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Author(s): George Tsebelis

Source: *The American Political Science Review*, Vol. 88, No. 1 (Mar., 1994), pp. 128-142

Published by: [American Political Science Association](#)

Stable URL: <http://www.jstor.org/stable/2944886>

Accessed: 29/09/2010 14:40

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THE POWER OF THE EUROPEAN PARLIAMENT AS A CONDITIONAL AGENDA SETTER

GEORGE TSEBELIS *University of California, Los Angeles*

The European Parliament under the current cooperation procedure has an important power: it can make proposals that, if accepted by the Commission of the European Communities, are easier for the Council of Ministers to accept than to modify, since only qualified majority is required for acceptance, whereas full unanimity for modification. The importance of this power, which I call the power of the conditional agenda setter, has not been recognized in previous scholarly work. For structural reasons explained in the text, this power is likely to increase in the future. I conclude by arguing that the conditional delegation of power to international actors (the European Parliament, Commission, and the Court of Justice) is a frequent phenomenon in European institutions. This delegation presents three important advantages: it makes possible the selection of one among many possible equilibria, it accelerates European integration, and it diffuses responsibility for politically unpopular measures.

The European Parliament (EP) is widely considered a weak parliament (Dehouse 1989; Edward 1987; Fitzmaurice 1988; Lenaerts 1991; Lodge 1989; Wessels 1991). Moreover, discussions are frequently advanced about the "democratic deficit" of European institutions, which, among other things implies a weakness of the EP (Bogdanor 1989; Bowler and Farrell 1993; Thomas 1988; Williams 1991).

Yet in 1989, the EP, when confronted with the common position of the Council of Ministers specifying low standards on exhaust emissions for small cars, raised the standards and was able to impose its decision on both the Commission of the European Communities and a "reluctant majority" in the Council of Ministers (Jacobs and Corbett 1990, 170). According to the *cooperation procedure* established by the Single European Act treaty, the Council of Ministers can modify the position of the Parliament by a unanimous vote, but in this case the Council could not agree on any alternative. The legislation in question is far from trivial, since it affects around 60% of all passenger cars in the European Community (Kim 1992). Moreover, the differences in positions between the EP and the Council were significant: compared to the Council's position, the legislation adopted raised the price of small cars by more than five hundred dollars apiece and significantly improved the environment.

I shall explain this surprising power of the EP. I argue that under the current cooperation procedure, the EP has an important power: it can make proposals that, if accepted by the Commission, are easier for the Council of Ministers to accept than to modify (only qualified majority being required for acceptance but unanimity, for modification). I call this the power of the *conditional agenda setter* and study its properties.

My answer generates a second question: If the EP is able to influence the legislative process so significantly, why does it not do so all the time? Alternatively, if the conditional agenda-setting power is

significant, the EP should have been recognized in the literature as a strong parliament. To address these issues, I shall specify the conditions under which the EP can make use of its agenda-setting power.

The European Community fascinates observers and scholars because it is a unique object of study. Accordingly, a series of neologisms have been invented to describe it. It is "neither a state nor an international organization" (Sbragia 1992, 257); "less than a Federation, more than a Regime" (W. Wallace 1983, 403); "stuck between sovereignty and integration" (W. Wallace 1982, 67); a "part formed political system" (H. Wallace 1989, 205); "institutionalized intergovernmentalism in a supranational organization" (Cameron 1992, 66), and the "middle ground between the cooperation of existing nations and the breaking of a new one" (Scharpf 1988, 242). Some scholars have even seen advantages in the situation. Krislov, Ehlermann, and Weiler claim: "The absence of a clear model, for one thing, makes ad hoc analogies more appropriate and justifiable. If one may not specify what are clear analogies, less clear ones may be appropriate" (quoted in Sbragia 1992, 258).

Instead of using (appropriate or inappropriate) analogies in this analysis, I examine the logic and the outcomes of decision making among the three institutional actors generated by the cooperation procedure. In this sense, my approach is part of a series of studies that attempts to apply the institutional approach developed through the study of American politics to the institutions of the community (Garrett 1992; Garrett and Weingest 1993; Scharpf 1988; Weber and Wiesmeth 1991).¹

My results complement empirical studies. I explain why they find little influence for the EP in most cases. I explain why the EP in some instances (e.g., the automobile emission standards) was so influential. Finally, my analysis clarifies why cases involving high parliamentary influence are likely to multiply in the future.

The first section presents the rules of the cooperation procedure. The second section formally analyses the interaction among the three institutional actors (the EP, the Commission, and the Council of Ministers). The third section explores the implications of the analysis for the role of the EP. In the conclusion, I discuss the theoretical problem of specifying the driving forces of European integration in light of the results of my model.

THE INSTITUTIONAL FRAMEWORK

Three major institutional actors are involved in European decision making: the Council of Ministers, the Commission, and the EP. These actors interact according to quite complicated rules, and their decisions, along with those of the Court of Justice, supersede the national law of member countries. The Council is composed of the relevant ministers of the member countries (ministers of the environment for decisions concerning the environment, ministers of agriculture for agricultural matters, etc.). The Commission is composed of 17 members appointed by national governments for their competence and "whose independence is beyond doubt" and assures the everyday operation of the institutions of the Community. Finally, the EP is composed of 518 representatives elected (since 1979) by universal suffrage of the member countries of the community.

There are currently (before the application of the Maastricht treaty) three different legislative procedures in play: the *assent procedure*, the *cooperation procedure*, and the *consultation procedure*. Each of these attributes different powers to the three institutional actors. This is why, sometimes, a political and legal battle among the three actors takes place before the discussion of particular pieces of legislation in order to decide which procedure will be followed (Garrett 1992; Lodge 1987, 1989). I shall not discuss these institutional battles here. Instead, I shall focus on presenting the cooperation procedure.

The cooperation procedure does not cover all areas of Community legislation (Jacobs and Corbett 1990, 169; Lodge 1989, 69). It applies to nine articles of the Rome treaty: prohibition of discrimination on the grounds of nationality (art. 7); freedom of movement of workers (art. 49); freedom of establishment (art. 54.2); coordination of provisions providing special treatment of foreign nationals on grounds of public policy, public security, or public health (art. 56.2); mutual recognition of diplomas and the like and coordination of provisions on activities of self-employed persons (art. 57.1-2); harmonization of measures for the establishment and functioning of the internal market (art. 100a and b); the working environment and the health and safety of workers (art. 118a.2); economic and social cohesion (art. 130e); and research and development (art. 130q). Of all these issues, the most important has been the harmonization of the internal market and then social policies, research programs, and regional fund decisions. Leg-

islation examined under the cooperation procedure constitutes between one-third and one-half of parliamentary decisions (Jacobs and Corbett 1990, 169).

The cooperation procedure entails two readings of each piece of legislation (initially introduced by the Commission) by the EP and the Council of Ministers. The Council makes the final decision either by qualified majority or by unanimity. In the abstract, the procedure is reminiscent of a *navette* system between the two houses of a bicameral legislature, where the upper house (the Council) has the final word.² The European Community procedure is presented schematically in Figure 1.

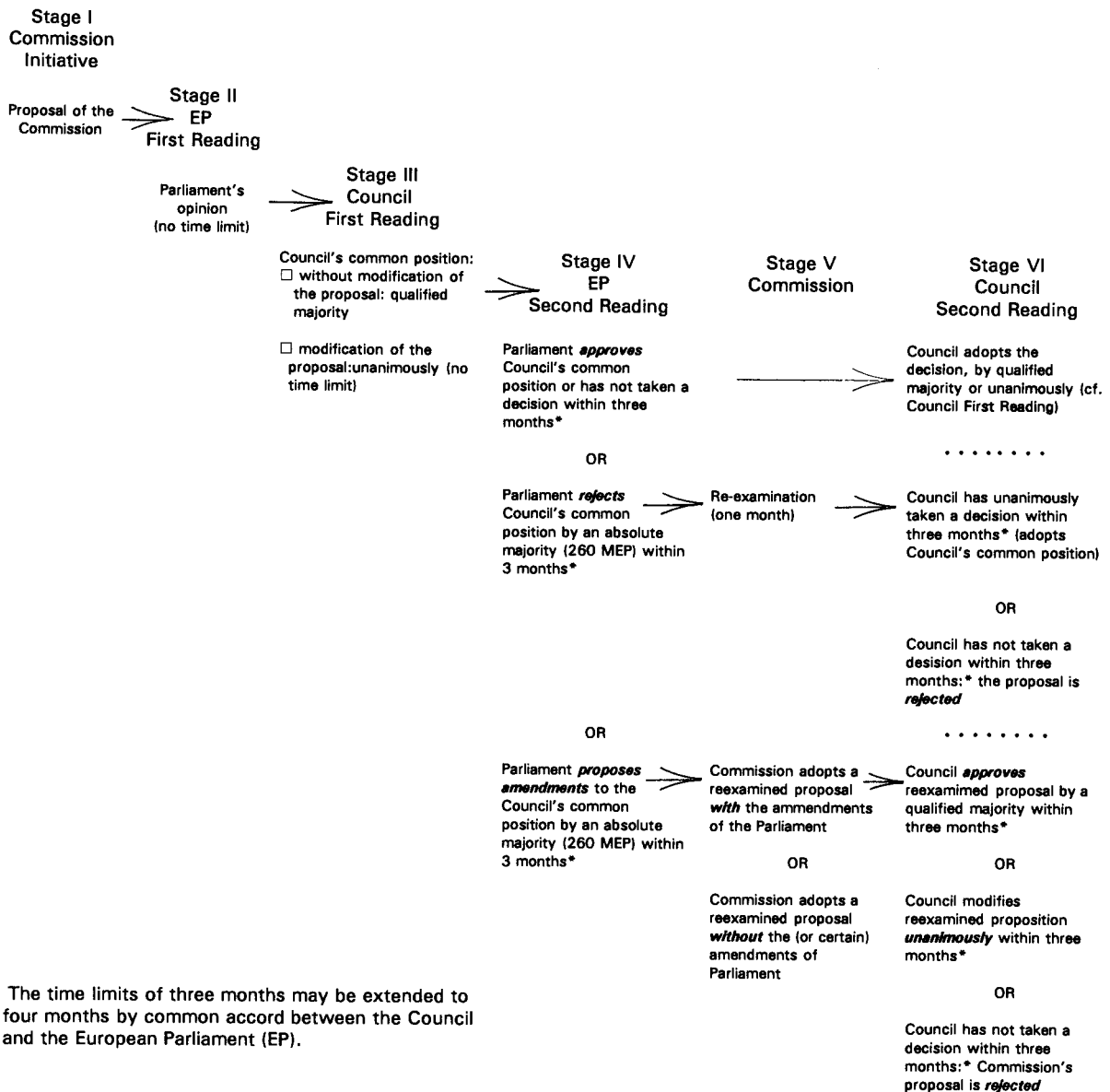
The legislative process begins with the submission of a Commission proposal to the EP. At the same time, the Council may begin deliberating but cannot reach a decision until it receives the EP's position. The EP may, in the first reading, accept, amend, or reject the proposal; it may also withhold its opinion by referring the legislation back to committee, thereby effectively aborting the proposal. Once the EP decides, the proposal goes back to the Commission, who may revise the initial proposal to accommodate the EP. The Commission presents the proposal, as amended, to the Council, who adopts a "common position" by qualified majority (54 out of 76 votes).³ No time limits on deliberation exist in this first reading of the proposal. It is therefore obvious that any of the institutions can effectively abort legislation at this stage of the process.

Once the Council adopts its common position, the second reading of the proposal begins. The Council sends its common position back to the EP, along with a full justification of its adopting this position. The full justification of the Council's and the Commission's positions is required by article 149.2b of the Single European Act. However, in the early phase of application of the procedure, the Council provided extremely sketchy reasons or even no reasons at all. In one case, it even apparently failed to notice that the EP had tabled amendments to the Commission proposal (Bieber 1988, 720). Parliament formally protested, its president declaring on 28 October 1987 that "as a minimum, the Council should provide a specific and explained reaction to each of Parliament's amendments" (Jacobs and Corbett 1990, 173). On 18 November 1987, the EP, in two resolutions, threatened the Council with legal action (Bieber 1988, 720). As a result, the Council altered its approach and from then on it provided an account of its point of view on each of the substantive issues raised by draft legislation (Jacobs and Corbett 1990, 173).

Parliament then has three months to select one of three options: to approve the common position of the Council (or, equivalently, take no action), in which case the Council adopts the proposal; to reject the common position by an absolute majority of its members (currently 260 votes); or to amend the common position, again by an absolute majority of its members. In this second round, time is of essence. The clock starts when the president of the Parliament

FIGURE 1

Outline of the Cooperation Procedure



announces the receipt of all relevant documents in all nine official languages.

The Commission may or may not introduce legislation rejected by the EP to the Council; if such legislation is introduced, the Council can overrule the rejection by unanimity. Amended legislation is presented to the Commission, who must revise the proposal within a month. Parliamentary amendments that are accepted by the Commission can be adopted by the Council by qualified majority (54/76), whereas any other version requires unanimity in the Council (Nugent 1989, 248). If the Council fails to act within three months (four, with the agreement of the Parliament), the proposal lapses.

This account makes the Commission appear as the agenda setter. Indeed, a proposal by the Commission

is required to initiate the legislative process, and it is the Commission's proposal that the Council accepts by qualified majority or modifies by unanimity. The EP or the Council have no right to initiate legislation. However, the Council was given the right under article 152 of the European Economic Community treaty to request that the Commission undertake studies and submit to it the appropriate proposals. Similarly, the EP, on its own initiative, has several times adopted resolutions calling for new legislative proposals (e.g., concerning the ban on imports of baby seal skins to the Community and transfrontier television broadcasts) (Jacobs and Corbett 1990, 181). In 1982, the Commission agreed in principle to take up any parliamentary proposals to which it did not have major objections; if it had objections, it would

undertake to explain its reasons in detail to the EP (*ibid.*). Nugent argues that it is difficult to establish the initial impetus for legislation and that even resolutions from the EP could have in fact originated with the Commission, which may have wanted to reinforce its own position vis-à-vis the Council (1989, 240). In any case, all three institutional actors can in fact place items on the legislative agenda.

Once discussion is initiated by a Commission proposal, there are no restrictions on the amendments that the EP can introduce in its first reading. There are, however, such restrictions on its second reading. Parliamentary amendments in the second reading are restricted not by the Single European Act but *by the Parliamentary Rules themselves*. According to art. 51.2, only amendments that concern the parts of the text that have been modified by the Council and that seek to adopt a compromise with the Council or to restore the EP's position in the first reading are acceptable during the second reading (Bieber 1988, 722). Further, only a committee comprising a group of at least 23 EP members may present amendments (Fitzmaurice 1988, 397). Did the EP tie its own hands with these rules? Nothing of the sort. These restrictions simply increase the efficiency of the EP during its second reading, since, substantively, they permit the adoption of any position in the interval between (and including) the EP's initial position and the adoption of the Council's common position.

There is, however, a very important restriction on the EP's second-reading amendment power. Amendments require absolute majorities to be adopted. In practice, the 260 required votes constitute a two-thirds majority of members present. Moreover, given both that the 518 EP members from the 12 countries are organized into more than 10 (cross-national) parliamentary groups and that voting alignments occur more frequently by political group and less frequently by country and also that voting discipline is weak, 260 votes is a stringent requirement. The most likely combination to achieve an absolute majority is a coalition of Socialists and Christian Democrats—the European People's party—that currently controls 301 seats.

To summarize, according to the cooperation procedure, in its second reading the EP can, by an absolute majority of its members, make a proposal that, if adopted by the Commission, can be accepted by a qualified majority (54/76) of the Council but requires unanimity of the Council to be modified. This proposal can be anywhere between the EP's and the Council's first reading of initial legislation, including a reiteration of the EP's previous position. Consequently, if the EP manages to make a proposal that makes the Commission and a qualified majority of the Council better off than legislation that can be voted unanimously, this proposal will be adopted by all institutional actors. If, however, such a proposal does not exist or if the EP cannot adopt one by an absolute majority of its members or makes the wrong choice, then the agenda is transferred into the hands of the Council, which can modify the EP's proposal

by unanimity. These conditions describe the power of the conditional agenda setter that is attributed to the EP by the cooperation procedure. I shall examine how this power has been used and then focus on its theoretical properties.

CONDITIONAL AGENDA SETTING

Agenda-setting players have power when it is impossible, difficult, or costly for decision makers to modify their proposals. Modification of proposals may be precluded by the prevailing institutions. For example, when the president of the United States nominates a candidate for the Supreme Court, the Senate cannot modify the proposal. In the first theoretical paper analyzing the importance of agenda control (McKelvey 1976), the agenda setter could make a series of proposals that would be voted under "closed rule," that is, without amendments. This agenda setter had quasi-dictatorial powers, being able to drive a society through a series of successive votes to select the agenda setter's ideal point. However, an agenda setter loses this power under open rule, because the proposals can subsequently be modified by amendments of the deciding body (Krehbiel 1987; Shepsle and Weingast 1987a, 1987b). Agenda setters also have power if the deciding body is impatient, that is, if it pays a price as long as there is no agreement. Impatience creates an asymmetry in favor of the proposal of the agenda setter and against its modifications (Baron and Ferejohn 1989; Tsebelis and Money n.d.).

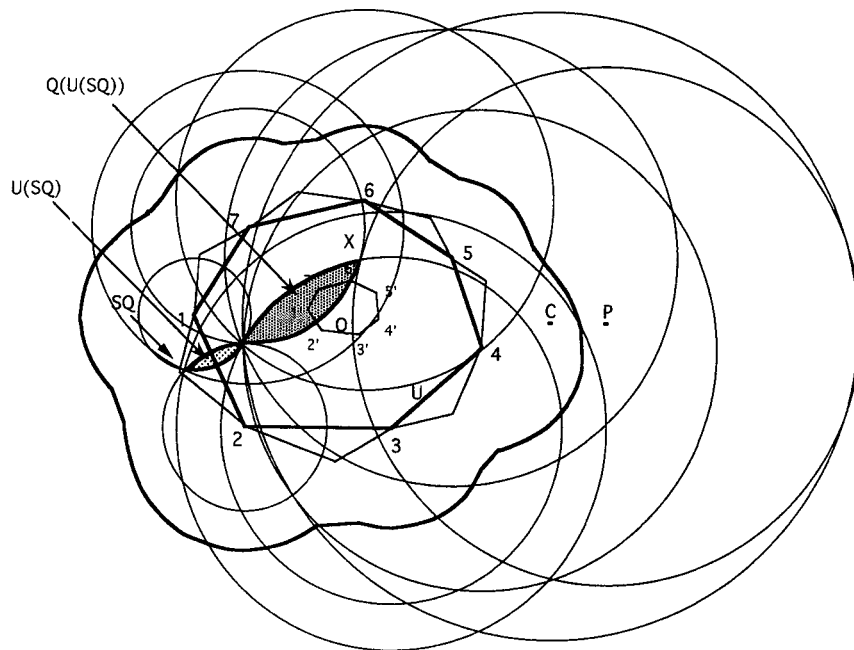
The cooperation procedure presents a different mechanism for agenda-setting power. Regardless of impatience, it is more difficult for the Council to modify a Parliamentary proposal (provided it is accepted by the Commission) than to accept it. Indeed, qualified majority is needed for acceptance but unanimity for modification. This procedure *may* enable the EP to offer a proposal that makes a qualified majority of the Council better off than any unanimous decision. *If* such a proposal exists, *if* the EP is able to make it,⁴ and *if* the Commission adopts it, then the EP has agenda-setting powers. If, however, these conditions are not met, the EP loses its agenda-setting power. This is why I characterize the EP's agenda power under the cooperation procedure as *conditional*.

I shall study the last reading of the cooperation procedure and provide necessary conditions for the existence of a winning EP proposal (i.e., a proposal that will be accepted by the Commission and a qualified majority of the Council). I will call such a proposal X.

In the Appendix, a series of definitions and elementary geometric properties necessary to analyze the powers of the conditional agenda setter are provided. Here, I shall provide a nontechnical account of the argument. Consider that the members of the Council are concerned simultaneously about two different issues.⁵ Figure 2 presents a graphic repre-

FIGURE 2

Status Quo: Winning Proposal Exists



sentation of the position of the members of the Council. I assume that the Council is composed of 7 members, that a qualified majority of 5 is required for acceptance of the EP's proposal, and that the members of the Council have circular indifference curves (Euclidean preferences)—that is, they are indifferent between proposals of equal distances from their ideal points. I assume 7 members, instead of 12, in order to simplify matters while keeping a reasonable approximation of the qualified majority requirement. The cooperation procedure requires a 54/76 (.710) qualified majority, while the qualified majority I shall use here is 5/7 (.714).

Consider that the status quo is outside the heptagon 1-7 that represents the Council, as indicated in Figure 2. Consider also that the positions of the Commission and the EP are on the other side of the heptagon—points C and P, respectively. The points in the figure are selected so that the horizontal axis represents integration. According to the standard argument, the EP and the Commission are more prointegration than the members of the Council (Garrett 1992).

If the EP is able to find out what the Council can do on its own (i.e., unanimously) and present a proposal that makes the Commission and a qualified majority of the Council better off than either the status quo or what the Council can do on its own, this proposal will be accepted by both the Commission and the Council and will be the outcome of the cooperation procedure. So let us follow the EP in its calculations.

The Council can unanimously adopt any proposal inside the area indicated by the unanimity set of the

status quo, or U(SQ). This area is generated by the intersection of all circles whose centers are the ideal points of the members of the Council and pass through the status quo. This area is included between the circles around the two states closest to the status quo (1 and 2 in the figure).

However, which point inside U(SQ) would be selected by the Council is not clear. It all depends on how convincing different governments are in proposing their alternatives for a vote. For example, the Danish parliament is known to have a permanent committee on European Community legislation, which extracts statements from the government prior to Council meetings, so that the Danish representative in the Council is particularly inflexible (Williams 1991, 159).⁶ Under such circumstances, would other members of the Community accept the Danish position as the alternative to the status quo, or select a different point? In Figure 2, no ideal point of the member countries is included inside U(SQ), so the different countries would have to come to a compromise.

Since the unanimity position is not unique, I shall impose on parliamentary proposals a severe restriction. I shall require that in order to be accepted, they must be preferred by the Commission and by a qualified majority of the Council to *any* proposal that can be voted unanimously by the Council. This way we will have a (very conservative) estimate of the conditional agenda-setting power of the EP.

In Figure 2, five out of the seven members of the Council can be made better off by proposals inside the qualified majority set of the unanimity set of the

status quo, or $Q(U(SQ))$. Indeed, members 3–7 prefer any point inside this area over any point inside $U(SQ)$. The area $Q(U(SQ))$ is generated by the intersection of five circles with centers the points 3–7 going through the edge of $U(SQ)$. Therefore, the EP can select inside the area $Q(U(SQ))$ the point that it prefers most, that is, the point closest to its own ideal point (provided that the Commission prefers it over $U(SQ)$, which is the case in the figure). This is point X in Figure 2.

However, such a winning proposal does not always exist, as the situation depicted in Figure 3 indicates. Here, the status quo is further away from the positions of the Council (the heptagon 1–7); consequently, the Council has a wide set of options on its own (by unanimity). There is no proposal that can defeat, by qualified majority, all points inside $U(SQ)$. For example, a five-member majority consisting of members 3–7 is impossible, because the circles around 3 and 7 tangent to $U(SQ)$ do not intersect. The same is true for all other possible majorities.

Another interesting case exists when the status quo is inside the heptagon 1–7. In this case, the Council cannot modify the status quo by unanimity, because at least one member will object to any particular move. Consequently, the status quo can be modified only through a parliamentary proposal. Figure 4 indicates that in this case, the EP can select one of several possible coalitions. The top lens of $Q(U(SQ))$ is preferred to the status quo by a coalition of members 3–7. (It is generated by the intersection of circles around 3 and 7.) The bottom lens is preferred by a coalition of 1–5. The middle lens is preferred by the coalition 2–6 (intersection of circles around 2 and 6). In this case, the EP will propose X and will be supported by the Commission and the coalition of states 2–6.

In these examples, the EP was sometimes able to make a winning proposal (Figures 2 and 4), sometimes not (Figure 3). Sometimes it could select its allies (Figure 4), sometimes not (Figure 2), while on still other occasions, there were no allies available (Figure 3). Is there any *systematic* argument connecting these three figures?

First of all, if the status quo is located inside the heptagon 1–7 (the Pareto set), it cannot be changed by the unanimity of the Council: at least one member will object to any particular move. Second, in two dimensions, for the qualified majority specified by the cooperation procedure (54/76), there is a central area of the Council (technically the 54/76-core, hereafter the Q-core). If the status quo is inside the Q-core, it cannot be modified by *any* 54/76 majority coalition. So if the status quo is located in the Q-core, it cannot be modified by either the EP's proposal or by the Council on its own. The Q-core is represented in Figure 5 by the heptagon 1'2'3'4'5'6'7'.

Figure 5 uses calculations from the appendix and divides the plane into four different areas. If the status quo is inside the Q-core (area IV) it cannot be changed (either by unanimity or qualified majority). If the status quo is outside this central area but inside

the heptagon 1234567 (the Pareto set), then the Council cannot modify the status quo by unanimity. In this case, the EP can select a majority in the Commission and a qualified majority (Q) in the Council as allies and make a proposal that is preferred by its allies to the status quo. If the status quo is outside the Pareto set but close to it, then again the EP can make a winning proposal X to the Council (provided the Commission adopts it in its report).

If the status quo is further away from the Pareto set of the Council, the set of alternatives unanimously preferred to the status quo may or may not intersect with the Q-core. If there is an intersection, then there is no point that can command a Q-qualified majority of the Council, so the EP has no agenda-setting power. The set of status quo points for which the unanimity set intersects with the Q-core is defined by the curve I(Q-core). If the status quo is outside this line (area I), the EP has no agenda-setting power, and the Council will select its preferred solution by unanimity. If, however, the status quo is inside the area defined by the I(Q-core) curve (area II), a winning proposal by the EP may exist. Consequently, in two dimensions, the agenda-setting power of the EP increases as the status quo approaches the Pareto set of the Council and reaches its maximum when it is inside the Pareto set (no change is possible without the EP) but decreases again when the status quo moves inside the Q-core. (This is what I have called *curvilinear property* in the Appendix, Theorem 2.)

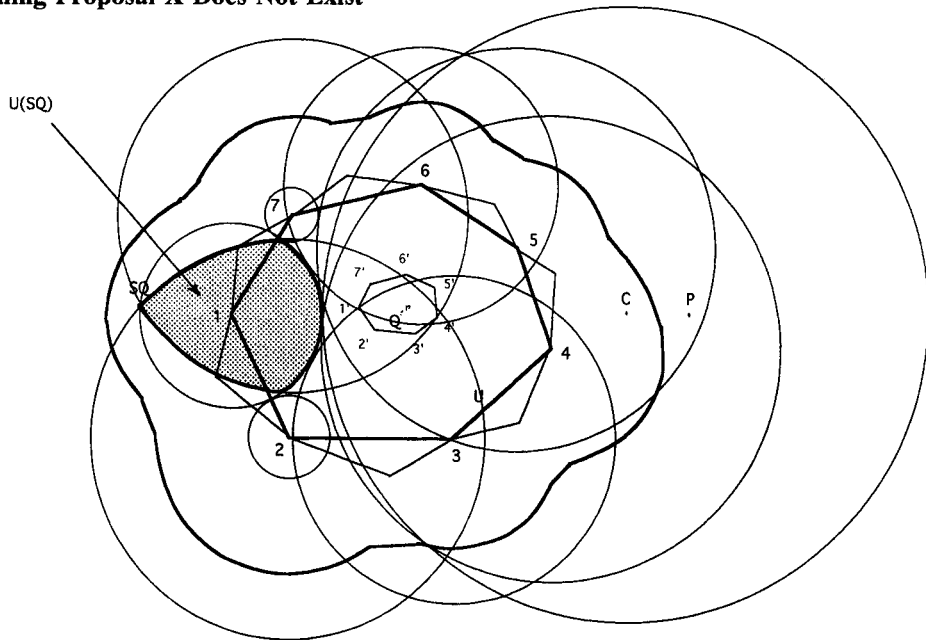
In all these figures, I have presented the EP's and the Commission's ideal points as close to each other. This is the most frequent case, because both are supranational actors and because the Commission is politically responsible to the EP. However, if the position of the Commission were far away from the position of the EP, it might be that no winning parliamentary proposal existed, because a parliamentary amendment would be rejected by the Commission *before* it reached the Q-majority in the Council.

Paradoxes can arise in such an institutional setting. For example, the final outcome selected by the cooperation procedure might not be in the Pareto set of the Council. Consider a case in which the status quo is in the Pareto set, $Q(SQ)$ has points outside the heptagon 1234567, and the EP's and the Commission's ideal points are located in such a way that they make a proposal outside the Pareto set. Figure 4 would present such a case if states 3–5 were moved to the left of X. Politically, such a situation could arise if there were a polarization between a relatively cohesive qualified majority in the Council and the minority. The EP could then step in, making a proposal between its own position and the qualified majority's but still better than any feasible solution by unanimity. This result would be opposite the conclusion of Weber and Wiesmeth who claim that the outcomes of the cooperation procedure are always efficient (1991, 265).

Another paradoxical property of the cooperation

FIGURE 3

Status Quo: Winning Proposal X Does Not Exist

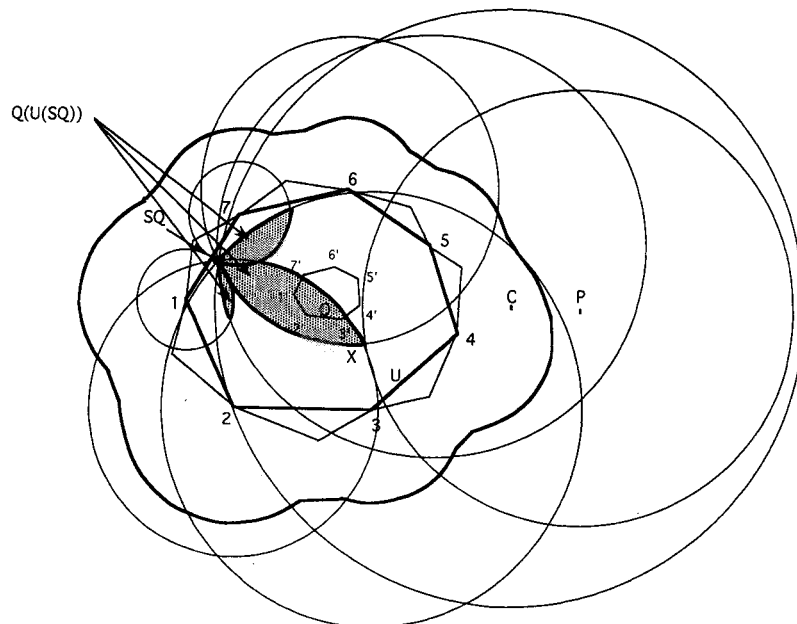


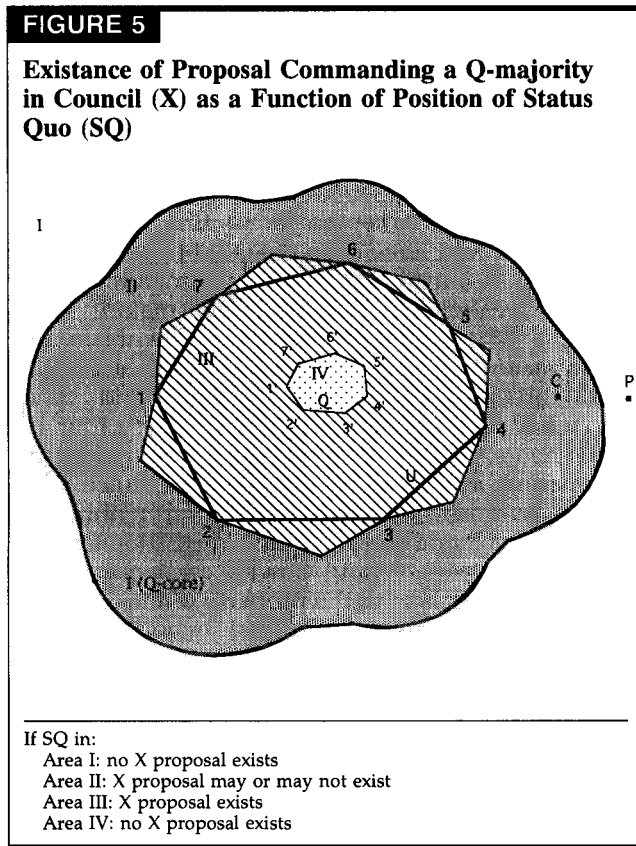
procedure is nonmonotonicity. Consider that the status quo is at the position presented in Figure 3, where there is no winning proposal by the EP; if country 1 moves to the left of the status quo, the status quo will be included in the Pareto set. In this case, there is always a proposal that the EP can make to move the status quo further to the left. In this

hypothetical example, the only change is a movement of one government to a less integrationist position, and the resulting change in the outcome is more integration (nonmonotonicity). Why did this happen? Because before, there was a wide range of unanimity outcomes, and no qualified majority could win all of them, while afterward the movement of

FIGURE 4

Winning Proposal (X) When Status Quo Is in the Pareto Surface





one country persuaded the others that there was no unanimously preferred change of the status quo, so they had to accept the EP's proposal by qualified majority.

To summarize, a 54/76-core is guaranteed to exist in two dimensions. In this case, the curvilinear property described in Theorem 2 holds: when the status quo is inside the Q-core or far away from it, there is no winning parliamentary proposal, so that the EP's conditional agenda-setting power is null. But whenever the status quo occupies some intermediate position, a winning parliamentary proposal (assuming adoption by the Commission) is either guaranteed or may exist. This is the conditional agenda-setting power of the EP in two dimensions.

What happens in more than two relevant dimensions? In this case, a Q-core is not guaranteed to exist. The implication of the absence of a Q-core is that no point inside the Pareto set is invulnerable. There is always at least one coalition of 54/76 votes in the Council that will be made better off by a change of the status quo. If the EP can identify these coalitions and the changes they are willing to support, it can propose the one that it most prefers. In other words, the set of alternatives available to the EP increases when there is no Q-core. On the other hand, if the status quo is far away from the Pareto set, there is no winning proposal from the EP.

One additional interesting feature of conditional agenda setting is the importance of information. According to the informational property (Theorem 3

in the Appendix), when the EP's information about what the Council will unanimously do increases, its agenda-setting power increases. In the limiting case, when the EP knows exactly which point inside the Pareto set the Council will select, it will always have agenda-setting power (unless there is a Q-core and the Council decides to select a point inside it).

As we saw earlier, the EP and the Council fought bitterly about the informational content of the common position rendered by the Council. Some commentators regarded this struggle and the subsequent shift in the Council's position as "preconditions for rationalizing and coordinating the legislative procedure" (Bieber 1988, 720). The informational property helps us to view this struggle in a different light: it is a fight for control of the agenda. The conclusions of this analysis are fourfold.

The Position of the Final Outcome. The final outcome of the cooperation procedure will most likely be inside the heptagon defined by the states. However, it is possible that $Q(U(SQ))$ has points outside the Pareto set, and if one of these points is the closest to the EP (and accepted by the Commission), then the cooperation procedure leads to an inefficient outcome for the members of the Council.

Curvilinear Property. The EP's agenda-setting power is a function of the position of the status quo. If there is a Q-core, this power is a curvilinear function of the position of the status quo. It does not exist if the status quo is inside the Q-core or far away, and it does or may exist in intermediate positions.

Multiple Dimensions. In multiple dimensions, it is likely that the Q-core does not exist. In this case, the agenda-setting power of the EP increases when the status quo is inside the Pareto set or close to it. (The EP may be able to select among several possible coalitions.)

Informational Property. Accurate information in the EP about the positions that are likely to be adopted by unanimity in the Council increases the agenda-setting power of the EP.

EUROPEAN PARLIAMENT AND EUROPEAN INSTITUTIONS

I use these four conclusions to discuss empirical results of the cooperation procedure, as well as to compare my model with other analyses.

The Car Emission Story

On 15 February 1988, the Commission introduced legislation concerning small-car emission standards to the Council (composed of the 12 ministers of the environment).⁸ The proposal would reduce emissions from small cars by 58% by 1992-93.

The Council commenced discussion and found the positions of the 12 ministers to be divergent: Luxembourg, Ireland, and Belgium agreed with the proposal; France, Britain, Italy, Spain, and Portugal found the standards too strict; and Holland, Denmark, Greece, and Germany found the standards too lax. Before the EP's first reading, several countries modified their positions (notably France and Germany), allowing the Environmental Council to approve the Commission's proposal by qualified majority.

The EP, in its first reading (September 1988), voted for what are called U.S. 83 standards, which require catalytic converters. The Commission rejected the EP's amendments. The Council, after a series of compromises, adopted the Commission's proposal as a common position by qualified majority.

In April 1989, the common position came before the EP for a second reading. The EP insisted on its previous set of U.S. 83 standards. This renewed (but not new) proposal met the agreement of the Commission this time around. Jacobs and Corbett claim that the EP threatened the Commission by stating that unless the Commission accepted its version, it would reject the Council's common position (1990, 170). Given the absence of unanimity in the Council, this would be equivalent to aborting the legislation. This threat was credible because European public opinion is very sensitive to environmental issues, and the election of the European EP was approaching. The Council, faced with a proposal that incorporated higher standards and knowing that it could not come to a unanimous decision, adopted the EP's position by a qualified majority.

The car emission story is the EP's most spectacular success, although there are others similar to it.⁹ In general, only one out of two amendments of the EP gets incorporated in legislation, as statistics will indicate.

Cooperation Procedure Statistics

During the period from July 1987 to November 1991, the EP dealt with 208 Commission proposals under the cooperation procedure.¹⁰ The Commission accepted 1,626 out of the 2,734 parliamentary amendments, and the Council accepted 45 percent of the EP's first-reading amendments. In the second reading, the EP adopted 716 amendments, 366 of which were adopted by the Commission and 194 by the Council (27%). In three cases, the EP rejected the common position of the Council. If the amendments that are proposed by the EP in the second reading are repetitions (or possibly watered-down versions) of the initial amendments, then out of the 2,734 parliamentary amendments the Commission accepts 1,992 (73%), and the Council, 1,410 (52%).

Using similar figures, Lodge notes out that "the EP's second-reading amendments stand a far slimmer chance of survival" (1989, 75), while Bogdanor comes to the conclusion that "the main effect of the second reading of Community legislation . . . is to increase the importance of the first reading as a point of

leverage for Parliament" (1989, 208). Similarly, Fitzmaurice argues that "the second reading 'navette' will have little real purpose" (1988, 390).

Little can be made of these first-versus-second-reading statistics, because without further investigation, we cannot assess the importance of the EP's amendments, nor consequently, can we tell whether amendments were accepted in the first reading because they would have been accepted in the second, whether the Council accepted some amendments in order to weaken the Parliamentary majority and make the EP unable to offer amendments in the second reading, or whether the Council accepted the less-important amendments in the first round. However, what clearly emerges is that of every four EP amendments, two are accepted, one is rejected by the Commission, and one is rejected by the Council. This mixed result can be well understood within the conditional agenda-setting framework: the EP has conditional agenda-setting power; consequently, it may find proposals with the property of making both the Commission and a qualified majority in the Council better off than the status quo. The reason successful amendments are not the rule is that such proposals do not always exist.

Comparisons with Other Analyses

The model I present combines the existing evidence to make several points, including the importance of information and the curvilinear property and the fact that the cooperation procedure can generate paradoxes. However, two findings are especially important: (1) the conditional agenda setter, under the conditions specified by the model, has an important input in decision making; and (2) the EP is the agenda setter in the cooperation procedure. Both points have not always been understood or analyzed correctly. Most analyses base their conclusions overwhelmingly on the observation that the final decision in the cooperation procedure is made by the Council; others are incorrect in terms of the strategic calculations of the actors; and in still others, the EP's role has been underestimated because the agenda-setting power is attributed to the Commission.

Bieber, Pantalis, and Schoo argue that "with regard to the European EP, the Single Act is an inconsistent document: Where it increases the EP's powers of participation in decision-making the practical effect is either very limited or diminished because the exercise of the powers is conditional on the *attitude* of the Council and the Commission" (1986, 791; emphasis mine). Similarly, Fitzmaurice argues that "despite the appearances of a co-decision model, the Council virtually retains the last word" (1988, 391). Both accounts underestimate the EP's role. My analysis demonstrates that the Council has the last word only if the EP fails to make a winning proposal. Moreover, if the "attitudes" of the Council and the Commission are not whimsical and if each actor, when confronted with a choice, selects the best alternative for itself (thereby adopting maximizing behavior), the EP,

through astute selection of its proposals, sometimes has the power to impose its will upon the other actors.

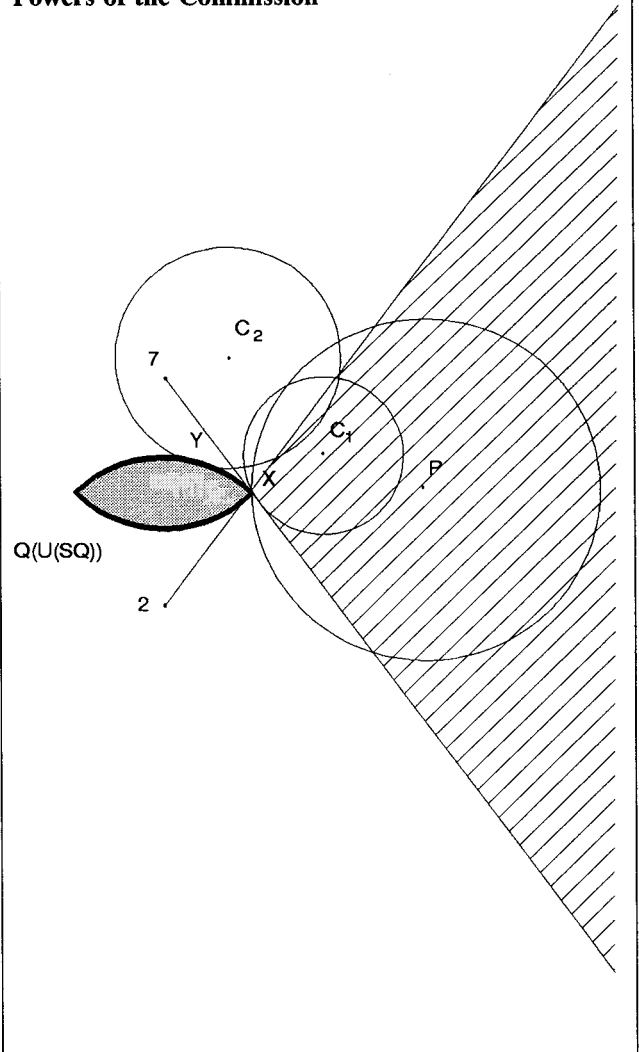
Lodge notes the power of the EP "in an alliance with one or more member states prepared to thwart the attainment of the necessary majorities (qualified or unanimous) unless EP's views and amendments were accommodated" (1987, 23). If Lodge's analysis concerns the power of the EP to block the decision in the Council, one or two allies in the Council are not necessary. Both the EP and the Council can block legislation by simply sitting indefinitely on a proposal during the first reading of the cooperation procedure. However, in the second reading, the EP has more than blocking power. If the analysis concerns the power of the EP to impose its will on the Council, one or two members in the Council are not enough: a qualified majority is required. To make this point clear, consider the configuration in Figure 3. Move the EP's ideal point to coincide with state 4. There is now an objective alliance between the EP and state 4. However, there is no winning proposal that the EP can make, and if the EP makes a proposal, even if state 4 argues that it supports the EP and will vote down an otherwise unanimous proposal causing the status quo to prevail, it will not be believed by the other members of the Council.

The argument that the EP has agenda-setting powers is perhaps the most controversial position in this article. Most analyses of the cooperation procedure attribute agenda-setting power to the Commission, not the EP. For example, Garrett argues that "parliament amendments merely allow the commission again to make its own proposals" (1992, 551); and Lenaerts argues that the Commission has a "monopoly of legislative initiative" (1991, 22). I have already argued that in practice, the initiative may come from any one of the three actors. The real question is whether the Commission is constrained in its proposal by the amendments of the EP in the second reading. The evidence indicates that it is.

In the EEC Treaty there are two rules specifying the role of the Commission. Article 149.3 gives the Commission wide powers of revision and specifies, "As long as the Council has not acted, the Commission may alter its proposal at any time during the procedures mentioned in paragraphs 1 and 2." According to this article, there are no restrictions on time (as long as the Council has not acted) or on the content of the revisions. In contrast, Article 149.2d, which refers specifically to the role of the Commission after the second reading by the EP, adopts a more restrictive procedure: "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 EP which it has not accepted, and shall express its opinion on them. The Council may adopt these amendments unanimously." According to this second procedure, the Com-

FIGURE 6

Winning Proposal (X) with Different Positions and Powers of the Commission



mission will simply incorporate or reject the Parliamentary amendments to its proposal.

Empirical reports on the cooperation procedure do not mention any Commission amendments adopted or rejected by the Council, which indicates that the Commission does not make amendments of its own at this stage. Finally, while there are complaints from the EP that the Commission rejects parliamentary amendments, there have been no complaints that the Commission has altered the amendments that it accepted.¹¹

As long as the Commission accepts or rejects parliamentary amendments and does not significantly modify them or add its own amendments, agenda-setting power lies with the EP. Politically, it is not very important whether the EP or the Commission is the agenda setter, because their positions are usually close to each other. (The Commission accepts three-fourths of parliamentary amendments).

However, for reasons of completeness, in Figure 6,

I present a counterfactual situation under two assumptions: (1) the Commission decides to apply article 149.3 instead of 149.2d in the second reading of the cooperation procedure; and (2) the positions of the Commission and the EP are substantially different from each other. In this figure, I present the set of points that command a qualified majority over anything that can be voted unanimously by the Council, $Q(U(SQ))$, and the ideal points of the EP and the Commission. Under the two assumptions, the outcome of the procedure will be Y, instead of X. However, if one of the two assumptions is relaxed, the outcome reverts to X, the EP's proposal. For example, if the Commission's ideal point in Figure 6 is inside the shaded triangular area, say, C_1 , then, even if the Commission could completely ignore the EP's proposal, it would still propose X. Similarly, if the Commission's ideal point is C_2 and the Commission can only accept or reject the EP's proposal, it will accept X.

Figure 6 can also help us relax the unitary-actor assumption regarding the EP in a particular case. Consider that a majority of EP members are located inside the shaded triangular area that include P in the figure; in this case, all these members would prefer X from the set of feasible point $Q(U(SQ))$. Further research is required to relax the EP as a unitary-actor assumption in other cases.

According to my account, the EP has agenda-setting power as long as it can make a winning proposal in the second stage of the cooperation procedure. There are essentially four relevant points, which I shall discuss in turn.

Existence of an Absolute Majority in the European Parliament. This is the requirement for successful parliamentary proposals that I have least discussed. I avoided it by assuming that the EP was a unified actor and by studying the internal divisions of the Council. However, as I said earlier, the 260-vote requirement for a second-round proposal is not a trivial matter. It essentially requires congruence on the part of socialists and Christian democrats from different countries. This is not a frequently observed alliance at the national level.¹² I think that such a coalition can be formed more frequently on social or quality-of-life issues (environment, health, education, and research) than on economic issues. To the extent that the former prevail on the agenda, the EP will see its influence increased.

Acceptance by Commission. The EP and the Commission have had positions close to each other in the past. The statistics already reported indicate that the Commission accepted three-quarters of parliamentary amendments in the cooperation procedure. There are two ways in which the EP can keep this relationship close in the future. The first is through the political responsibility of the commission in front of the EP. The second is illustrated by the car emissions case: it can threaten to reject a proposal in its second reading. Such a measure requires unanimity

in the Council and consequently would probably kill the Commission proposal, damaging the Commission's reputation. However, if there is sufficient divergence between the EP's and Commission's positions, a winning EP proposal may not exist, since it will not be adopted by the Commission.

Position of the Status Quo. An unconditional agenda setter has more power when the status quo is far away, because then the former has more leeway to make a "take it or leave it" offer. In contrast, the European EP (a conditional agenda setter) has less power the further away the status quo, because there are many positions that the Council can adopt on its own by unanimity to avoid both the status quo and the EP's position. It is reasonable to assume that throughout the history of the European Community the status quo has continued to move toward more integration. If this assumption is accepted and if integration continues, then as the status quo approaches or gets inside the Pareto set of the Council, the EP's role is likely to increase. The simple displacement of the status quo toward more integration will transform winning parliamentary proposals into the rule. Obviously, this is a *ceteris paribus* prediction, and it assumes the same institutional structure (the current cooperation procedure) and the same distribution of tastes among the different actors.

Dimensionality. A 54/76-core is guaranteed to exist in two dimensions but not in three or more dimensions. Lack of a core makes every point inside the Pareto set vulnerable and consequently increases the likelihood that a parliamentary winning proposal will exist. So if issues become more complicated, the EP's role is likely to increase. This conclusion is congruent with the argument in Weber and Wiesmeth (1991) that the likelihood of cooperation increases through issue linkage. The only difference is that issue linkage is a conscious effort (i.e., a strategy) to connect different issues, while my argument is that regardless of the reason for the connection (conscious effort or objective complication), the outcome is not only more cooperation but a shift of power to the EP.

CONDITIONAL AGENDA SETTING AND EUROPEAN INTEGRATION

There are two competing theories of European integration, neofunctionalism (Haas 1958, 1971; Lindberg 1963; Scheingold 1970) and intergovernmentalism (Moravcsik 1991).¹³ Their main point of disagreement is whether governments play the principal role in the process of integration. A series of empirical studies focuses on particular areas of European integration and finds evidence to support and to contradict each theory (Cameron 1992; Lange 1992; Peters 1992; Shapiro 1992).

I shall conclude by arguing that the concept of conditional agenda setting can help us understand

the process of integration differently from the major competing theories. The cooperation procedure provides a *formal expression of the conditional agenda-setting concept*. The idea is simple—delegation of powers as long as certain limits are not crossed and loss of these powers otherwise. One can hardly think of a principal-agent relation where the delegation of powers is unconditional. Simple and universal though the concept of conditional delegation may be, the cooperation procedure presents the rare feature of specifying the conditions, instead of leaving them to an implicit understanding.¹⁴

One important feature of the cooperation procedure is that the outcome is not necessarily Pareto optimal for the states. In this sense, it is not necessarily an efficient institution (Tsebelis 1990, chap. 4). However, most of the time the outcome will be inside the heptagon defined by the ideal positions of the states. But which Pareto optimal outcome will be selected? Krasner (1991) raises this point with respect to the international regime of communications. Garret and Weingast (1993) forcefully present the problem of equilibrium selection and argue that ideas, as well as the interests of the most powerful states are important in equilibrium selection. The cooperation procedure presents an important mechanism for equilibrium selection combined with other desirable features.

European integration proceeds through a series of measures that may have redistributive or investment aspects. In both cases, sacrifices are required by some social or national actors. It is obvious that such actors would prefer alternative policies with lower or no cost for them. If such actors represent brakes on European integration, what is the accelerator? Figures 2–4 provide a visual representation of the answer. In all these cases, a supranational actor (the EP) is provided with conditional control of the agenda. Whenever the EP exercises this power the outcome is more integrationist than that which the members of the Council would have selected on their own (by unanimity). It is even more integrationist than the positions of the Council's pivotal members (country 7 in Figures 2 and 4) and can be even more integrationist than any member of the Council (outside the Pareto set). Moreover, if efficiency gains from the common policy are high (if the status quo is far away), the Council can resolve redistributive issues on its own. (Remember that in this case, the EP has no agenda-setting power.) If efficiency gains are low (i.e., the status quo is close to or in the Pareto set), the EP is empowered to solve the problem of equilibrium selection. So equilibrium selection is one feature of the conditional agenda-setting mechanism.

But conditional agenda setting by the EP presents some more desirable features. The speed of integration is under the final control of governments. Most of the time the outcome will be inside the Pareto set of the Council, but in any case the Council is able to overrule the EP if it pushes integration too fast. Another important advantage of European institutions is that they diffuse responsibility for unpopular

measure from national governments to some combination of supranational institutions who were able to impose their will despite existing objections.

Other European institutions offer the same advantages. In the consultation procedure, the Commission has the role of the conditional agenda setter. In the cases that the Council can decide by qualified majority, the mechanism of delegation of agenda-setting powers is exactly the same: the Council needs qualified majority to agree and unanimity to modify.

When the European Court of Justice made the decision concerning *cassis de dijon*, thereby creating the doctrine of mutual recognition, it was making a decision that was bound to be in serious disagreement with important social interests in all member countries at some time or another. Similarly, the Court practically rewrote the interpretation of the Community value-added-tax directive. Such measures were subsequently adopted by the Single European Act (i.e., by the unanimity of governments). In all these cases, governments in disagreement can opt out of the application of particular legislation or even of the system altogether. It is up to the supranational actor to make decisions that will carry the Community further along, rather than lead to disagreement, dissent, and ultimately to disintegration.

Conditional agenda-setting powers are likely to increase in the future for two reasons: (1) the status quo approaches the positions of the members of the Council; and (2) issues become more complicated, so that a 54/76 qualified majority core is not likely to exist. As I demonstrated earlier, both features lead to increase in powers of the conditional agenda setter.

In conclusion, European integration happens, among other reasons, *because* national governments have built institutions attributing conditional agenda-setting power to supranational actors. If in the future popular sentiment wants to reduce the speed of integration, the citizens of Europe may use the electoral process to make sure that some particular points of view are present in or absent from the EP; that is, they may change the EP's policy position. Altering the position of the EP in Figures 2–6 would not affect the agenda-setting powers of the EP (it will still be able to make winning proposals under the conditions I have specified), but it does affect the content of the winning proposals, that is, the outcomes of the cooperation procedure.

Appendix

DEFINITION 1. Pareto Set. *The set of points where the welfare of all members cannot be improved simultaneously.*

LEMMA 1. *The Pareto set of the states in Figure 5 is defined by the contour of the heptagon 1234567.*

DEFINITION 2. Q-Core. *The set of points where the welfare of Q out of N states cannot be improved simultaneously.*

LEMMA 2. *The Q-Core (for $Q = 5/7$) of the states in Figure 5 is defined by the contour of the heptagon 1'2'3'4'5'6'7'.*

LEMMA 3. *The Q-core exists if $Q > n/(n + 1)$, where n is the dimension of the space (Greenberg 1979 theorem 2).*

COROLLARY 1. *In the cooperation procedure, a 54/76-core always*

exists in two dimensions. A 54/76-core is not guaranteed to exist in more than two dimensions.

DEFINITION 3. Unanimity Win Set of a Point. For any point SQ, define $U(SQ)$ as the set of points that are unanimity preferred to it.

COROLLARY 2. $U(SQ)$ is empty if SQ belongs to the Pareto set.

DEFINITION 4. Qualified majority Win Set of a Point. For any point SQ, define $Q(SQ)$ as the set of points that are qualified-majority-Q-preferred to it.

COROLLARY 3. $Q(SQ)$ is empty if SQ belongs to the Q-core.

DEFINITION 5. Qualified Majority Win Set of a Set. For any set of points X, define $Q(X)$ as the set of points that are qualified-majority-Q-preferred to any point in X.

COROLLARY 4. If X intersects with the Q-core, $Q(X) = \emptyset$.

Proof. The proof follows from definitions 2 and 5. Call x one of the points of intersection. According to definition 2, there is no point preferred to x by a Q-majority, consequently $Q(X)$ is empty.

DEFINITION 6. Conditional (Q, U) Agenda-setting Power. For a status quo point SQ, an actor has conditional (Q, U) agenda-setting power if when $U(SQ)$ is not empty, $Q(U(SQ))$ is not empty, and when $U(SQ)$ is empty, $Q(SQ)$ is not empty.

COROLLARY 5. If SQ belongs to the Q-core, there is no conditional (Q, U) agenda-setting power.

Proof. Both $U(SQ)$ and $Q(SQ)$ are empty.

COROLLARY 7. If SQ belongs to $\bar{U}(Q\text{-core})$, there is conditional (Q, U) agenda-setting power.

Proof. $U(SQ)$ is empty; therefore, we have to examine $Q(SQ)$. But $Q(SQ)$ is not empty, since SQ does not belong to the Q-core.

THEOREM 1. If SQ is in the "neighborhood" of U, there is conditional (Q, U) agenda-setting power.

Proof. Select a point SQ close to but outside the Pareto set (the sides of the heptagon 1234567), say along the segment 17. In this case, $U(SQ)$ will be a small set defined by the indifference curves of 1 and 7. Call SQ' the symmetric point of SQ with respect to the segment 17. If SQ is close enough to 17, the other 5 members will prefer SQ' to any point inside $U(SQ)$, and SQ' will not be included in the Q-core. So $Q(U(SQ)) = Q(SQ')$, and $Q(SQ')$ exists (Corollary 7).

Construction of "Neighborhood" of U. In the proof, I used the point SQ, which is preferred to any point inside $U(SQ)$ by all other five members. If we draw the lines 16 and 27 and call 1'' their intersection, all the points SQ' inside the triangle 171'' have this property. The circles from 2 and 7 through SQ' intersect once to the right and once to the left of segment 27. But since SQ' is to the left of 27, the other point is to the right, which means that there is no point of $U(SQ)$ preferred to SQ' by 2. Similar argument can be made with respect to the other four points of the heptagon (in particular, for point 6). For SQ' to be inside triangle 171'', SQ has to be in the triangle symmetric to the 171'' triangle with respect to segment 17. This is how the shaded triangles adjacent to the sides of the heptagon in Figure 5 are constructed.

DEFINITION 7. Call inverse Q-core $I(Q\text{-core})$ the set of points x with the property that the intersection of $U(x)$ and Q-core is nonempty.

COROLLARY 7. If SQ belongs to $I(Q\text{-core})$, there is no conditional (Q, U) agenda-setting power.

Proof. By definition 7, there is at least one point of $U(SQ)$ that belongs to the Q-core. Call this point x. By the definition of the Q-core, $Q(x)$ is empty; therefore, $Q(U(SQ))$ is empty.

Construction of Boundary of $I(Q\text{-core})$. The boundary of the inverse Q-core is defined the following way. Construct the symmetric of segment 1'2' of the Q-core with respect to the segment 12 of the Pareto set. Repeat the construction for the other six sides of the heptagon. Connect these segments by circles with centers at the vertices of the heptagon. The first circle has center 1 and radius 11', and so on.

By construction, if SQ lies on the boundary of $I(Q\text{-core})$, the boundary of $U(SQ)$ (the points that are preferred to SQ by six out of the seven members, while the seventh is indifferent

between these points and SQ) will be on the heptagon 1'2'3'4'5'6'7'. Indeed, if SQ lies on a segment of a straight line (e.g., the one symmetric to 1'7' in Figure 5), the $U(SQ)$ will include the indifference curves of 1 and 7, which intersect in symmetric points along the axis 17; if SQ lies on a segment of a circle (e.g., center 1 and radius 11'), the $U(SQ)$ will include the indifference curve of 1, which by definition goes through 1'. Since points SQ along the boundary of $I(Q\text{-core})$ produce $U(SQ)$, who are on the boundary of the Q-core, points further away (area I in Figure 5) will produce $U(SQ)$, which intersect with the Q-core. Therefore,

THEOREM 2. Curvilinear Property. For any two-dimensional configuration of the Council, the plane is divided into four subsets according to the position of SQ, as in Figure 5: AREA I: the inverse Q-core of the Council; no conditional (Q, U) agenda-setting power. AREA II: agenda-setting powers may or may not exist. AREA III: the Pareto set (excluding the Q-core), along with "neighboring" areas; always conditional (Q, U) agenda-setting power. AREA IV: the Q-core; no conditional (Q, U) agenda-setting power.

THEOREM 3. Informational Property. For any two points x and y, if $U(x)$ is a subset of $U(y)$, then $Q(U(y))$ is a subset of $Q(U(x))$.

Proof. From the definition of $Q(A)$ it follows that $Q(A \cup B)$ is a subset of $Q(A)$. The proof follows if one calls $U(x) = A$ and $U(y) = B$.

Notes

This is a revised and abbreviated version of a paper that received the Franklin L. Burdette Pi Sigma Alpha Award for the best paper presented at the 1992 meetings of the American Political Science Association. An earlier version was released as a Working Paper No. 1.7 by the Center for German and European Studies of the University of California. I would like to acknowledge financial support by the Hoover Institution and the Center of German and European Studies of the University of California. For useful comments, I thank A. Comfort, J. Fitzmaurice, J. Frieden, M. Golden, P. Lange, G. Schwartz, K. Shepsle, and the participants in seminars at the University of California at Los Angeles and San Diego and McGill, Harvard, and Washington Universities. I thank N. Jesse and B. Kilroy for research assistance. Finally, I thank M. Olmsted for his comments, as well as for providing me the story on exhaust emission standards.

1. Scharpf (1988) studies the decision-making process of the Community, and argues that it resembles German, much more than American, federalism and that the fact that decisions are taken by the Governments and by the unanimity rule leads to "a joint-decision trap" with suboptimal outcomes. Weber and Wiesmeth (1991) analyze the Single European Act and find that the outcome is always "efficient" for the members of the Council and that issue linkage is likely to increase the powers of the Commission. Garrett (1992) studies the interaction among all four institutional actors (the Commission, the EP, the Council, and the Court) in decision making, as well as in the implementation of decisions. Garrett and Weingast (1993) focus more on the Court and the implementation of its decisions. These studies echo a series of papers in congressional studies examining the properties of relation of legislatures with the executive (Hammond and Miller 1987) and their internal rules, especially agenda setting (Baron and Ferejohn 1989; Gilligan and Krehbiel 1989; McKelvey 1976; Orde-shook and Schwartz 1987; Schofield 1978; Shepsle and Weingast 1984).

2. For a detailed description of the *navette* system in comparative perspective, see Money and Tsebelis 1992. For an institutional analysis of the French case, see Tsebelis and Money n.d.

3. The accounts diverge at this point. Most empirical literature speaks about qualified majority (Lodge 1989; Nugent 1989), Jacobs and Corbett (1990) speak about qualified majority or unanimity, and Van Hamme (1989) argues that

qualified majority is needed to approve and unanimity, to modify. Bieber comes to the conclusion that the translation of the Single European Act in different languages is ambiguous and, therefore, that unanimity is required (1988, 719). However, on several occasions, the Council has decided by qualified majority, so in the remainder of my account, I will assume that only qualified majority is required for the adoption of a common position. The four largest countries, (France, Germany, Italy and the UK) have ten votes each; Spain has eight votes; Belgium, Greece, the Netherlands and Portugal have five each; Denmark and Ireland have three votes each and Luxembourg has two votes, making a total of 76 votes on the Council.

4. The reader is reminded that 260 votes are required for a proposal.

5. I select a two-dimensional representation instead of the (marginally simpler) one-dimensional one, for four reasons—first and foremost, because one-dimensional models typically produce equilibrium results (Shepsle 1979), while two-dimensional ones not only generically lack such equilibria but produce chaotic behavior, that is, cycles all over the space (McKelvey 1976). The model here includes a mechanism for equilibrium selection that the reader will not be able to identify unless the generic model has the possibility of producing chaotic results (i.e., is at least two-dimensional). Second, the results from two dimensions are easily generalizable to more than two dimensions, which is the most realistic assumption in the politics of the European Community. Third, two dimensions is the minimum required to give the EP the possibility of selecting a supporting coalition inside the Council. Finally, as it will become clear later, the one example of the cooperation procedure that I shall present cannot be represented in a less than two-dimensional space (in fact, at that point, it will become clear that the representation of the status quo requires more than one dimension).

6. What Denmark does in this case is nest the international game of European policymaking inside its domestic politics game in order to achieve a credible threat (Putnam 1988; Tsebelis 1990).

7. It is easy to verify that any point outside the heptagon 1'-7' can be defeated by its projection on the closest side of this heptagon by a 54/76 qualified majority.

8. The following account is based mainly on Kim 1992; see also Jacobs and Corbett 1990, 170, and Stephen 1992.

9. Guy Peters argues that the case of occupational health provides another example of the power of the EP (1992, 102); and Juliet Lodge adds the case of a medical research program to the list (1989, 75).

10. The data come from European Parliament 1992 and cover the period from July 1987 to November 1991.

11. John Fitzmaurice, personal communication, March 1993.

12. Exceptions include tripartism in post-World War II France, the Grand Coalition in Germany (1966-69), post-1960s coalitions in Italy, and coalitions in Belgium and the Netherlands.

13. See Keohane and Hoffman 1991; Scharpf 1989; Webb 1983.

14. Other cases of such conditional delegation that I can think of are the veto power of the American president (conditional upon not violating the will of 2/3 of either House of Congress), the power of the German president to nominate the chancellor (conditional upon selecting a candidate acceptable to the Bundestag in the first round), and legislative veto in the United States.

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George Tsebelis is Associate Professor of Political Science, University of California—Los Angeles, Los Angeles, CA 90024-1472.