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Decision-making in the council of the European Union. The role of committees.

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4 Theoretical perspectives on Committee decision-making

The literature review in the previous chapter pointed to formal institutions, preference divergence, and socialisation as factors that are potentially of relevance for explaining committee decision-making. In this chapter, I discuss the theoretical arguments underlying these factors in more detail. I also address the potential influence of policy uncertainty and political salience. Both factors are derived from a general theory of delegation applicable to the types of social situations studied here. In this chapter, my goal is to identify and describe potential explanatory factors based on a variety of existing theories. These factors then guide the quantitative analysis and also inform the qualitative case studies.

I begin with a discussion of the role of generic factors that are supposed to influence policy stability in any type of collective decision-making body, including Council committees. These factors include divergent views among the members of the decision-making body as well as the institutional rules determining how decisions are to be made and who participates in decision-making. Thus, this discussion elaborates on the effects of institutional rules and preference divergence on committee decision-making. Then I discuss how committee members are thought to be socialised into supranational norms and values and the conditions under which we would expect such socialisation to have an effect on committee decision-making. Up to this point, the theoretical discussion focuses on committee characteristics that are supposed to influence the difficulty of reaching an agreement within the committee.

The remaining two factors are based on a very different theoretical perspective. Based on a general theory of delegation, I derive the conditions under which the ministers are more or less likely to refer decision-making authority to their representatives in Council committees¹. First, I discuss how uncertainty about the practical consequences of policy provisions influences the choice of principals to delegate decisions to better informed experts. Second, I elaborate on the role of

¹ Of course, ministers usually do not take a collective, formal decision in the Council on whether a proposal should be decided by a working party or senior committee. The referral of decision-making authority to national officials is often more implicit, as when ministers decide to not get involved in the development of the national negotiation position and also do not show an interest in the progress of negotiations in the Council committees.

political salience in determining the amount of attention ministers decide to devote to a certain issue. The discussion of each explanatory factor concludes with the derivation of a hypothesis. I subject these hypotheses to empirical testing in the subsequent quantitative and qualitative empirical analyses.

4.1 Preferences, institutions, and policy stability

In order to explicate the logic of why and how committee decision-making should be affected by institutional rules and preferences, I rely on tools and concepts from social choice theory. This branch of formal theory has a long tradition in the study of how individual preferences are aggregated into group decisions. A major advantage of the formal social choice framework is that it is explicit about the assumptions on which an argument relies, and that it offers a precise language as well as clearly defined concepts for theory development and explication. In the following, I illustrate the effects of the voting rule, preference divergence, and the veto right of the EP on committee decision-making through this framework.

To keep the illustration simple, I assume that a Council committee consists of seven members. Each member has a most preferred position or ideal point in a multi-dimensional policy space. Furthermore, each member prefers policies closer to his or her ideal point to policies further away from it. The committee members know each others' ideal points as well as the location of the existing policy. The existing policy in place is also called the status quo policy. If decisions can be taken by a qualified majority of votes, I assume that the consent of five out of seven members is sufficient to adopt a decision².

In line with previous research on EU decision-making (Tsebelis & Yatağan 2002; König & Bräuninger 2004), I use the core as a concept for the stability of policy decisions. The core contains all points in the policy space that cannot be defeated by any other policy proposal in a pair-wise comparison. The proportion of votes needed

² An extension to include all 15 or 25 Member State representatives and to consider weighted votes would not change the general logic of the model. All hypotheses stated below can also be derived from such a more complicated model.

to defeat a policy depends on the decision-making rule³. Due to the assumption that committee members are fully informed about each other's preferences and the location of the status quo policy, committee members reach a decision instantly in this model. If the status quo policy is located inside the core, the committee will not be able to agree to a new policy alternative. At least one member of any winning coalition would be made worse off by changing the policy to a location outside the core. In contrast, if the status quo policy is located outside the core, the committee will change the policy to a location somewhere inside the core. All members of a winning coalition will be made better off by such a move.

In principle, the size of the core does not determine whether a collective body agrees to a change in policy or not. In each individual case, the agreement on policy change depends solely on whether the status quo policy is located within or outside the core. However, over a large number of cases, the size of the core determines the probability that the status quo policy is located within it. Under the assumption that status quo policies are distributed uniformly across the policy space, larger cores are more likely to include the status quo policy than smaller cores. By implication, committees with larger cores are then less likely to reach an agreement than committee with smaller cores. The following discussion relies on this additional assumption about the distribution of status quo points to derive testable hypotheses relating the size of the core to the propensity of a committee decision.

Unfortunately, the core does not generally exist in situations where decisions over more than one policy dimension have to be made by simple majority rule. However, this problem does not preclude the usefulness of the core as a concept of policy stability for the purposes of this study. The Council's decision-making rules prescribe that legislative agreements have to be reached by unanimity or by qualified majority voting. In the former case, the core is equivalent to the actors' Pareto-set and exists regardless of the dimensionality of the policy space. In the latter case, the adoption of a proposal requires the agreement of Member States holding about 71

³ The use of the terms vote and voting to describe the mechanics of the model does not mean that actors are assumed to vote explicitly. In the context of these models, voting in favour of a policy proposal just means that actors indicate their agreement to the proposal in some way; the indication of agreement does not necessarily have to occur through a formal vote.

percent of the votes⁴. As Schofield et al. (1988) have shown, the core is more likely to exist in high-dimensional policy spaces the larger the majority required to make a decision. In particular, the qualified majority threshold of 62 out of 87 votes guarantees that a core still exists in two dimensions regardless of the configuration of preferences and that at least some preference configurations allow the construction of a core even in three dimensions⁵. Either way, only the prediction about the effect of preference divergence under qualified majority voting is affected by the potential problem of the non-existence of the core. The unanimity rule and EP involvement predictions benefit from the fact that the setup includes actors with veto power. Under this condition, a core always exists (Schofield *et al.* 1988).

4.1.1 *Voting rule*

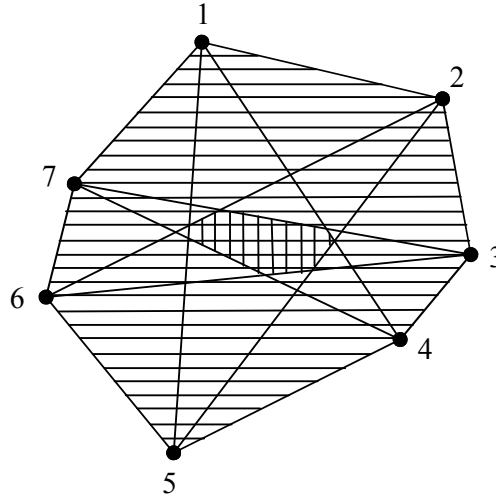
Having discussed the general modelling tools, I now turn to the first substantial hypothesis. Graphical representations are helpful for understanding the mechanics of the models. Figure 4.1 illustrates a preference configuration of the seven member committee in a two-dimensional policy space. As discussed above, the core contains all points in this space that cannot be beaten by any other point. Furthermore, whether a point can be beaten or not depends crucially on the decision-making rule. The figure indicates both the unanimity and the qualified majority core. The core can be constructed by drawing lines connecting the ideal points of members so that a majority of ideal points are located on one side of each line or on the line itself⁶. The core is then the polygon generated by the intersection of these lines.

⁴ The discussion refers to the pre-Nice voting system in force between 1995 and 2004 (Hayes-Renshaw & Wallace 2006: 264), which covers the largest part of the time period under study here.

⁵ The voting threshold that guarantees a core in three dimensions would be 66 out of 87 votes. Given that individual Member States have up to ten votes at their disposal, the requirement to gather 62 votes might result in many cases in an automatically oversized majority of 66 or more votes.

⁶ In more than two dimensions, the lines are replaced by planes and hyperplanes.

Figure 4.1 Unanimity and qualified majority core



Note: The qualified majority rule requires the agreement of five out of seven committee members. The unanimity core is the area bounded by the heptagon 1234567. The qualified majority core is the cross-hatched area within the unanimity core.

The figure indicates both the unanimity and the qualified majority core. The unanimity core is the whole heptagon 1234567. The qualified majority core is the cross-hatched area within the heptagon. All other things equal, the qualified majority core is always smaller than the unanimity core. In order to see this, note that the qualified majority core is the intersection of the unanimity cores of all winning coalitions. Each unanimity core of a five member winning coalition is necessarily smaller than the unanimity core of the full seven member committee. Given that each unanimity core of a winning coalition contains only a subset of the points contained in the unanimity core of the whole committee, the intersection of the unanimity cores of all winning coalitions, that is the qualified majority core, must then be smaller than the unanimity core of the full committee. This expectation leads to the first hypothesis about the effect of the voting rule on committee decision-making:

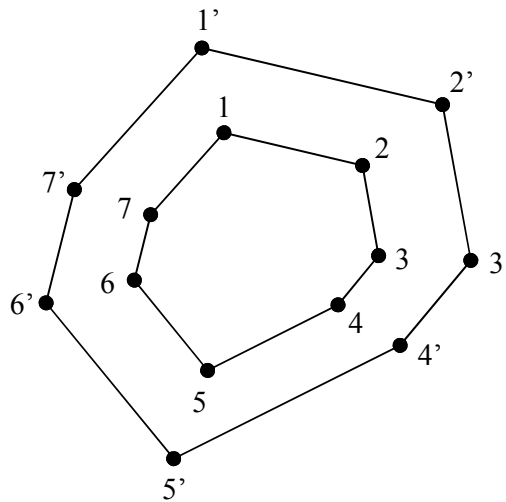
Hypothesis 1: A committee decision is more likely under qualified majority rule than under unanimity rule.

4.1.2 Preference divergence

The effect of preference divergence on the core is not as straightforwardly determined as the effect of the voting rule. In the one-dimensional case, the core consists simply of the line segment between the two decisive actors. In the case of the unanimity rule,

the two decisive actors are simply the actors with the most extreme ideal points. In the case of qualified majority voting, the decisive actors are the actors with ideal points such that their ideal point and the number of ideal points of committee members located on one side of their ideal point form a qualified majority of members. Either way, if one of the decisive actors moves further away from the other, the preference divergence increases and the core increases as well. However, in the multi-dimensional case, the situation is more complicated. Here, preference divergence depends on the relative positions of all ideal points. However, one can easily imagine keeping constant the relative positions of the ideal points and magnifying or shrinking the entire preference configuration of committee members. This process is illustrated in Figure 4.2 for the unanimity core.

Figure 4.2 Small and large preference divergence unanimity cores



Note: The small preference divergence unanimity core is the heptagon 1234567. The large preference divergence unanimity core is the heptagon 1'2'3'4'5'6'7'.

All other things equal, increasing preference divergence by enlarging the original heptagon 1234567 to the new heptagon 1'2'3'4'5'6'7' yields a larger unanimity core. The converse is true when shrinking the heptagon. The same procedure arrives at equivalent results for the qualified majority core. Thus, increased or decreased preference divergence affects unanimity and qualified majority decision-making in similar ways: the more diverse preferences, the larger the core; and under the assumption of a uniform distribution of status quo policies, larger cores are more

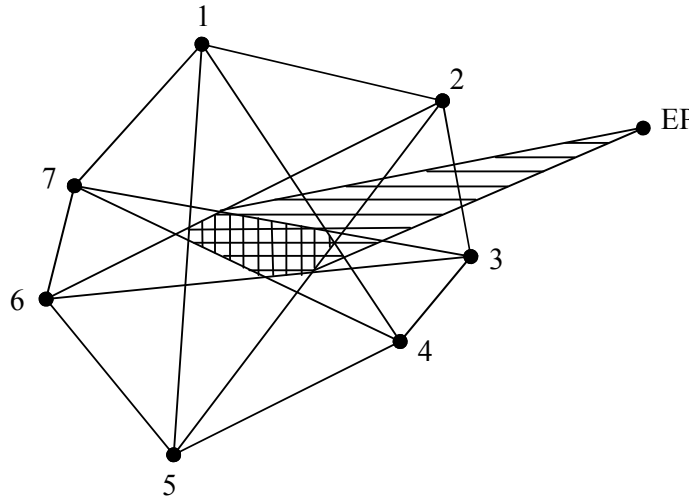
likely to include the status quo policy. These relationships imply the following hypothesis:

Hypothesis 2: A committee decision is more likely the less the preferences of committee members diverge.

4.1.3 Veto right of the European Parliament

Besides the voting rule and the preference configuration, the legislative procedure should also influence committee decision-making. A committee decision should be harder to reach under the co-decision procedure. The co-decision procedure essentially empowers an additional player, the Parliament, with a veto right. Thus, the Member States have to take the views of an additional actor into account in order to reach an overall agreement on EU legislation. Although the EP does not take part directly in Council deliberations, the EP exerts indirect influence. During recent years, the Council and the EP have made more and more efforts to reach an early agreement during the first reading of the co-decision procedure. These inter-institutional negotiations usually take place at the level of working parties and senior committees. Furthermore, while the EP representatives usually negotiate on a clear mandate in the form of the report of the responsible standing committee of the EP, the Council side can enter the inter-institutional negotiations even before Member States have resolved all disagreements among themselves. In effect, the Parliament then becomes an additional negotiation partner in Council negotiations. Thus, committee decision-making should clearly be affected by the veto right of the Parliament. Figure 4.3 shows the change in the size of the core when the committee has to take account of the views of the EP.

Figure 4.3 Qualified majority committee core and co-decision core



Note: The qualified majority rule requires the agreement of five out of seven committee members. The co-decision core is the hatched area and includes the qualified majority core of the committee. The qualified majority core is the cross-hatched area. The abbreviation EP refers to the European Parliament.

The figure illustrates the most common situation, in which the co-decision procedure applies in combination with the qualified majority voting rule in the Council. The predictions are qualitatively the same in the case where the committee has to reach decisions by unanimity. I assume that the EP can be treated as a unitary actor. As discussed above, the EP delegation usually negotiates with the Council on the basis of a clear mandate given by the formally adopted report of the responsible EP committee. Thus, the EP can reasonably be considered to have a single ideal point by the time it engages in negotiations with the Council. Fortunately, the hypothesis stated below does not depend on this assumption. The same hypothesis can also be derived from a model in which the EP is treated as a collective actor (see e.g. Tsebelis & Yatağanas 2002), but the illustration is made much clearer through the unitary actor assumption. Unless the EP's ideal point is located within the core of the committee members, the veto right of the EP results in a co-decision core that is larger than the committee core. Assuming that the EP's ideal point is more often located outside than inside the committee core and that status quos are uniformly distributed in the policy space, we can state the following hypothesis:

Hypothesis 3: A committee decision is more likely under the consultation procedure than under the co-decision procedure.

In summary, the formal literature on collective decision-making argues that the stability of policies depends on the preferences of actors and the institutional rules in place. Applying this reasoning to committee decision-making in the Council, this section has shown that a committee decision should be easier to reach in cases where committee members' preferences converge, the EP is in effect excluded from decision-making, and the qualified majority voting rule applies in the Council. In the next section, I discuss to what extent we should expect international socialisation to also have an effect on policy stability in committee decision-making.

4.2 Committee socialisation

A growing field of research considers the socialising effects of international institutions (Johnston 2001; Checkel 2003; Hooghe 2005). As the literature review has shown, this field is also one of the few areas where research has directly focused on Council committees and their members. Quantitative studies have mainly focused on an analysis of the extent to which committee members invoke supranational role perceptions and in how far these role perceptions can be attributed to the interaction in committees. The general argument is simple: working in the EU institutions exposes people to supranational norms and thus makes them more prone to accept these norms as valid guidelines for their behaviour. Even if we accept the validity of this statement, the question remains how and under which conditions we would expect international socialisation to matter not only for the self-image of national officials but also for the difficulty of reaching a collective agreement in committees. I elaborate on these points in the remainder of this section.

Socialisation is the process by which individuals internalise the norms and rules of a group in which they interact. The transfer and adoption of norms can occur through a variety of mechanisms, including normative suasion, social mimicking, shaming and communication (Hooghe 2005: 865). At any point in time, individuals are members of several groups, possibly at different levels of aggregation. For example, a Dutch national official seconded to the permanent representation to the EU is a member of the embassy in Brussels, but at the same time also a member of his or her sectoral ministry in The Hague. At a higher level of aggregation, the official is a member of Dutch as well as Belgian society. Furthermore, individuals' group memberships vary during their lifetime. Young people are primarily affiliated with an educational institution. After finishing their education, people enter work

organisations like companies, bureaucracies or non-governmental organisations. Over time, people may move between different units within organisations, between different organisations of the same type, and between organisations of totally different types and functions. Given multiple and changing group memberships, individuals are exposed to a number of socialisation processes concurrently and sequentially. At any point in time, the type and extent of norms internalised by an individual is then a result of past and current membership in different groups.

Thus, the degree to which an official holds a supranational role perception is not only expected to be a function of the time spent working in an EU institution, but also of the prior time spent interacting with people in other groups promoting similar norms (Beyers 2005; Hooghe 2005). People might have developed supranational role perceptions even before they entered the European institutions because of earlier experiences gained, for example through international student exchanges or the work in other international organisations. In short, the degree of socialisation into supranational norms is an attribute of individuals and, given the idiosyncratic life histories of national officials, expected to vary considerably across individuals. As the extent to which committee members hold supranational role perceptions is expected to vary considerably, the consequences of holding such broad role perceptions for collective decision-making are hard to predict.

Committees composed of members with a heterogeneous degree of supranational role perceptions are not likely to sustain supranational norms as guides for appropriate behaviour. Supranational role perceptions are supposed to foster a commitment to joint problem-solving and to reduce the propensity to pursue individualist state interests. If only some of the members of a committee hold a high degree of supranational role perceptions, their willingness to compromise would be exploited by the other members with a lower degree of supranational role perceptions. In the long run, the committee members with a high degree of supranational role perceptions clearly lose out compared to the committee members with a low degree of supranational role perceptions. As a result, the committee members with a high degree of supranational role perceptions will eventually either start disregarding the norms calling for compromising behaviour or their superiors at home will replace them by less socialised officials. Without reciprocity, norms that demand flexibility in the positions of committee members' positions are not likely to be sustained. This

discussion points to the limitations of general supranational role perceptions to influence collective decision-making in Council committees.

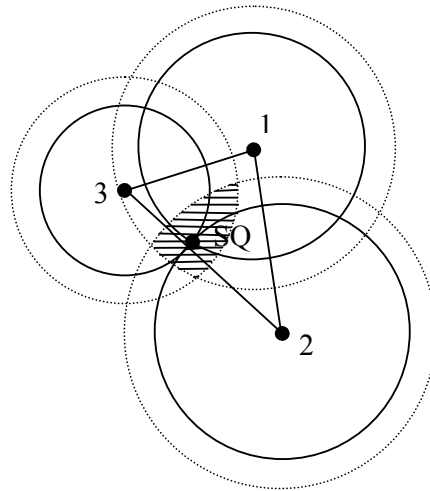
Rather than very abstract norms that form part of general supranational role perceptions, such as ‘Promote European integration!’, specific norms about how to conduct negotiations are more likely to affect collective decision-making in committees. Lewis (2000: 273), for example, stresses the relevance of performance norms in Coreper negotiations. These norms include tangible guidelines aimed at maintaining the efficiency of decision-making in the committee, such as “Find a solution!”, “Abstain rather than veto!” and “Do not be a demander all the time!”. Committee norms give relatively straightforward directions on how to behave in a specific situation. Thus, the norms’ practical implications are not as open to interpretation as the implications of more abstract norms. More importantly, most committee members adhere to these norms to a similar degree. The norms are specific to the committee, so the national officials do not enter the committee with different degrees of pre-socialisation. Members of the committee internalise the norms purely on the basis of their interactions within the committee, which should influence all members in a similar way. The homogenous exposure of all committee members to committee norms means that these norms are not affected by the free-rider problem of the more abstract norms discussed above.

So far, I have discussed which types of norms are likely to affect committee decision-making in systematic ways. I argued that any norm inducing more co-operative negotiation behaviour can only be sustained when most committee members adhere to it to a similar degree. I also maintained that specific norms relating directly to the performance of the committee rather than to more abstract processes of European integration are more likely to satisfy this requirement. Next, I describe in more detail how such committee-specific performance norms affect collective decision-making in a committee. Figure 4.4 illustrates a committee with three members who decide by unanimity over a policy in a two-dimensional issue space⁷. The current status quo policy is located within the unanimity core of the three committee members. As outlined in the previous section, we do not expect any policy

⁷ A similar example could be constructed for a committee with more members deciding by qualified majority voting. The hypothesis derived below is not affected by the number of committee members, the voting rule, or the dimensionality of the policy space.

change to occur under this condition. If committee members care only about policy, no proposal can muster the required majority of votes to change a status quo policy located within the core. However, the presence of performance norms changes the incentives faced by committee members. A failure to agree on a new policy now imposes costs on the committee members, which creates additional scope for finding a collectively acceptable agreement.

Figure 4.4 Performance norms winset of socialised committee members



Note: The unanimity core is the triangle 123. The performance norms winset is the hatched area. The standard indifference curves are drawn with solid lines; the performance norms indifference curves are drawn with dotted lines. The abbreviation SQ refers to the status quo policy.

In order to illustrate this effect, the introduction of additional concepts is useful. The preferred-to-SQ set of an actor is the set of points that the actor prefers to the status quo policy. The borders of the preferred-to-SQ sets of actors are delineated by so-called indifference curves. When committee members are purely motivated by policy concerns and have Euclidian preferences, the indifference curves are circles around actors' ideal points that cross through the status quo point⁸. In Figure 4.4, these standard indifference curves are drawn as solid lines. The winset contains all points in

⁸ The indifference curves are spheres in the case of higher-dimensional settings.

the intersection of the preferred-to-SQ sets of the actors⁹. In substantial terms, the winset contains all policy alternatives that the required majority of committee members prefers to the status quo policy. In Figure 4.4, the winset is empty. This observation is in line with the fact that the status quo policy is located inside the core. The committee members cannot normally agree to move policy to another location under such circumstances. In the presence of performance norms though, committee members do not only consider policy benefits when they decide about accepting or rejecting a new policy proposal; they also take into account that the failure to agree on a new policy results in a costly violation of the performance norms. The larger these norm violation costs, the more a committee member is inclined to accept a new policy position even if it is further away from his or her ideal point than the status quo policy. Thus, the larger the norm violations costs, the more incentives committee members have to compromise.

Note that the norm violations costs are modelled as integral parts of the committee members' utility function. In theoretical terms, this modelling approach captures the argument that socialisation leads to the internalisation of norms, which then form an integral part of the committee members' decision-making considerations. The model differs therefore fundamentally from liberal institutionalist models of interaction in international institutions that stress the anticipation of repeated interaction as a factor generating co-operative behaviour. In the latter type of models, international institutions do not affect the actors themselves. They just provide an environment that induces actors to also consider the long-term repercussion of their actions and not only their immediate consequences. In game-theoretic terms, the prospect of future interaction changes the structure of the game but not the characteristics of the players. In such models, co-operation can arise even when players' utility functions include only policy motivations. Conceptually, one major difference between the two perspectives is that the socialisation perspective explains co-operative behaviour as a result of past experiences while the liberal institutionalist perspective explains it as a result of the anticipation of future

⁹ In the case of qualified majority voting, the construction of the winset is more complicated. First, one creates a winset for each winning coalition by intersecting the preferred-to-SQ sets of the actors contained in the coalition. In a second step, the overall winset is created by taking the union of the winsets of all winning coalitions.

behaviour. Empirically, the effects of the two perspectives might be hard to delineate, but theoretically the underlying arguments are clearly distinct. Given its prominence in the literature on Council committees, this study focuses on an examination of the socialisation perspective.

Norm violation costs result in enlarged preferred-to-SQ sets of actors. To distinguish the corresponding indifference curves and winset from the standard indifference curves and winset that are solely based on policy considerations, I call them performance norms indifference curves and performance norms winset, respectively. The dotted circles in the figure indicate the performance norms indifference curves of actors and the hatched area demarcates the performance norms winset. The figure shows that a performance norms winset exists even in cases when the status quo is located in the core and the standard winset is empty. Thus, the socialisation of committee members into committee-specific performance norms allows for policy change even in cases where purely policy oriented actors could not agree to any change. This observation leads to the following hypothesis:

Hypothesis 4: A committee decision is more likely if committee members are socialised into committee-specific performance norms than if committee members are purely policy oriented actors.

Note that this view of the effects of socialisation is conceptually distinct from a change in policy preferences, which would result in a simple movement of the ideal points of the actors. The result of committee socialisation is not a change in specific policy positions, but a change in the standards according to which different negotiation outcomes are evaluated. The norm violation costs introduced above are a very simple way to model the additional considerations that socialised committee members take into account when negotiating in the Council and to ponder their consequences for collective decision-making in committees.

The theoretical perspective discussed so far led to several expectations about the ability of bureaucrats to reach agreement at the committee level, but the focus on the attitudes and interaction of committee members completely neglected the role of their political superiors. The delegation approach takes a different view and discusses the conditions under which politicians are willing to delegate decision-making authority to bureaucrats rather than examine legislative proposals themselves. Although this approach has not been applied to Council decision-making yet, the basic tenets of its theoretical arguments are transferable to this setting.

4.3 Policy uncertainty, salience, and delegation

Delegation theories point out that the uncertainty about the practical consequences of legal provisions is an important reason for principals to transfer decision-making authority to agents that are better informed about these consequences (Bendor *et al.* 2001). Delegating a decision to better informed agents might result in a policy outcome that the principal actually prefers to the policy outcome that would have been realised through the principal's own, uninformed decision. In the case of the Council, ministers that are uncertain about the practical consequences of policy measures should therefore have incentives to transfer decision-making authority to better informed committee members. In the following, I adapt the general game theoretic model of delegation developed by Bendor and Meirowitz (Bendor & Meirowitz 2004a) to describe the basic logic underlying this argument¹⁰.

The model consists of two actors, a minister and a bureaucrat. I consider the delegation decision to be a decision of individual Member States, not of the Council as a whole. On the one hand, this setup reflects the reality of decision-making in the Council. The discretion of committee members is usually not collectively determined by a decision of ministers in the Council, but ministers decide unilaterally on how much leeway to grant to their representatives. On the other hand, the focus of the model on an individual minister's decision to delegate precludes a direct exploration of the consequences on collective decision-making in committees. Such an exploration requires the additional assumption that the model represents a typical delegation situation that is the same in all Member States for a certain policy proposal. The theoretical arguments relate mainly to characteristics of the policy itself, which affects all Member States equally. Given that the public services of Member States are structured along similar principles, the relationships between national officials and ministers should be quite comparable across countries as well. Thus, the assumption that the model depicts a typical delegation situation that is very alike in all Member State governments does not seem to be too far-fetched.

The formal structure of the model is as follows: the minister and her¹¹ official have ideal points in a multi-dimensional policy and outcome space. Both actors have

¹⁰ For a more formal and complete treatment, see model A' in Bendor and Meirowitz (2004a).

¹¹ To ease the exposition of the model, I refer to the minister with female pronouns and to the national official with male pronouns. This choice is essentially arbitrary.

Euclidean preferences; they like outcomes closer to their ideal points more than outcomes further away. The minister's ideal point is located at zero¹². Uncertainty about the practical consequences of policies is represented by an additive random disturbance term that perturbs the policy after its adoption to produce the final outcome¹³. The distinction between policies and outcomes captures the differences between the letter of the law and its practical consequences. The value of the random shock is drawn from a symmetric distribution around zero. The uninformed minister moves first: she decides whether or not to delegate decision-making authority. If the minister does not delegate, she chooses a policy herself. The chosen policy is then perturbed by the random shock to generate the actual outcome. If the minister delegates, the national official first observes the random shock's realisation and then picks a policy. Thus, the national official is completely informed about how policy maps into practical outcomes by the time he makes a decision.

Given the minister's knowledge about the distribution of outcomes for a certain policy choice, she can calculate her expected utility resulting from deciding about policy herself. Because more than one outcome can result from any selected policy, this expected utility is always less than the utility she would receive when she was able to implement her ideal outcome with certainty (Bendor & Meirowitz 2004a: 299). This setup assures that delegation might be beneficial at least under some circumstances. The minister anticipates the behaviour of the national official resulting from the conferral of decision-making authority to him. The minister knows that the national official is informed about the size of the random shock and that he will therefore simply choose the policy that produces his ideal position as the outcome¹⁴. Effectively, the minister's delegation decision involves choosing between the policy that maximises her expected utility and the policy that is most favoured by her national official. Bendor and Meirowitz (2004a; 2004b) prove the existence of what they call certainty equivalents in outcome space. These certainty equivalents are a set of outcomes with the property that the minister is indifferent between maximising her expected utility and getting such an outcome for sure. The certainty equivalents

¹² This assumption about the location of the minister's ideal point does not have any substantial effect other than allowing for a clearer illustration of the consequences of increased uncertainty.

¹³ In mathematical terms: Outcome = policy + random shock.

¹⁴ That is, the national official will choose policy = ideal point – random shock.

delimit what Bendor and Meirowitz (2004a: 299) call the delegation set. The minister delegates decision-making authority to the national official if and only if the agent is located within her delegation set. Given that utility is monotonic in Euclidean distance, the minister's certainty equivalents all have the same distance from her ideal point.

To illustrate this setup, let us consider a special case of the model in which the policy under discussion can be represented in a one-dimensional space and in which the minister has a tent-shaped utility function¹⁵. The minister's ideal point is located at zero and the distribution of the random shock specifies that the random shock equals either -1 or 1 with equal probability. The national official's ideal point is located at 2. This situation is depicted in Figure 4.5. If the minister delegates decision-making authority, the national official will select the policy that results in his ideal point. If the random shock equals 1, the national official will select policy = 2 - 1 = 1. If the random shock equals -1, the national official will select policy = 2 + 1 = 3. In either case, the final outcome will correspond to the ideal position of the national official at 2. Anticipating the behaviour of the official, the minister evaluates whether the certain outcome of 2 resulting from delegation to the national official is better or worse than the uncertain outcomes resulting from her own decision.

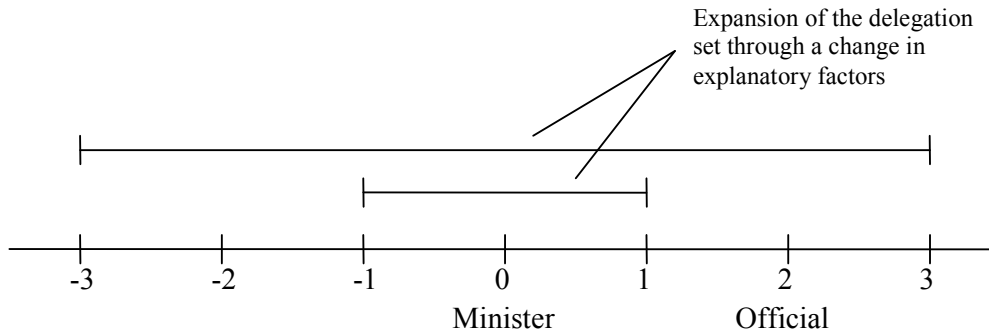
Given that the minister is not sure whether the random shock is -1 or 1, her best guess when making the decision herself is to select the policy that results in outcomes with the highest average utility. One such policy is her ideal point¹⁶. If the minister sets policy to zero, the outcome will be located at -1 with probability 0.5 or at 1 with probability 0.5. In both cases, the outcome will be one unit away from her ideal point. Thus, on average, the minister will incur a utility of -1. In this situation, the minister prefers to make the decision herself, since the average utility of -1 is higher than the utility of -2 received from delegating to the national official. However, the situation would be different if the views of the national official were closer to the views of the minister. If the ideal point of the national official was located at 0.5 for example, delegating would result in a utility of -0.5 and would be preferred to not delegating

¹⁵ More precisely, the utility function takes the following form: $U = -|p+r|$, where p stands for the policy and r for the random shock.

¹⁶ The minister chooses a policy p that maximizes her expected utility $EU = \text{Prob}(r=1)U + \text{Prob}(r=-1)U = -0.5|p+1| - 0.5|p-1|$. Any $p \in [-1, 1]$ maximises this equation, resulting in an expected utility $EU = -1$.

which results in a utility of -1. In general, any ideal point of the national official located between -1 and 1 results in a delegation payoff larger than -1 and is preferred by the minister to making the decision herself.

Figure 4.5 The delegation set of the minister in a one-dimensional policy space



Note: See the main text for further details on the structure of this model.

Having outlined and illustrated the general model, I now turn to different factors that influence the delegation decision of the minister. In formal terms, these factors influence the delegation decision of ministers by changing the size of the ministers' delegation set.

4.3.1 Uncertainty

A major rationale for delegation to experts is the politician's uncertainty about the practical consequences of policy provisions. In the model, uncertainty can be varied by increasing the variability of the random shock around its mean. The minister's ideal point is assumed to be located at zero, which is also the mean of the distribution of the random shock. A mean-preserving spread of the distribution means that the tails of the distribution get fatter. In substantial terms, the result of a mean-preserving spread of the distribution is that outcomes far away from the minister's ideal point have now a higher probability of being realised than before. The higher probability that more distant outcomes are realised through an uninformed decision by the minister decreases her expected utility of not delegating. In contrast, the national official knows the realisation of the random shock before he selects a policy. Thus, the increased variability of the random shock does not affect his capacity to choose a policy that leads to his most preferred outcome. In summary, the increase in the variability of the random shock does not affect the utility the minister receives from

delegating decision-making authority to the national official, but it decreases the minister's expected utility from making a decision herself. As a result of the increased variability of the random shock, the minister's delegation set increases and the delegation option becomes more valuable.

In the example illustrated in Figure 4.5, an increase in the variability can be represented by increasing the size of the random shock. Instead of -1 and 1, consider a random shock that takes the values -3 and 3 with equal probability. Selecting her ideal point as policy is still an optimal choice when the minister makes the decision herself. But due to the increased variation, not delegating will then result in a utility of -3, which is clearly lower than the utility from delegation of -2. The figure shows the expansion of the delegation set ensuing from this increase in uncertainty. While the original delegation set ranged from -1 to 1, the delegation set under increased uncertainty ranges from -3 to 3. The new delegation set includes the ideal point of the national official. Thus, delegation becomes the preferred option of the minister in this case. In general, an increase in uncertainty either does not affect the delegation decision of the minister or sways the minister's decision towards delegation, depending on the precise location of the policy most preferred by the national official. We should be able to observe a positive average effect of policy uncertainty on committee decision-making over a large number of cases, even though an increase in uncertainty strictly speaking constitutes only a necessary condition for delegation. This expectation can be represented by the following hypothesis:

Hypothesis 5: A committee decision is more likely the larger the degree of uncertainty about the practical consequences of policy provisions.

4.3.2 *Saliency*

Besides the lack of expertise, organisational and natural resource constraints of politicians are also reasons for delegation. Lawmakers have only a certain amount of time available that they can devote to scrutinising and discussing legislation (Cox 2006). Even in cases where the practical implications of a policy are clear, drafting legislation takes time and effort that cannot be spent on other purposes (Huber & Shipan 2002: 79). Initial uncertainty about the preferences of other legislators rather than the policy outcome might also be of relevance in this respect. The very process of decision-making, that is building coalitions and reaching agreements, becomes rather costly when the views of the other legislators on a policy issue are not apparent

(Cox & McCubbins 2006: 306). Extending the size of the legislature to overcome these resource constraints is also not an option, at least not in the short run (Epstein & O'Halloran 1999: 44). Therefore, legislators are expected to prioritise. Politicians are likely to focus their attention on the dossiers that promise them the highest return on the investment of their time and to delegate decision-making authority on other dossiers to parliamentary assistants or public servants (Epstein & O'Halloran 1999: 47; Franchino 2004).

The importance or salience of a dossier as perceived by the political actors involved in the decision-making process is often a result of the dossier's consequences for core constituencies, powerful organised interests, or the public in general. In the context of the Council, ministers are expected to focus their attention on dossiers that might impose significant costs on influential domestic groups and companies as well as the administration of the state itself. In more politicised policy areas like Justice and Home affairs or Economic and Financial affairs, issues might also be considered important because they touch on core-ideological commitments of government parties. Regardless of the reasons for which a dossier is considered important, ministers should be more likely to concern themselves with politically salient dossiers and delegate decision-making authority on more routine legislation to their representatives in the Council committees.

The effect of salience on the delegation decision of the minister can also be illustrated through the model described above. I assume that ministers incur additional costs when they waste their time on dossiers that are not relevant for the implementation of their most important policy concerns or for improving their re-election chances. Ministers have a limited time budget, and spending time on largely inconsequential legislation reduces the time that can be spent on the more salient dossiers. When the minister decides about delegating or deciding on the proposal herself, these costs reduce only the expected utility of the no-delegation option. Obviously, the minister does not bear costs in terms of time and attention when she delegates the decision on the dossier to the national official. As in the case of policy uncertainty, the consideration of the costs of considering low-salience dossiers tilts the minister's decision-making balance towards the delegation option. These costs decrease the expected utility of the minister's no delegation option while the utility of the delegation option remains the same. Again, the result is an increase of the delegation set as illustrated in Figure 4.5. All other things equal, an increase in the

costs of attending to low-salience dossiers results either in a choice for delegation or in no effect on the outcome of the minister's decision. The minister will only move to select the delegation option when the enlarged delegation set includes the ideal point of the national official. However, assuming a uniform distribution of ideal points of national officials over a large number of cases, we should expect a negative relationship between salience and committee decision-making. Thus, the following hypothesis about the effect of salience can be stated:

Hypothesis 6: A committee decision is more likely the less salient a policy proposal.

4.4 The theoretical arguments in brief

The literature discussed in the previous chapter pointed to several factors potentially of relevance for the study of committee decision-making. The research on role perceptions of national officials and decision-making styles in Council committees pointed to the importance of international socialisation for the outlook and behaviour of committee members. In research on Council decision-making in general, the voting rule, actors' preferences, and the involvement of the EP were often hypothesised to have an impact on the process and outcome of decision-making. In this chapter, I first discussed the theoretical rationale for the impact of these factors on committee decision-making in more detail. In addition to these actor- and institution-related factors, I also discussed the possible impacts of different characteristics of the policy itself. Delegation studies have a long tradition in theorising the factors influencing the decision of principals to confer decision-making authority to their agents. I argued that the uncertainty about the practical consequences of a certain policy proposal and its political salience should be of particular relevance for ministers when deciding about delegating a decision on a legislative proposal to their representatives in Council committees. I used a general delegation model to study the effects of these factors on the delegation choice of ministers.

To illustrate the effects of preferences and institutional rules on the ability of committee members to agree on a change in policy, I relied on the core as a theoretical concept capturing policy stability in collective decision-making bodies. I showed that the existing policy in place tends to be harder to change when decisions have to be reached by unanimity, when the divergence in the views of committee members is large, and when the EP can be considered to be an additional veto player

in committee decision-making. Each of these factors tends to increase the size of the core, which in turn increases the probability that the status quo policy is located within the core. Given that a policy located within the core cannot be beaten by any other policy alternative, a larger probability of the status quo policy being located inside the core corresponds to a larger probability that committee members will not be able to agree to a change in policy.

In substantial terms, the unanimity voting rule requires the assent of more committee members to adopt legislation than the qualified majority voting rule. Thus, it seems reasonable to expect that gridlock will occur more often in committees under the unanimity rule than under the qualified majority voting rule. Note that this expectation does not imply that committee members vote explicitly to make a decision; it just requires that committee members accept a proposal as agreed once the required majority of members support it. The involvement of the EP has a similar effect on committee decision-making as the voting rule. In effect, the co-decision procedure adds an additional veto player to legislative decision-making in the EU. Since the inception of the co-decision procedure, informal negotiations between representatives of the EU institutions to reconcile their views more efficiently have become more and more common. These inter-institutional negotiations often occur concurrently to the intra-institutional negotiations within the Council. Furthermore, most of these inter-institutional negotiations are managed at the committee level on the Council side. Thus, the EP involvement should in many cases directly affect decision-making in Council committees. The possibility of early agreements in the first reading stage of the co-decision procedure in effect transforms the Council decision into a collective decision of the Council members and the Parliament.

An increased divergence of committee member's preferences should also make an agreement to change policy less likely. The further dispersed the preferences of committee members, the less likely will a required majority of committee members perceive a new proposal to be a mutually beneficial improvement over the existing status quo policy. Whereas the theoretical arguments underlying the effects of the voting rule, preference divergence, and the EP involvement assume that committee members are purely policy oriented, the research on international socialisation suggested that national officials might also internalise supranational norms. I argued that only committee-specific norms shared by all members are likely to affect committee decision-making in systematic ways and that, in line with the empirical

findings of previous research, these committee-specific norms are likely to be performance norms. These performance norms should in turn lead to committee members gaining additional value from the very act of reaching an agreement to change policy, regardless of how the new policy looks like. As a result, committees whose members have internalised performance norms can agree on policy change even in situations where purely policy-oriented committee members would not be able to do so.

The voting rule, preference divergence, EP involvement, and committee socialisation are expected to make it more or less difficult for committee members to agree to a change in policy. The remaining two hypotheses about the effects of policy uncertainty and political salience of the proposal were derived from a very different theoretical perspective. Rather than policy stability within committees, these factors are expected to influence the decision of ministers to delegate decision-making authority to committee members. If a minister lacks the expertise to evaluate the practical consequences of a policy proposal, the minister and the national official might both be better off when the better informed official chooses the new policy than when the minister makes an uninformed decision. The more uncertain the link between policy provisions and the practical outcome, the more beneficial it is for ministers to leave the selection of the new policy to the policy experts in committees.

Political salience has the opposite effect on the minister's delegation decision. The more salient a dossier, the more ministers should be interested in dealing with the dossier themselves. I argued that ministers have a limited time budget and that they aim to focus their attention on those proposals most relevant with respect to their core ideological goals and re-election chances. Any time spent on proposals not furthering these central goals imposes costs on ministers. Thus, ministers are expected to be more likely to delegate decision-making authority to committee members if they perceive a dossier to be of little importance for achieving their essential policy and office goals.

The discussion of political salience concluded the discussion in this chapter of factors potentially influencing committee decision-making. Next, the actual relevance of these factors as explanatory variables is first examined through a quantitative large-N analysis. Following up on the correlational results of the statistical analysis, qualitative case studies are then used to further investigate the validity of the indicators used to measure the theoretical concepts, to refine these concepts as

necessary, and to shed more light on the precise causal processes at work. In addition, the case studies are used to discover additional explanatory factors not yet identified from existing research.