	Steering Group
SGP	Stability and Growth Pact
SIC	Schengen Implementing Convention
SIRENE	Supplementary Information System of Schengen
SIS	Schengen Information System
SME	small and medium-sized enterprises
SPD	Single Programming Document
STECF	Scientific, Technical and Economic Committee for Fisheries
STOP II	programme to prevent and combat trade in human beings and sexual exploitation
TAC	Total Allowable Catch
TACIS	Technical Assistance for the CIS countries
TAIEX	Technical Assistance Information Exchange Office
TARGET	intra-European large payments clearing-house system
TBR	Trade Barriers Regulation
TBT	technical barriers to trade
TCA	trade and cooperation agreement
TEC	Consolidated Treaty establishing the European Community, Revised Treaty of Rome
T&E	transport and environment
TEN	Trans-European Network
TEU	Treaty on European Union
ToA	Treaty of Amsterdam
ToN	Treaty of Nice
TPA	Trade Promotion Authority
TRADE	Directorate-General for Trade
TREN	Directorate-General for Energy and Transport
Trevi	Terrorism, Radicalism, Extremism, Violence, Information (agreement on internal security cooperation)
TRIMs	Trade-Related Investment Measures
TRIPS	Trade-Related Intellectual Property Rights
<i>troika</i>	grouping of three successive Council presidencies
UAPF	Union des Armateurs à la Pêche de France
UCLAF	Unité de coordination de la lutte anti-fraude, now OLAF
UEAPME	European Association of Craft, Small and Medium-sized Enterprises (union européenne de l'artisan et des petites et moyennes entreprises)
UK	United Kingdom
UN	United Nations
UNHCR	United Nations High Commission for Refugees
UNICE	Union of Industrial and Employers' Confederations of Europe
Unprofor	United Nations Protection Force in Bosnia
UR	Uruguay Round
US	United States
USTR	United States Trade Representative
VAT	value-added tax

VIS	Visa Information System
WEU	Western European Union
WG	working group
WTO	World Trade Organization
WWF	World-Wide Fund for Nature

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## Editors' Note

A number of problems of dating and numbering and nomenclature should be noted.

Generally in this volume for convenience we use the term European Union (EU) to embrace the family of arrangements under different treaties, even though it was not formally introduced until 1992. Where specifically relevant we refer to individual Communities or the European Community (EC). Pending ratification of the Constitutional Treaty (CT) the EU does not have legal personality, and hence formally speaking it is the EC which is sometimes party to international legal conventions or treaties (see Table 3.1 for the main treaties and treaty reforms).

Treaty reforms are dated to their year of signature by member governments, rather than to the completion of negotiations (often the year before), or ratification (often the year after). The well-intentioned renumbering of treaty articles, agreed as an afterthought to the Treaty of Amsterdam (ToA), has created immense difficulties for all students of European Union. This Consolidated Treaty on European Union (CTEU) agreed in 1997, confusingly contains the Consolidated Treaty establishing the European Community (TEC). We generally quote treaty articles under this new numbering, but special care is needed to follow the two parallel sets of numbering that cover the common foreign and security policy and justice and home affairs. For the new Constitutional Treaty signed in Rome in October 2004 we use the final numbering, not earlier versions or those of the draft text from the preceding Convention.

As regards terminology, readers will notice that we frequently refer to 'member government' rather than 'member state'. Although, strictly speaking, it is 'states' that sign and are parties to treaties and conventions, it is the member 'governments' which negotiate policies and legislation, or implement them at home, acting not only as representatives of states, but as the domestically accountable executive authorities.

Gross domestic product (GDP) is the most commonly used measure of the value of production in the area concerned (a country or a region). Gross national product (GNP) is GDP plus net transfers of factor incomes, i.e. the repatriated profits of member-state multinationals overseas, and less the profits of non-national multinationals operating in the member state. In most countries the difference between the two may be insignificant, but in countries such as Ireland the difference between the two may be as high as 25 per cent. Recently, gross national income (GNI) has become the more commonly used name for GNP.

Until September 1999 Directorates-General (DGs) of the European Commission were generally known by their numbers, e.g. DGVI for Agriculture. Numbers have been replaced by functional names. However, in this volume the numbers have sometimes been retained, since much of the material belongs to the period in which they were relevant. The two nomenclatures are set out in Table 3.2.

The ecu, or European currency unit, referred to in several chapters was the unit of account adopted for certain EU transactions or statistical comparisons. It has been replaced by the euro with the advent of economic and monetary union.



# Outline contents

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