CHAPTER TWO

AGENDA-SETTING IN EUROPEAN INTEGRATION: THE CONFLICT BETWEEN VOTERS, GOVERNMENTS AND SUPRANATIONAL INSTITUTIONS

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No consensus has yet emerged about who has the agenda-setting power in the European Community. Relying on spatial models of integration negotiations, this paper challenges both intergovernmentalist and neofunctionalist accounts of the European integration process. It distinguishes between constitutional and legislative agenda-setting and shows the extent to which negotiators depend on their electorates and government coalitions. The article furthermore explores the impact of new institutional designs. I will demonstrate how an innovation of the Maastricht Treaty, the 'codecision procedure', enables the European Parliament to prevent the enactment of anti-integrationist legislation by the Council of Ministers. However, intergovernmentalism will ultimately remain the predominant decision-making mode despite the introduction of unconditional blocking power and the reinforcement of conditional agenda control. The analysis shows that the dualism of two agenda-setting procedures offers opportunities to overturn legislative decisions. After experiencing a defeat in the domain of 'low politics', governments may create 'negative spillovers' by asking for compensation in the unanimity-ruled area of 'high politics'.

Introduction

Since the foundation of the European Community, supranationalists and intergovernmentalists have struggled over control of the integration agenda. During the negotiations on the Maastricht Treaty, they disagreed, for instance, over the empowerment of the European Parliament (Corbett, 1992). In the discussion on an envisioned 'codecision procedure', integrationist forces opted for the consequent creation of conciliation procedures if the European Parliament and the Council of Ministers were to disagree. However,
intergovernmental actors could block the full-fledged emancipation of the legislature. In the final version of the agreement, the Council keeps its right to act unilaterally as long as the Parliament does not reject its proposal.

Such conflicts between intergovernmentalist and federalist forces arise over one basic question: to what extent should the EC Member States yield power to supranational institutions such as the Commission, the Parliament or the Court of Justice? In this paper, I will develop spatial models to analyze the interactions between federalist and intergovernmentalist institutions. Deductive reasoning offers the most adequate research design for such an endeavour. Although there is enough information available to reconstruct episodes such as the negotiations on the Maastricht Treaty, the accumulation of anecdotal evidence does not suffice to explain European agenda-setting.

While adding to the rich literature on agenda-setting (e.g. Shepsle, 1979, Baron and Ferejohn, 1989, Krehbiel, 1991), the main contribution of this paper is conceptual clarification. The models show that the dominating approaches in the field of regional integration, neofunctionalism and neoliberalism, overstate their point. According to the former school of thought, the influence of supranational or federalist forces accounts for major developments such as the creation of the Single European Act. Sandholtz and Zysman (1989) argue that European business interests were a major pivot for the 1992 initiative. Other observers contend that the spillover logic of neofunctionalism explains the process of legal integration in the EC (Burley and Mattli, 1993). Such a view contrasts with the neoliberal or, more precisely, intergovernmentalist interpretation. Proponents of this approach claim that the ultimate responsibility lies with the Member States (Moravcsik, 1991). This has led to the conclusion that the EC cannot bring about the changes necessary to become a supranational institution (Scharpf, 1988).

This paper challenges these conflicting views, arguing that decision-making in the EC has both supranational and intergovernmentalist features. This mixture is a consequence of parallel decision-making procedures, namely constitutional and legislative agenda-setting. In the former domain, federalist institutions only possess a limited influence which the technical literature describes as negative agenda-setting power. They can thus help to prevent a summit decision to move the integration process one step backwards. The spatial models discuss which domestic conditions affect the outcome of the predominantly intergovernmentalist negotiations. To illustrate the stylized decision-making process at this level, data on voter attitudes (Euro-barometer) and party platforms (Budge, 1992) will be combined in a novel way.

Positive agenda-setting power of supranationalists only occurs in legislative matters. Drawing on recent work by Tsebelis (1994), I will indicate to what extent the European Parliament might be successful in shaping a proposal originally put forward by the Council. In particular, I will evaluate the new
codecision procedure. According to my formal framework, this rule will yield the legislature unconditional power to block anti-integrationist legislation.

The present study thus explains the degree to which recent institutional reforms might transform the EC into a predominantly supranational organization. It will be clarified how the Maastricht Treaty contributes to growing strains between ‘high politics’ and ‘low politics’ decision-making. The existence of two decision-making procedures enables EC Member States to continue their obstruction of major integration initiatives even after curtailing the sway of intergovernmentalist institutions.

The article is organized as follows: the second Section summarizes the major hypotheses on agenda-setting in the process of European integration. After briefly presenting the main literature on agenda control in the third Section, I will show the properties of the two main processes governing European integration. Section Four explores decision-making on constitutional initiatives whereas Section Five examines agenda-setting in EC legislation. The broader theoretical implications will be addressed in the conclusion. Mathematical details can be found in Appendix I.

Who Is at the Helm of the EC?

There are three conflicting views in the public dispute over who should govern the EC. Historically, intergovernmentalists have been more successful in the contention over control of the integration agenda. Despite some major integration breakthroughs, laggards such as President De Gaulle or Prime Minister Thatcher could largely keep the upper hand. They preserved the veto power of individual States by successfully threatening more integrationist governments (Schneider and Cederman, 1994). Recent institutional reforms shifted the balance slightly, transforming the European Parliament into a ‘conditional agenda-setter’ (Tsebelis, 1994). However, these developments have provoked counteractions. Domestic constituents worry about the loss of national sovereignty due to the creation of additional regimes, such as the European Monetary Union (EMU) or the Common Foreign and Security Policy (CFSP). At least since the Danish failure to ratify the Maastricht agreement, the integration debate has developed into a conflict between ambitious ‘Eurowings’, moderate governments, and reluctant voters.

This trend intensified the academic debate on who is at the helm of the European integration process. Neofunctionalist and intergovernmentalist approaches take the extreme positions in the literature. However, both approaches hardly address the crucial question of who has the power to amend an integration initiative. They most often only explore whether existing EC institutions can act independently of the governments of the Member States.
According to Sandholtz (1992: 26), for instance, the European Parliament exercised this kind of influence in the early 1980s by placing the Single European Act (SEA) on the EC reform programme. This interpretation is in accordance with the neofunctionalist tradition which attributes positive agenda-setting power to integrationist actors. Following the logic of this approach, the EC reaches the stage of 'supranationality' if its governmental authorities are 'closer to the archetype of a federation than any past international organization, but not yet identical with it' (Haas 1958:59). Neofunctionalists treat integration as a process which leads to the gradual strengthening of supranational institutions. Functional spillovers in particular enhance the power of those forces which can disregard national considerations (Haas, 1964).

Intergovernmentalists assume that integration is much harder to achieve, not least because the authority for essential questions is vested in the Member States. According to Moravcsik (1991), the policies of the EC reflect national interests. Scharpf (1988: 267) describes the decision-making procedures of the EC as a 'joint decision trap'. Because the unanimity rule is inevitable for major reforms, governments are able to block the institutional evolution of the EC at the meetings of the Council of Ministers or of the European Council. According to this viewpoint, 'there is no 'gradualist' way in which joint-decision systems might transform themselves into an institutional arrangement of greater policy potential' (ibid: 271).

A closer inspection of the present situation shows that the EC combines both supranationalist and intergovernmentalist characteristics. The relationship between the two reaches far beyond mere coexistence in both relevant decision-making processes. With regard to constitutional agenda-setting, intergovernmentalist institutions need a proposal to further the integration process. Federalist forces have acquired the right and the expertise to develop such initiatives. In legislative matters, supranational institutions are empowered to amend or reject proposals.

Since intergovernmentalist and neofunctionalist elements already depend upon each other, there is a need to study EC policy-making from a new perspective. The point for a reconciliation between the competing theories has been most forcefully made in Tsebelis' (1994: 23) study on the European Parliament: 'European integration does not happen despite the will of national governments, but because these national governments have taken measures to build institutions attributing conditional agenda-setting power to supranational actors'.

The present article draws on spatial games to unravel basic patterns in the interactions between intergovernmentalist and supranationalist organizations. The strong institutional focus of this branch of formal modelling enables one to deduce the importance of competing actors in the European balance of power.
Agenda Control and Veto Power

Since the ground-breaking work by McKelvy (1976), Schofield (1978) and Shepsle (1979) agenda control has become a major topic in formal theory. These innovative contributions reinvigorated the rigorous analysis of decision-making rules. Drawing on the median-voter theorem, McKelvy (1976) proved that those who control the agenda can engage in all sorts of manipulation. In a multidimensional space, any alternative might become a group choice. Similar results can be found in Schofield (1978).

However, several approaches have limited the generality of these ‘chaos’ results. Some specific situations guarantee the existence of outcomes which cannot be overturned. Shepsle (1979) showed axiomatically how decision-making procedures might curtail the set of alternatives. His neoinstitutionalist analysis of structure-induced equilibria (SIE) displayed the extent to which the organization of committee systems and of amendment rules affect policy choices of legislatures.

According to one strand of the neoinstitutionalist literature (Denzau and Mackay, 1981, 1983), ‘sophisticated committees’ can enact policies in accordance with their own but in opposition to the legislature’s preferences. This is possible in the event that the floor has no amendment right and must either accept or reject a committee proposal. The literature refers to such restrictive procedures as ‘closed’ rules. If the decision-making follows an ‘open’ rule, the legislature has the power to amend committee policies.

Committees may also exert ex post veto power. Shepsle and Weingast (1987a, 1987b) explained the ‘Institutional Foundations of Committee Power’ by the possibility of killing a proposal when bicameral differences are to be resolved. Although this model may overstate the importance of committee vetoes in US politics (Krehbiel, 1987, 1991: 193-245), such obstruction might be relevant in the future Community because of the strengthening of the European Parliament. In a multiactor bargaining model, Baron and Ferejohn (1989) demonstrated the importance of the temporal aspect in the form of discounting. Committees have thus almost complete power if they face an impatient parliament. Stability is finally possible in the event that the decision-making requires more than a simple majority. In such ‘supramajoritarian’ settings, no set of voters can be in all-winning coalitions (Greenberg, 1979, Schofield, Grofman and Feld, 1988). Although most of the empirical research stemming from this theoretical work is centred on the US Congress, the formal study of agenda-setting has recently been applied to European settings (e.g. Huber, 1992, Tsebelis, 1994) and multiparty systems (e.g. Baron, 1993, Laver and Shepsle, 1990a, b, Schofield, 1991).

Referring to different traditions in spatial modelling, I will distinguish two agenda-setting processes in the following. A ‘high politics’ model
analyzes the negotiations on constitutional initiatives which take place in the European Council. A 'low politics' model focuses on the legislative processes, in particular on the codecision and cooperation procedures. I can use a unifying approach, because both decision-making processes are concluded by supramajoritarian decisions where a core of undominated outcomes is guaranteed to exist at least in two dimensions of choice.

Constitutional Initiatives: A Model and an Illustration

Decision-making on major institutional questions currently takes place in three stages. First, a supranational actor, such as the European Commission or the European Parliament, proposes a policy change. Second, an intergovernmentalist summit considers this initiative and possibly amends it. Third, domestic constituents in each State decide whether they want to approve of the outcome of the intergovernmentalist institutions. Since this article is focusing on the interactions at international level, my models will only embrace the first two stages.

Because constitutional decision-making resembles a process governed by an open rule, the proposing committee is almost powerless. Figure 1A illustrates why intergovernmentalism prevails even in the presence of a far-sighted or sophisticated supranational actor. To display some basic elements of the current EC summitry, I have restricted the policy space to one dimension in the beginning. Furthermore, symmetric and single-peaked preferences have been assumed. Let us suppose that the summit is confronted with a proposal by the European Parliament or the European Commission to deepen integration. The horizontal axis in Figure 1A denotes the dimension of integration which ranges between 0 (complete independence) and 1 (complete integration). As the Member States can amend this initiative only by unanimity, no negotiation outcome can be more than the smallest denominator. In other words, any decision has to take into account the position of the laggard. This pivotal member of the EC summit could veto any policy which it considers to be too integrationist.

SQ denotes the status quo in the integration process. The supranational committee’s most preferred integration level is called M because the European Parliament decides by an absolute majority. The graph furthermore distinguishes between the two ideal points of the laggard: the position L represents a situation where a laggard government would like to take the integration process one step back. Such a wish could become relevant after a government change. L’ depicts the case in which the laggard moderately prefers to advance the course of integration.
If \( L' \) is the laggard position, the European Parliament could propose exactly this level of integration. Any different suggestion would be amended by the intergovernmentalist summit. In other words, the supranational actor has only negative agenda-setting power in constitutional questions. Such limitations are also manifest if the laggard’s ideal point is \( L \). The European Parliament would refrain from proposing a policy change in such a situation. The supranationalist can thus prevent the integration process from returning to an earlier level of cooperation. However, the ability to support the status quo hinges upon the assumption that the most integrationist government is not interested in establishing a less federalist EC. The Community would experience a constitutional setback if the ideal point of this EC member is to the left of \( SQ \).

PROFITING FROM A DOMESTIC SPLIT

If some of the key assumptions are relaxed, ‘high politics’ agenda-setting becomes more complex. Laggards can threaten the integrationist majority in order to obtain their most preferred outcome in the event that they possess an outside option (Schneider and Cederman, 1994). Once we drop the unitary actor assumption, supranationalists can in return exploit the domestic situation of the stalling governments. In particular, they may profit from an intraparty dispute between two competing laggard factions about the level of integration. This situation is shown in Figure 1B. The laggard has again two ideal points. \( L \) is the preferred solution of the majority faction, \( D \) stands for the position advocated by the dissident minority group.

\[ \text{Figure 1A: Integration Negotiations with a Unitary Laggard} \]

\[ \text{Figure 1B: Integration Negotiations with a Split Laggard} \]
If the dominating members of parliament cling to power, the federalist institution may successfully propose D as the future level of cooperation. Owing to exogenous constraints, a supranational actor can thus achieve more integration than a majority of the laggards would like to accept. Such exploitation is possible with regard to British parties. As long as the highest priority of the dominating faction is to stay in power, it is unlikely to risk rejection of a treaty favouring the minority bloc. On the contrary, such a step could imply that the governing party would have to leave office. Coalition governments could be exploited in a similar way. Among the three dominating EC Members, Germany is the most likely victim in this respect. Other negotiators could enforce a policy which is not supported by the majority party, be it the Christian Democrats or the Social Democrats. A quantitative analysis has already established that the junior partner of both parties, the Free Democrats, generally has an overproportional influence on government activity (Hofferbert and Klingemann, 1990).

To sum up, integrationist forces possess conditional agenda-setting power in the domain of ‘high politics’ as long as they can profit from the domestic weakness of a laggard. However, this form of influence relies on an exogenous condition. If only endogenous factors are considered, the power of the supranationalists is purely negative. In other words, intergovernmentalism is the first and foremost decision-making mode at this level of interaction. As agreements against the will of the Member States are hardly conceivable, constitutional reforms require that all governments prefer more integration over the status quo or that laggards receive compensation for their support.

DOMESTIC ROOTS OF INTEGRATION POLICIES

Combining data on voter attitudes and party platforms, I have employed a quantitative framework to identify the domestic roots of integration policies. My approach contrasts considerably with traditional survey studies. Typically, such examinations use country-level aggregates of voter attitudes, implicitly assuming that governments adopt the position of the median voter. This working hypothesis is rather arbitrary because it is not necessarily true that negotiators respect the interests of this pivotal constituent unless there is a referendum. The following analysis is based on a conflicting behavioural postulate. I have assumed that governments have to take into account the positions of their supporters rather than the preferences of the majority of the electorate.

Table 1 summarizes government and voter positions before the SEA and Internal Market negotiations. The analysis compares the position of governing parties with the preferences of their supporters and of the electorate. I
contrast the preferences for European integration with the positions towards the welfare state, in particular towards efforts to reduce income inequality. According to the qualitative literature, a left-right cleavage was another relevant dimension in the negotiations on the SEA and the Internal Market programme (Garrett, 1992: 541-545). The European Council accordingly had to decide how far state intervention in the Internal Market should reach.

Table 1 shows the domestic foundations of intergovernmental decision-making. It particularly reveals that the ruling parties and the average supporters of all governments participating in the SEA negotiations were more integrationist than their average voters. The convergence of interests among the backers of the governing parties seems to have contributed to the ease with which the EC took this most significant step towards European unification since the Treaty of Rome. Interestingly, some hypothetical governments would have had less latitude to sacrifice national sovereignty in favour of the Internal Market and the SEA. The mean of the supporters of the British Labour Party was for instance 0.3, while the average position of the Danish Social Democrats amounted to only -0.1. Although the Danish and British governments were more federalist, their adherents were still much more reluctant than the followers of other governing parties.

The ‘laggards’ with respect to European unification were also most critical towards governmental redistribution. Large majorities of Greek, French and Italian voters by contrast tend to favour such activities. The calculations further establish that most average positions of the government supporters were to the right of the preference of the median voter. Other parties, such as the French Socialists, had moved towards the position of this pivotal constituent since they formulated the platform. It should be noted in this context that party programmes only partly reflect the voter attitudes. The uniformity of the opinions on European integration, on the other hand, shows that political unification was not among the major concerns in the first half of the 1980s.

To sum up, I have established that the domestic situation in the twelve Member States allowed the EC to reach an integration breakthrough in the mid-1980s. In an intergovernmentalist setting, such a success only becomes possible if all participants wish for further integration. The Maastricht Treaty does not indicate that more supranationalism could be reached in decision-making on constitutional matters. As the ‘Declaration on Voting in the Field of the Common Foreign and Security Policy’ suggests somehow ambiguously, intergovernmentalism will continue to dominate this level of interaction: ‘The Conference agrees that, with regard to Council decisions requiring unanimity, Member States will, to the extent possible, avoid preventing a unanimous decision where a qualified majority exists in favour of that decision’ (Council of the European Communities, 1992: 239).
Table 1: Voter and Party Positions on European Unification Before the Negotiations on the SEA and the Internal Market

Positions on European unification:

<table>
<thead>
<tr>
<th>EC Member State</th>
<th>Party positions</th>
<th>Mean supporters</th>
<th>Std dev supporters</th>
<th>Mean electorate</th>
<th>Std dev electorate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Belgium</td>
<td>2.0(^{-1})</td>
<td>1.2-1.4(^{4})</td>
<td>0.5-0.8</td>
<td>1.1 (777)</td>
<td>0.9</td>
</tr>
<tr>
<td>Denmark</td>
<td>1.0-1.6(^{-2})</td>
<td>0.1-0.6(^{5})</td>
<td>1.4-1.5</td>
<td>0.0 (842)</td>
<td>1.5</td>
</tr>
<tr>
<td>France</td>
<td>2.0</td>
<td>1.1</td>
<td>0.8</td>
<td>1.1 (831)</td>
<td>0.8</td>
</tr>
<tr>
<td>Federal Republic of Germany</td>
<td>2.0</td>
<td>1.3/1.4</td>
<td>0.8/0.7</td>
<td>1.2 (939)</td>
<td>0.9</td>
</tr>
<tr>
<td>Greece</td>
<td>-/2.0</td>
<td>1.0</td>
<td>1.2</td>
<td>1.0 (730)</td>
<td>1.2</td>
</tr>
<tr>
<td>Ireland</td>
<td>-2.0</td>
<td>1.0/0.6</td>
<td>1.0/1.4</td>
<td>0.8 (673)</td>
<td>1.1</td>
</tr>
<tr>
<td>Italy</td>
<td>2.0(^{3})</td>
<td>1.3-1.4(^{6})</td>
<td>0.6-0.9</td>
<td>1.3 (891)</td>
<td>0.8</td>
</tr>
<tr>
<td>Luxembourg</td>
<td>2.0/2.0</td>
<td>1.0/1.3</td>
<td>1.2/1.0</td>
<td>1.1 (266)</td>
<td>1.0</td>
</tr>
<tr>
<td>The Netherlands</td>
<td>2.0/2.0</td>
<td>1.0/1.1</td>
<td>1.1/1.0</td>
<td>0.9 (890)</td>
<td>1.1</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>2.0</td>
<td>0.9</td>
<td>1.1</td>
<td>0.6 (1038)</td>
<td>1.2</td>
</tr>
</tbody>
</table>

Positions on the welfare state:

<table>
<thead>
<tr>
<th>EC Member State</th>
<th>Party positions</th>
<th>Mean supporters</th>
<th>Std dev supporters</th>
<th>Mean electorate</th>
<th>Std dev electorate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Belgium</td>
<td>-1.2 - 2.0(^{8})</td>
<td>-1.1 - 1.0(^{11})</td>
<td>1.1 - 1.2(^{11})</td>
<td>-1.2 (972)</td>
<td>1.1</td>
</tr>
<tr>
<td>Denmark</td>
<td>-2.0 - 1.6(^{9})</td>
<td>0.0 - 0.5(^{12})</td>
<td>1.1 - 1.5(^{13})</td>
<td>-0.6 (933)</td>
<td>1.4</td>
</tr>
<tr>
<td>France</td>
<td>-2.0</td>
<td>-1.7</td>
<td>0.6</td>
<td>-1.4 (982)</td>
<td>1.0</td>
</tr>
<tr>
<td>Federal Republic of Germany</td>
<td>-1.5/1.5</td>
<td>-0.7/-0.5</td>
<td>1.2/1.3</td>
<td>-0.9 (987)</td>
<td>1.1</td>
</tr>
<tr>
<td>Greece</td>
<td>-</td>
<td>-1.8</td>
<td>0.6</td>
<td>-1.7 (879)</td>
<td>0.8</td>
</tr>
<tr>
<td>Ireland</td>
<td>-2.0</td>
<td>-1.0/-1.2</td>
<td>1.0/0.8</td>
<td>-1.1 (891)</td>
<td>0.9</td>
</tr>
<tr>
<td>Italy</td>
<td>-2.0 -1.4(^{10})</td>
<td>-1.3/-0.6(^{13})</td>
<td>1.0 - 1.5(^{13})</td>
<td>-1.1 (1012)</td>
<td>1.1</td>
</tr>
<tr>
<td>Luxembourg</td>
<td>-2.0</td>
<td>-1.0/-1.4</td>
<td>1.4/1.0</td>
<td>-1.0 (291)</td>
<td>1.3</td>
</tr>
<tr>
<td>Netherlands</td>
<td>-1.6/-1.6</td>
<td>-0.8/-0.2</td>
<td>1.4/1.6</td>
<td>-0.9 (970)</td>
<td>1.4</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>-2.0</td>
<td>-0.5</td>
<td>1.1</td>
<td>-0.8 (1229)</td>
<td>1.1</td>
</tr>
</tbody>
</table>
Note: The party positions were derived from indicators listed in Budge et al. (1992). They were calculated according to the following formulae: 1) \(2(\text{Number of favourable references to the EC} - \text{Number of hostile references})/(\text{Number of favourable references} + \text{Number of hostile references})\); 2) \(2(\text{Number of hostile references to welfare state expansion} - \text{Number of favourable references})/(\text{Number of favourable references} + \text{Number of hostile references})\). The preferences of the voters were obtained from Rabier et al (1983). They represent answers to the following questions: 1) ‘In general, are you for or against efforts being made to unify Western Europe?’ 2) ‘Do you agree or disagree that greater effort should be made to reduce inequality of income?’ ‘For – very much’ (‘Disagree strongly’) received a value of 2, ‘For – to some extent’ (‘Disagree’) is category 1, and -1 and -2 stand for ‘Against – to some extent’ (‘Agree’) and ‘Against – very much’ (‘Agree strongly’) respectively. A supporter is a person who identifies with a party in the Euro-Barometer according to the following question: ‘If there would be a General Election tomorrow, which party would you support?’

1 PSC: 2.0; CVP: 2.0; PRLI: -; PVV: -.
2 KF: 1.6; V: -; CD: -; KrFP: 1.0.
3 DC: 2.0; PSI: 2.0; PSDI: 2.0; PRI: 2.0; PLI: 2.0

Mean, Standard deviations in parentheses: PSC: 1.3 (0.7); CVP: 1.2 (0.8); PRLI: 1.4 (0.5); PVV: 1.4 (0.5).
4 Mean, Standard deviations in parentheses: KF: 0.4 (1.4); V: 0.5 (1.4); CD: 0.6 (1.5); KrFP: 0.1 (1.5).
5 DC: 1.4 (0.6); PSI: 1.3 (0.8); PSDI: 1.4 (0.8); PRI: 1.4 (0.9); PLI: 1.4 (0.8).
6 Mean, Standard deviations in parentheses: DC: 1.1 (1.2); PSI: 1.0 (0.7); PSDI: 1.1 (0.8); PRI: -0.8 (0.8); PLI: -0.6 (1.5).
7 Number of cases in parentheses.

Legislative Agenda-Setting: The Effects of Codecision

Two procedures provide supranational actors with partial control over legislation, transforming the EC into an institution with at least some federalist traits. Firstly, an innovation of the SEA, the cooperation procedure, has enhanced the power of the European Parliament from negative to conditional agenda-setting (Tsebelis, 1994). By taking into account the preferences of the Council of Ministers, the legislature can change the status quo. The second supranationalist rule, the codecision procedure of the
Maastricht Treaty, has two basic properties. It strengthens the conditional agenda-setting of the legislature and simultaneously constrains the sway of the intergovernmentalists. Before the SEA came into existence, the European Parliament could merely consult the intergovernmentalist institutions (for a general introduction, see Jacobs and Corbett, 1990). The Treaty on European Union describes the codecision and the cooperation procedures in Article 189b and 189c respectively (see Appendix II).

THE COOPERATION PROCEDURE

The cooperation procedure secures Parliament positive influence over EC legislation. It does so through the requirement that the Council of Ministers can only unanimously alter those amendments of the legislature which the Commission supports. The proposal of the supranationalist institution becomes legislation if it is accepted by a qualified majority of the Council of Ministers. At present, this hurdle amounts to 54 out of 76 votes.

To illustrate the effects of the rule, I would like to present four models. They can be distinguished by the position of the status quo which is again denoted as SQ. Given that the Council has to decide unanimously, I have distinguished position I as that of the most integrationist member and position L as that of the laggard. The preferred position of a majority of the Council members is Q. Q_{(L)} and Q_{(SQ)} are the positions which are as good for the majority as the laggard and the status quo positions respectively. The distances |Q-L| and |Q_{(L)}-Q| are accordingly of the same length. |Q-SQ| and |Q_{(SQ)}-SQ| are also equidistant. The preferred position of an absolute parliamentary majority is M. I have analyzed all cases where M is placed to the right of SQ. By definition, Q is furthermore situated between L and I. The Parliament is finally always more integrationist than any member of the Council of Ministers.

The first case (Figure 2A) represents a situation in which SQ is the least preferred outcome for all actors. Parliament has \textit{positive agenda-setting power} in such a situation \textit{on the condition that} it respects the position of the qualified majority.

\textit{Figure 2A: Cooperation Agenda-Setting (SQ<L)}

\begin{center}
\begin{tikzpicture}
\draw[black,thick] (0,0) -- (6,0);
\draw[black,thick] (0,0.2) -- (0,-0.2);
\draw[black,thick] (1.5,0.2) -- (1.5,-0.2);
\draw[black,thick] (3,0.2) -- (3,-0.2);
\draw[black,thick] (4.5,0.2) -- (4.5,-0.2);
\draw[black,thick] (6,0.2) -- (6,-0.2);
\draw[black,thick] (0,0) -- (0,0.5);
\draw[black,thick] (1.5,0) -- (1.5,0.5);
\draw[black,thick] (3,0) -- (3,0.5);
\draw[black,thick] (4.5,0) -- (4.5,0.5);
\draw[black,thick] (6,0) -- (6,0.5);
\node[below] at (0,0) {O};
\node[below] at (1.5,0) {SQ};
\node[below] at (3,0) {L};
\node[below] at (4.5,0) {Q};
\node[below] at (6,0) {Q_{(L)}};
\node[below] at (3,0.5) {Q};
\end{tikzpicture}
\end{center}
If the status quo is to the left of the laggard position, Parliament can propose any point in the interval stretching from L to \( Q\). The legislature is thus an agenda-setter as long as it is impossible for the Council to agree unanimously on an alternative. As the next figure shows, such a conditional influence is also possible if the status quo lies between L and Q.

**Figure 2B: Cooperation Agenda-Setting \((L < SQ < Q)\)**

![Figure 2B: Cooperation Agenda-Setting \((L < SQ < Q)\)](image)

To influence legislation in a positive way, Parliament may put forward amendments in the interval ranging from SQ to \( Q\). There is no counterproject on which the intergovernmentalist institution could agree. The legislature only loses its partial control over the European agenda in the event that SQ is to the right of the ideal point of the Council's qualified majority. Figure 2C describes the first of the two cases where legislative agenda-setting becomes entirely intergovernmentalist.

**Figure 2C: Cooperation Agenda-Setting \((Q < SQ < I)\)**

![Figure 2C: Cooperation Agenda-Setting \((Q < SQ < I)\)](image)

In the situation described in Figure 2C, the status quo will prevail because the Council cannot reach an outcome which is better for all its members. If Parliament would try to propose a change to the right of I, the Council would not accept it because it prefers the status quo. As described in the model on 'high-politics' decision-making, intergovernmentalists can only unilaterally change the status quo if the most integrationist Council member wants to move one step backwards.
Such circumstances are depicted in Figure 2D. The Council of Ministers would agree on the position of its most integrationist member, and the European Parliament could not prevent this retrogression.

Similar results hold for a two-dimensional choice space (for a formal definition, see Tsebelis, 1994), although the relationship between the position of the status quo and the possibility to exert conditional agenda-setting becomes curvilinear. The European Parliament therefore has no power if the status quo is inside or far away from the core of the positions where the welfare of the qualified majority cannot be improved. A further characteristic of the cooperation procedure is that not every legislative outcome is efficient. If one State prefers a Pareto-efficient status quo over an equally Pareto-efficient counterproposal, a non-efficient amendment by Parliament may be adopted.

The cooperation procedure also offers Parliament conditional blocking power, as the Council of Ministers can only unanimously overrule the Parliament’s rejection of a proposal. The conditional blocking power is defined in Appendix I.

THE CODECISION PROCEDURE

The Maastricht Treaty will further enhance the role of the European Parliament for all legislation covered by the codecision procedure. The term ‘codecision’ suggests that the Parliament’s agenda control is less conditional than its influence vis-à-vis the cooperation procedure. The new element is that the rejection of a Council proposal can be final. The blocking power therefore no longer depends on the condition that the Council cannot agree on any alternative to the status quo.

Figure 3 illustrates the procedure. It shows how different readings of a proposal will influence legislation in an EC governed by the Treaty on European Union. As with the cooperation procedure, no final decision is taken during the first and second readings. During this period, the main decision by the European Parliament is to approve, amend or reject a Council proposal. The legislature has a first opportunity to kill an initiative when it receives a counterproposal from a Conciliation Committee after a rejection in the second reading.
This Committee might also become active when the Council unanimously rejects a proposal. The negotiations between Parliament and Council in this forum can lead to a joint proposal which has to find the approval of both the intergovernmentalist and the federalist institutions. If the two sides cannot agree, the Council of Ministers may act unilaterally. The legislature can only accept or reject such counterproposals in the last period.

As is the case for the cooperation procedure, the possibility to amend yields the European Parliament positive but conditional agenda-setting
power. The new effect is the existence of unconditional blocking power. This form of agenda control guarantees that no anti-integrationist legislation will be enacted as long as an absolute majority of the European Parliament favours a further strengthening of the cooperation process. The codecision procedure reduces the Council of Ministers’ control over European legislation to negative agenda control. The following example illustrates the new situation for a two-dimensional policy space. Assume that the European Parliament has to decide on a proposal by the Council for further integration (x-axis) and centralization of some activities (y-axis). The legislative outcome depends on the actors’ ideal points and on the location of the status quo. Each actor’s preferences will be represented by closed, convex indifference contours around the ideal points. For convenience, I have assumed, in Figure 4, that a qualified majority of the Council and an absolute majority of the European Parliament are unitary actors. Their preferred outcomes are Q and M respectively, and the set of policies which they strictly prefer to the status quo (their ‘preferred-to’ sets) are depicted as the circles around these points. The conditions of conditional agenda-setting under the codecision procedure can be found in the first appendix.
The set of points preferred by both actors to the status quo is the intersection of their preferred-to sets (marked area in Figure 4). As Parliament and a qualified majority have to approve of any proposal, every policy change must be situated in this supranationalist winset. The legislature can propose any element of this set – for example, point $X$ – as long as it is not conditional upon the unanimous Council. Parliament loses its conditional agenda-setting power in the event that the Council of Ministers can unanimously overrule all elements of the supranational winset. Reduced agenda control is possible if this domination only refers to a subset of the codecision winset. In Figure 4, I have assumed that the codecision winset is completely dominated. A policy change is only enacted in the event that the preferred-to set of the unanimous Council intersects with the supranational winset. Parliament or a qualified majority of the Council would veto any other proposal. The best position that the legislature could obtain would be point $X'$ in such a situation.

Another interesting feature of the codecision procedure is the support which an extremist coalition of Council members and the Parliament can enjoy. They can profit from the growing distance between government preferences which makes a unanimous decision impossible. Counterintuitively, laggards further the integration process in the domain of ‘low politics’.

What does the coexistence of conditional agenda-setting and unconditional blocking power imply? Several behavioural hypotheses can be derived from this institutional analysis. First of all, the unconditional blocking power restricts the set of possible legislative outcomes under the codecision procedure. This shift towards supranational decision-making, on the other hand, does not imply that the European Parliament will make frequent use of its new veto power. As the Council of Ministers can forecast possible reactions, it will refrain from proposing policies which could run against the preferences of an absolute majority of the European Parliament.

Secondly, the Council will try to restrict the judicial complexity of its proposals because a core of undominated outcomes is not guaranteed if the number of issues pertaining to a proposal exceeds two.

Thirdly, integration may become dependent upon situations where the Council of Ministers disagrees so much that it cannot overrule policies backed by a supranationalist coalition of some Council members and the European Parliament. In opposition to the unanimity-ruled periods in the history of the EC, diverging and non-converging interests are thus a precondition for further progress in integration.

However, such developments occur at the risk of ‘inverse’ spillovers. In contrast to the neofunctionalist prediction, increased supranationalism in ‘low politics’ can lead to conflict in the constitutional decision-making arena instead of growing cooperation. Such strains may also develop in other arenas in which majority voting applies.
THE TENSION BETWEEN 'HIGH' AND 'LOW' POLITICS

An example from the negotiations between the EC and the Alpine EFTA members about a transit treaty indicates how the coexistence of different decision-making procedures may create problems in the future. At the last stage of the bargaining process in autumn 1989, Greece insisted on obtaining a sharp increase in the licences for trucks passing through Austria. The EC was able to block this hampering claim by a majority decision. Nevertheless, the day after this rejection, the Southern EC Member State finally managed to get very close to its initial demand. To reach its goal, Greece employed the laggard’s customary blackmailing strategy. Threatening to veto the agreement on a European Economic Area between the EC and EFTA, the stalling government successfully linked its pet issue to a decision requiring unanimity.

There is a danger that other States might increasingly try to do the same. If the ‘low politics’ procedure and other majority voting in the Council of Ministers always lead to the same outcome, there might be a risk that new permanent laggards emerge at the level of ‘high politics’. In more formal terms, governments which find themselves overruled by a majority decision try to raise the question again in which they experienced a defeat. To prevent such instability, there is a need to move outcomes closer to the solutions favoured by a unanimous Council. Supranationalists may also try to garner the support of potential laggards by tying the issue at stake to distributive measures. The inclusion of side-payments also increases the legislative complexity, thus endangering the existence of a core of undominated outcomes in the Council of Ministers. Nevertheless, Appendix I shows that any instance of conditional agenda-setting under the codecision procedure is constitutionally unstable. Furthermore, governments which have been defeated in legislation may even try to overturn decisions outside the core of undominated outcomes in another legislative round.

Conclusion

This paper has explored actual and future power constellations in the European Community (EC). I have employed spatial models to identify agenda-setters in ‘high politics’ and ‘low politics’ decision-making. The formal analysis led to three major insights.

Firstly, the article shows that the new codecision procedure has not yet lifted the European Parliament to the status of a positive agenda-setter. Unconditional power would require a procedure whereby the Parliament could make a take-it-or-leave-it proposal to the Council of Ministers without taking into account intergovernmentalist preferences. Despite this restriction,
the Maastricht Treaty empowers the supranational elements in the EC. Their control of the integration agenda grows as a function of increasing preference diversity among the Members of the EC.

Secondly, I discussed the dualism of constitutional and legislative agenda-setting. The coexistence of two decision-making channels creates an incentive for losers in the arena of 'low politics' to create 'inverse' spillovers. After experiencing a defeat, they might ask for compensation during unanimity-ruled EC summits. Such demands could lead to further stalemates in the process of European unification, especially if laggards are able to fuel anti-European moods in the electorate. The quantitative analysis combining party and voter preferences shows that major breakthroughs require integrationist preferences of the governments of the EC Member States.

Thirdly, the paper displays the limits of the dispute between neorealist and neofunctionalist approaches. The EC is neither an intergovernmentalist dinosaur nor a supranationalist alien. On the contrary, the Community is a hybrid with both archaic and postmodern traits. The article has demonstrated that constitutional decision-making is almost exclusively intergovernmentalist while legislative procedures include some supranationalist features.

Besides the decision-making rules examined in this article, there are further factors which strengthen intergovernmentalism at the moment. One of them is the possibility to exploit informational asymmetries about outside options, to reach the preferred integration outcome. Governments can, for instance, claim that they would leave the EC at least temporarily unless they receive some concession (Schneider and Cederman, 1994). The framework employed in this article does not address such strategic interactions. The spatial models developed in this article do not enable the prediction of exactly which outcome will be chosen. Finally, deductive reasoning is no substitute for sound tests. Statistical examinations may show that Parliament is less supranationalist than assumed in this paper. The article also does not explore whether or not the interests of the Council and Parliament often converge.

However, such behaviour would not inevitably challenge the general finding that the European Community is an intergovernmental institution with some federalist features. Although integrationists have acquired some agenda-setting power, it is not irrational for EC Member States to support the expansion of supranationalism. They may favour a further strengthening of federalist institutions as long as the decision-making dualism allows them to demand compensation for legislative defeats. Or, to put it the other way around, the limited positive agenda-setting power attributed to federalist institutions will be provisional as long as each government can employ its veto right in the last resort.
APPENDIX I: Agenda-Setting under the Codecision Procedure

This first appendix contains the different definitions and results which were mentioned in the main text. This appendix is an extension to the work of Tsebelis (1994) who defines the influence of the European Parliament in the cooperation procedure.

The article partly draws on those spatial models which examine whether a structurally stable core exists under supramajoritarian decision-making rules (Greenberg, 1979, Schofield, Grofman and Feld, 1988). In these studies, the Q core refers to the set of points where the welfare of Q out of N states cannot be improved simultaneously. According to the second theorem of Greenberg (1979), such a Q core is guaranteed to exist if the minimum special majority q obeys the following condition: q>W/(W+1) where W is the dimensionality of the choice space. As long as the qualified majority requirement of the Council of Ministers is larger than 2/3, there is a structurally stable core for two dimensions, but not necessarily for more than two dimensions.

As in the one-dimensional space, conditional agenda-setting power is partly defined by the location of the status quo. It matters whether different sets of outcomes are empty or not. The Pareto set consists of these points where the situation of all twelve Members of the Council of Ministers cannot be improved. The unanimity preferred-to set of the status quo U(SQ) is the set of points preferred by a unanimous Council over the status quo. Correspondingly, the qualified majority preferred-to set Q(SQ) of the status quo represents the set of points which any qualified majority of the Council prefers to the status quo. The qualified majority preferred-to set of the unanimity set Q(U(SQ)) stands for those points which a qualified majority prefers over any point in the unanimity set.

According to definition 6 of Tsebelis (1994), the European Parliament possesses conditional agenda-setting power in two cases. Firstly, in the event that the Council unanimously agrees over alternatives to the status quo, there must be outcomes which qualified majorities prefer over the solutions favoured by the whole Council. Formally, when U(SQ) is not empty, Q(U(SQ)) is not empty. Secondly, in the event that the Council cannot agree on any alternative to the status quo, there must be legislative outcomes which the qualified majority prefers over the status quo. In other words, when U(SQ) is empty, Q(SQ) is not empty.

To establish the power of the Parliament under the codecision procedure, I have derived the conditional blocking power under the cooperation procedure as being the first result. This kind of agenda control depends on the impossibility of the Council enacting a policy change on its own. Thus, a qualified majority would make a proposal which the Parliament would reject.
R1: Under the cooperation procedure, Parliament possesses blocking power for the rejection of any proposal where U(SQ) is empty. This result follows from the definition of U(SQ). The Council of Ministers can always agree on an alternative to the status quo if this set is non-empty. The difference between the cooperation and the codecision procedure is that conditionality ceases to exist under the new decision-making rule. This is a consequence of the possibility to make final decisions.

R2: Under the codecision procedure, Parliament possesses unconditional blocking power. This follows from the first result. As a reaction to this new balance of power, the Council is forced to forecast which proposal might be successful, given the preferences of an absolute majority of the legislature. To do so, it has to consider the preferred-to set of the majority of the European Parliament:

D1: Majority preferred-to set of the status quo: For any SQ, define M(SQ) as the set of points which any absolute majority of the Parliament prefers over the status quo.

D2: The intersection of the majority preferred-to set and the qualified majority preferred-to set is the codecision winset Q(SQ)∩M(SQ).

R3: In order to be enacted, any proposal has to lie in the codecision winset Q(SQ)∩M(SQ) under the codecision procedure. This is due to the circumstance that both actors make final decisions (see the second result).

Corollary: The status quo will prevail if U(SQ)∩Q(SQ)∩M(SQ)=∅

D3: Subset of codecision winset: X is any subset of Q(SQ)∩M(SQ).
D4: Winsets over X: for any subset X of \( Q(SQ) \cap M(SQ) \), define \( U_i(X) \) as the set of points which a Council Member prefers over the set of possible proposals.

D5: Unanimity winsets over X: for any subset X of \( Q(SQ) \cap M(SQ) \), define \( \bigcap_{i=1}^{n} U_i(X) \) as the set of points which a unanimous Council prefers over a subset of possible codecision proposals.

R4: The European Parliament possesses conditional agenda-setting power under the codecision procedure if \( \bigcap_{i=1}^{n} U_i(X) \neq \bigcap_{i=1}^{n} U_i(Q(SQ) \cap M(SQ)) \).

If the two sets are identical, every conditional proposal would be dominated by a possible counterproposal.

Corollary: the European Parliament possesses reduced conditional power if \( U(X) \neq \emptyset \) and \( U(X) \neq U(Q(SQ) \cap M(SQ)) \).

D6: Constitutionally stable outcomes of European agenda-setting belong to the Pareto set.

R5: The agenda-setting power of Parliament under the codecision procedure is constitutionally unstable.

To be constitutionally stable, any policy change would have to lie in a non-empty intersection \( U(SQ) \cap Q(SQ) \cap M(SQ) \). However, if this intersection is non-empty, there is, by definition, no conditional agenda-setting.

Corollary: an outcome is unstable in the legislative domain if it does not lie in the Q core.
**D7:** Heterogeneity of Council preferences: the heterogeneity of Council preferences is measured by the sum of the weighted Euclidean distances \( \sum_{i} ||l-x_i||_A \) between the laggard position \( l \) and the positions of other Council Members \( x_i \) where \( A \) refers to the set of weighting factors.

**R5:** The power of Parliament is a function of the heterogeneity of government interests.

Assume a two-dimensional policy space and an extreme laggard and a moderate laggard on one dimension where \( l_{e1} \lt l_{m1} \). It then trivially follows that the weighted Euclidean distance from the extreme laggard position to the position of Member \( i \) is larger than the weighted Euclidean distance from the moderate position to the position of Member \( i \). Formally,

\[
\begin{align*}
1_{e} - x_i \cdot A &= [a_{11}(l_{e1} - x_{i1})^2 + 2a_{12}(l_{e1} - x_{i1})(l_{e2} - x_{i2}) + a_{22}(l_{e2} - x_{i2})^2]^{1/2} \\
1_{m} - x_i \cdot A &= [a_{11}(l_{m1} - x_{i1})^2 + 2a_{12}(l_{m1} - x_{i1})(l_{m2} - x_{i2}) + a_{22}(l_{m2} - x_{i2})^2]^{1/2}
\end{align*}
\]

Corollary: extreme laggard positions in the Council enhance the Power of Parliament.
APPENDIX II: Article 189 of the Treaty on European Union

Article 189

In order to carry out their task and in accordance with the provisions of this Treaty, the European Parliament acting jointly with the Council, the Council and the Commission shall make regulations and issue directives, take decisions, make recommendations or deliver opinions.

A regulation shall have general application. It shall be binding in its entirety and directly applicable in all Member States.

A directive shall be binding, as to the result to be achieved, upon each Member State to which it is addressed, but shall leave to the national authorities the choice of form and methods.

A decision shall be binding in its entirety upon those to whom it is addressed. Recommendations and opinions shall have binding force.

Article 189a

1. Where, in pursuance of this Treaty, the Council acts on a proposal from the Commission, unanimity shall be required for an act constituting an amendment to that proposal, subject to Article 189b(4) and (5).

2. As long as the Council has not acted, the Commission may alter its proposal at any time during the procedures leading to the adoption of a Community act.

Article 189b

1. Where reference is made in this Treaty to this Article for the adoption of an act, the following procedure shall apply.


The Council, acting by a qualified majority after obtaining the opinion of the European Parliament, shall adopt a common position. The common position shall be communicated to the European Parliament. The Council shall inform the European Parliament fully of the reasons which led it to adopt its common position. The Commission shall inform the European Parliament fully of its position.
If, within three months of such communication, the European Parliament:

(a) approves the common position, the Council shall definitively adopt the act in question in accordance with that common position;

(b) has not taken a decision, the Council shall adopt the act in question in accordance with its common position;

(c) indicates, by an absolute majority of its component Members, that it intends to reject the common position, it shall immediately inform the Council. The Council may convene a meeting of the Conciliation Committee referred to in paragraph 4 to explain further its position. The European Parliament shall thereafter either confirm, by an absolute majority of its component Members, its rejection of the common position, in which event the proposed act shall be deemed not to have been adopted, or propose amendments in accordance with subparagraph (d) of this paragraph;

(d) proposes amendments to the common position by an absolute majority of its component Members, the amended text shall be forwarded to the Council and to the Commission, which shall deliver an opinion on those amendments.

3. If, within three months of the matter being referred to it, the Council, acting by a qualified majority, approves all the amendments of the European Parliament, it shall amend its common position accordingly and adopt the act in question; however, the Council shall act unanimously on the amendments on which the Commission has delivered a negative opinion. If the Council does not approve the act in question, the President of the Council, in agreement with the President of the European Parliament, shall forthwith convene a meeting of the Conciliation Committee.

4. The Conciliation Committee, which shall be composed of the members of the Council or their representatives and an equal number of representatives of the European Parliament, shall have the task of reaching agreement on a joint text, by a qualified majority of the members of the Council or their representatives and by a majority of the representatives of the European Parliament. The Commission shall take part in the Conciliation Committee's proceedings and shall take all the necessary initiatives with a view to reconciling the positions of the European Parliament and the Council.

5. If, within six weeks of its being convened, the Conciliation Committee approves a joint text, the European Parliament, acting by an absolute majority of the votes cast, and the Council, acting by a qualified majority, shall have a period of six weeks from that approval in which to adopt the act in question in accordance with the joint text. If one of the two institutions fails to approve the proposed act, it shall be deemed not to have been adopted.
6. Where the Conciliation Committee does not approve a joint text, the proposed act shall be deemed not to have been adopted unless the Council, acting by a qualified majority within six weeks of expiry of the period granted to the Conciliation Committee, confirms the common position to which it agreed before the conciliation procedure was initiated, possibly with amendments proposed by the European Parliament. In this case, the act in question shall be finally adopted unless the European Parliament, within six weeks of the date of confirmation by the Council, rejects the text by an absolute majority of its component Members, in which case the proposed act shall be deemed not to have been adopted.

7. The periods of three months and six weeks referred to in this Article may be extended by a maximum of one month and two weeks respectively by common accord of the European Parliament and the Council. The period of three months referred to in paragraph 2 shall be automatically extended by two months where paragraph 2(c) applies.

8. The scope of the procedure under this Article may be widened, in accordance with the procedure provided for in Article N(2) of the Treaty on European Union, on the basis of a report to be submitted to the Council by the Commission by 1996 at the latest.

Article 189c

Where reference is made in this Treaty to this Article for the adoption of an act, the following procedure shall apply:

(a) The Council, acting by a qualified majority on a proposal from the Commission and after obtaining the opinion of the European Parliament, shall adopt a common position.

(b) The Council's common position shall be communicated to the European Parliament. The Council and the Commission shall inform the European Parliament fully of the reasons which led the Council to adopt its common position and also of the Commission's position.

If, within three months of such communication, the European Parliament approves this common position or has not taken a decision within that period, the Council shall definitively adopt the act in question in accordance with the common position.

(c) The European Parliament may, within the period of three months referred to in point (b), by an absolute majority of its component Members, propose amendments to the Council's common position. The European Parliament may also, by the same majority, reject the Council's common position. The result of the proceedings shall be transmitted to the Council and the Commission.
If the European Parliament has rejected the Council’s common position, unanimity shall be required for the Council to act on a second reading.

(d) The Commission shall, within a period of one month, re-examine the proposal on the basis of which the Council adopted its common position, by taking into account the amendments proposed by the European Parliament.

The Commission shall forward to the Council, at the same time as its re-examined proposal, the amendments of the European Parliament which it has not accepted, and shall express its opinion on them. The Council may adopt these amendments unanimously.

(e) The Council, acting by a qualified majority, shall adopt the proposal as re-examined by the Commission.

Unanimity shall be required for the Council to amend the proposal as re-examined by the Commission.

(f) In the cases referred to in points (c), (d) and (e), the Council shall be required to act within a period of three months. If no decision is taken within this period, the Commission proposal shall be deemed not to have been adopted.

(g) The periods referred to in points (b) and (f) may be extended by a maximum of one month by common accord between the Council and the European Parliament.
NOTES

1. This article is a revised version of a paper presented at the 1993 Annual Meeting of the American Political Science Association and at a seminar at the European Institute of Public Administration, Maastricht. I benefited from comments made by Thomas Bernauer, Finn Laursen, George Tsebelis and Patricia A. Weitsman. Research support by the Swiss National Science Foundation (Grant No. 8210-030615) is gratefully acknowledged.

2. For a limited information model about the ratification of integration treaties, see Schneider (1994).

3. This limitation does not affect the results which also hold in multidimensional policy spaces. For the formal definitions, see Denzau and Mackay (1981, 1983).

4. The data on party positions refer to the platforms adopted in the last national elections. It was not possible to reconstruct the domestic sources of the Maastricht Treaty because the Manifesto Research Group wants to use the most recent data for its own research.

5. During the SEA negotiations, the following parties were governing the EC Member States: Parti social-chrétien, Christelijke Volkspartij, Parti réformateur et libéral, Partij voor Vrijheid en Vooruitgang (Belgium); Det Konservative Folkeparti, Venstre, Centrum Demokraterne, Kristelig Folkeparti (Denmark); Parti Socialiste (France); Christlich Demokratische Union/Christlich Soziale Union, Freie Demokratische Partei (Federal Republic of Germany); PASOK (Greece); Fine Gael, Labour Party (Ireland); Democrazia Cristiana, Partito Socialista Italiano, Partito Socialista Democratico Italiano, Partito Repubblicano Italiano, Partito Liberale Italiano (Italy); Chrestlech Sozial Vollekspartei/Parti Chrétien Social, Letzeburger Sozialistisch Arbechterpartei/Parti Ouvrier Socialiste Luxembourggeois (Luxembourg); Christen Demokratisch Appel, Volkspartij voor Vrijheid en Democratie (The Netherlands); Conservative Party (United Kingdom).

6. Since the enactment of the Maastricht Treaty, there are six decision-making procedures. Besides the cooperation and the codecision rules, there are consultation, assent, information and budgetary procedures. Consultation is the original procedure with a single Parliamentary reading which was laid down by the Treaty of Rome in 1957. The information procedure was introduced at Maastricht. It obliges the Council to inform Parliament on specific issues. Owing to the SEA, the conclusion of some international agreements like association and accession treaties requires the assent of Parliament. For a long time, Parliament used to compensate its lack of influence in legislation through the budgetary procedure. Some reforms have strengthened but not yet completed the control of the legislature over the Community budget.

7. The codecision procedure is supposed to be applied in areas which are currently the domain of the cooperation procedure, such as legislation on the Internal Market.

8. The assumption of circular-preference curves only applies to the graphical illustration.
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