#### **European Union Public Policy**

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## Lecture 4 Policy decision-making 1: institutional analysis



 Agenda-setting

 a multitude of E.U. public policy agenda avenues open to policy 'actors';

 Public policy formulation

 a range of policy-making venues within which E.U. public policy is formulated



# **STRUCTURE** (in form of institutions)

versus

#### AGENCY

(in form of role of individuals and groups)



Analysis of E.U. public policy 'Agenda-setting' and policy formulation = 'bottom up' - policy networks + - role of E.U. institutions and structures



Analysis of E.U. public policy decision-making - focus on structure/institutional element - focus on European Parliament - and its relationship with the Council of Ministers, the Commission and the national Parliaments of the Member states



*National Parliaments* = final policymaking and decision making institutions

*European Parliament* = slightly different = considerable/increasing influence over policy-making (705 MEPs, 27 Member States)



- Key issue = what should relationship be between European Parliament and National Member state Parliaments (especially in policy decision-making)?
- 1. European Parliament should be transformed into an E.U. federal parliament.
- 2. National Member state parliaments control Member state governments, who then represent the Member states in Council of Ministers



Challenge = find a mixture of policy decision-making roles for all 28 Parliaments (27 Member states Parliaments + European Parliament)



E.U. policy-making and decision-making procedures vary considerably across different policy areas

 Member states ceded policy-making authority to E.U. institutions in areas such as external trade, internal market, and CAP – E.U. legislation binding on Member states



- 2. In other policy areas such as environment, health policy, and regional policies, E.U. legislation is also binding on Member states
  - but in these matters Member states also have legislation of their own

 In other policy areas – such as education and culture – the E.U. primarily complements national policy legislation of the Member states and tries to facilitate co-operation among Member states



4. In other policy areas – such as civil law, income tax, and social-moral issues such as religion and abortion – policy decision-making authority remains with Parliaments of Member states and outside scope of E.U.



Differences in approach and powers in policy decision-making in different E.U. public policy areas:

- internal market (labour mobility, health and safety in workplace, vocational training, etc.) = authority ceded to E.U.
- health policy, environment policy = subject to binding E.U. legislation, but Member states also have own legislation
- education = E.U. complements national policy of Member states



Differences in roles and influence of the European Parliament and Member state national parliaments:

- almost all public expenditure and social spending controlled by Member states
  - E.U. spends less than 5% of the GDP of whole E.U. area
  - Member states spend around 40 to 50% of own GDP on public spending



- European Parliament important in deciding how E.U. spends its money
- as long as it can obtain the necessary majority of members in the European Parliament the E.P. can both change/amend and block (veto) the E.U. budget proposals
- although E.P. powers to amend E.U. budget restricted to non-compulsory expenditure (i.e. excludes CAP) – but E.P. has used its powers to add new budget amounts in policy areas

e.g., in public policy the E.P. has forced the Council of Ministers to accept increases in funding for education, training, and social and employment policies in recent years

Key change = 'co-decision procedure' agreed in Amsterdam Treaty of 1997 (came into operation on 1<sup>st</sup> May 1999)

> - reduced importance of European Commission in policy decision-making



# Treaty of Amsterdam (1997) 'co-decision procedure'

= if E.P. and Council of Ministers agree, then approval of policy decision by the European Commission no longer necessary

 used in most public policy areas, including employment policy, social policy, equal opportunities policy, and broad aspects of environment policy



- Over past 32 years (since the introduction of direct elections in 1989) E.P. become increasingly influential in E.U. public policy decision-making
  - has significant influence over E.U. budget
  - important co-legislator in public policy areas
  - has considerable agenda-setting influence
  - increasingly attractive focus for lobby and interest groups (epistemic communities, policy networks)

