

Agenda dynamics in the European Union : the interaction between the European Council and the European Commission in the policy domain of organized crime

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Chapter 8

Inter-agenda dynamics of the European Council and the Commission

The two previous chapters showed the empirical analysis of the dynamics of the European Council and the Commission, respectively. We thus identified how each institution sets its agenda. The final step in this research is to see how the institutions relate to each other in agenda setting. This is the last analytical chapter of the project and studies the dynamics between the agendas. It addresses the following question: what are the inter-agenda dynamics of the European Council and the Commission? The answer provides evidence on the underlying pattern in their interaction, showing the governing directionality between their agendas in the long run. The aim of the chapter is to identify the logics in the interplay and explain them. The chapter has three sections. The first part deals with the analytical implications of the research topic for the way to study it. The second section introduces and discusses the findings. In the final part, conclusions are provided.

8.1. Much speculation, little evidence: analytical implications

This project has empirically demonstrated that the European Council and the Commission set their agendas mostly in a different way, as expected according to the Agenda Dynamics Approach. The basis for such expectation stemmed from central postulates of the Processing Model and the Routes Framework, which were tested to study the behavior of each of the two institutions.

It is time now to analyze the relationship between the political bodies. ADA includes diverse ideas on their interplay, but no specific expectation that accounts for

the directionality of the interaction. This is because in theory different patterns are possible, as mentioned in Chapter 3. The European Union has not established how the relationship should formally function, in the first place. It has not been even indicated whether in the EU's institutional framework the two institutions are expected to work together. This silence indirectly promotes more noise. It feeds the academic discussion, as there is ample room for speculation. What is more, it fosters confusion, given that the interplay between the institutions is not officially patent. Therefore, given that their interaction has no treaty-basis and their intra-agenda dynamics largely differ, one can question whether, to begin with, a relationship between the institutions exists. Further, in the debate in academia, contrasting streams of thought can be distinguished. One points at a unidirectional relationship. Within this discussion, some scholars believe that the European Council impacts the Commission and others suggest that the Commission is rather influential. Another scholarly stream indicates the existence of a bidirectional interaction, in which the institutions affect each other.

One way to deal with the discussion is simply to pick sides and test a given line of thinking. For instance, it can be assumed that the institutions indeed interact and that their interplay is bidirectional. This would be reasonable to do, as this pattern can be attributed to their distinct information-processing capacities that enable them to complement each other's limitations in policymaking. It thus would make sense to test the hypothesis that their interaction is bidirectional. However, there are also reasons to believe that the relationship is unidirectional. The European Council has considerably more political authority, so it can be argued that the Commission must follow its indications. But, at the same time, the Commission has significant capabilities in terms of expertise and resources. Therefore, it can be claimed instead that this makes the European Council dependent on the Commission to be able to obtain information and process it, in order to form its political guidelines.

A serious problem in all the discussion is that there is little empirical research and no systematic analysis on a long-term basis, which can demonstrate the governing trend in their interaction. Thus the academic debate, which goes in different ways, rests on substantially limited evidence. These circumstances hinder a clear orientation to study the interplay between the European Council and the Commission.

In this atmosphere of ambiguity, where no formalization has been set, the literature points to all directions, and the empirical work is considerably restricted, it is not obvious where to precisely look at. The ideas on their interaction are unconsolidated. The Agenda Dynamics Approach thus distinguishes four possible patterns: no relationship;

a unidirectional relationship, in which the European Council leads; a unidirectional relationship, in which the Commission leads; and a bidirectional relationship.

This chapter takes up these lines of reasoning and identifies which one is the most substantiated, in terms of the regular trend in their interaction in the long run. Although the four options may be considered the expectations of the study on the inter-agenda dynamics, the analysis in reality follows a theory-building perspective. The data will 'talk' in order to obtain a better view on conditions to explore the relationship between the institutions and thus see which of the four ideas has the strongest empirical basis to determine the directionality. Vector Autoregression techniques were used, as described in Chapter 5.

8.2. How do the institutions relate to each other in agenda setting?

The results on the directionality in the interplay of the European Council and the Commission can be observed in Table 8.1. The table shows the findings of the analysis on Granger causality. It includes the results of all the combinations of relations in the model. The most relevant in this study is the set of variables highlighted in bold, per panel, as they represent the relationship between the institutions. In the first panel, from left to right, we observe the impact of the European Council on the Commission. In the second panel we see the effect of the Commission on the European Council.

Table 8.1 Granger causality

Independent variable	Policy domain	Dependent variable	
European Council	2.63 → (0.0244)	Commission	
Commission	mmission $2.36 \rightarrow (0.0399)$		
European Council	3.74 → (0.0030)	Furancan Council	
Commission	0.74 (0.6161)	European Council	

Numbers reported are F statistics with p-values in parenthesis. The arrows indicate Granger causal relations from the independent to the dependent variable. Variables in bold highlight the relationships between the two institutions.

Looking at the p-values (reported in parenthesis) of the two cases, we can identify that only the impact of the European Council on the Commission is statistically significant at the 5% level (symbolized by the arrow). There is thus evidence to reject the null hypothesis that the European Council does not Granger-cause the Commission (see first panel). However, the null hypothesis that the Commission does not Granger-cause the European Council cannot be rejected (see second panel).

Therefore, the results reveal that the European Council agenda influences the Commission agenda, but not the other way around. In other words, the institutions have a unidirectional relationship. This pattern is confirmed by the Impulse Response Functions (IRF) reported in Figure 8.1. The figure shows a visual representation of the model and the simulations. It includes graphs for all combinations of IRF relations. Per graph, the solid line is the response of the dependent variable to a simulated shock to the independent variable. The dashed line is the 95% confidence interval. The y-axis shows the shock and effect in terms of one standard deviation. The x-axis represents the time, which is quarters, over fifteen periods. The graphs in the first column show the response of the Commission, and in the second column we see

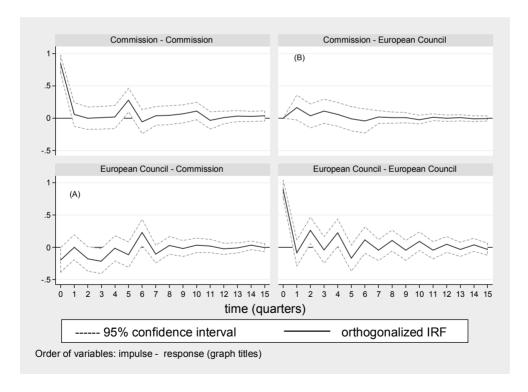


Figure 8.1. Impulse response functions

the response of the European Council. From these, the most important parts in the study are the two graphs located in the extremes with the letters A and B in parenthesis, as they represent the relationship between the institutions. The graph in the bottom left (letter A) shows the response of the Commission agenda after a shock in the European Council agenda. In other words, it indicates the effect that the European Council has on the Commission. Conversely, the graph in the top right (letter B) indicates the response of the European Council agenda after a shock in the Commission agenda. This graph thus shows the effect of the Commission on the European Council.

When we focus on the graph on the bottom left (letter A), we can see that one standard deviation shock in the European Council agenda leads to more or less a 0.20 standard deviation in the Commission agenda around the sixth quarter. This means that a sudden increase in the attention of the European Council produces variation in the attention of the Commission that builds up gradually. The Commission's attention decreases in the first periods and then increases, reaching a peak point at period six. Afterwards, it turns to its equilibrium in the horizon.

By contrast, the graph on the top right (letter B) shows that the effect of one standard deviation shock in the Commission agenda on the European Council is statistically insignificant at all times. Although some kind of reaction can be observed this shall not be considered. This is statistically insignificant given that the confidence interval includes zero. This indicates that the European Council does not react to the impulse of the Commission. The results of Granger causality tests and IRFs are consistent — the findings of the former tests are confirmed and complemented by the later.

To get a more accurate impression of the magnitude of the response between the institutions, the actual values are reported in table 8.2. It includes the scores for all fifteen periods, as observed in Figure 8.1. The first column shows the time (quarter). The following three columns show the values of the graph on the bottom left (graph A). Likewise, the last three columns show the values of the graph on the top right (graph B). The values are statistically significant at the 5% level, if the confidence interval (represented by the columns on lower and upper bound) in a given time does not cross zero. Looking at the columns related to a shock in the European Council agenda, we can identify that such shock produces a response of 0.23 standard deviation in the Commission at time six. In contrast to this, when we observe the rest of the columns, it becomes evident that all the scores regarding the reaction of the European Council to a shock in the Commission agenda are statistically insignificant.

Table 8.2. Impulse response functions values

Shock in European Council (A)			Shock in Commission (B)			
Time	Response in Commission	Lower bound	Upper bound	Response in European Council	Lower bound	Upper bound
0	193386	382934	003839	0	0	0
1	.001582	189473	.192636	.162874	0292	.354948
2	177443	367797	.012911	.033616	149687	.216918
3	212118	404198	020039	.106285	081895	.294464
4	013011	207352	.18133	.056758	126717	.240234
5	112486	309903	.084931	009493	196992	.178005
6	.232829	.030491	.435168	043976	229364	.141413
7	10334	239886	.033205	.015071	084729	.11487
8	.030893	104049	.165834	.007141	079002	.093283
9	016234	139496	.107028	.006278	073122	.085678
10	.032696	079241	.144633	022849	090409	.044711
11	.020875	081814	.123565	.014165	038856	.067185
12	019983	107738	.067773	00013	049289	.04903
13	008741	08659	.069109	.005647	042965	.054259
14	.032267	034842	.099377	008996	052301	.034308
15	003278	065543	.058987	004797	044397	.034804

8.2.1. The European Council: the leading institution in agenda setting

From the results obtained, several conclusions can be drawn. To begin with, the institutions interact in agenda setting through time. There is strong evidence to support the scholarly stream that conceives that the European Council influences the Commission. For instance, Werts has claimed that "it seems today as if the European Council and the Commission form a tandem, albeit a tandem driven and governed by the former" (Werts, 2008:54). Similarly, Ponzano and colleagues have argued that "the Commission has increasingly considered itself politically committed to following up to the 'conclusions' of the European Council" (Ponzano et al., 2012:Executive summary, point 4).

Consequently, the idea in academic research that the Commission has the ability to influence the European Council does not have empirical basis. Likewise, a bidirectional pattern in their interaction has no fundament, in contrast to what previous empirical research has found. For example, Bocquillon and Dobbels have suggested that the study of the interaction of the European Council and the Commission shall entail an approach "in which they are considered as partners, engaged in a reciprocal relationship of joint agenda-setting" (2014: 23). After conducting the empirical analysis, these scholars have concluded that the institutions have a 'competitive-cooperation' relationship, where "overall cooperation seems to dominate" (Ibid: 34). The difference between Bocquillon and Dobbels' result and the finding obtained in this research seems to be related to the methodology. Their work followed a cross-sectional approach, exploring contemporary cases happening before and after the Lisbon Treaty, that is, around 2009. By contrast, the current study is longitudinal. While the interaction between the institutions may be bidirectional at more specific points in time as was analyzed by them, the evidence obtained from the time-series analysis indicates that their relationship is unidirectional. Therefore, this study does not agree with the idea that "in many cases the European Council-Commission relations are two way rather than purely top-down" (Ibid: 26). The dynamic governing the interaction between the institutions flows in one direction in the long run. Such a contrasting variation in the empirical outputs is because, as Soroka reminds us, the "lack of congruence between the dynamic agenda-setting process and cross-sectional designs has been noted by a number of agenda-setting authors, aware of the possibility that cross-sectional methods may fail to identify the significance of a relationship over time between two agendas" (S. N. Soroka, 2002:12).

The leading position of the European Council in its interaction with the Commission seems to be grounded on its mandate to give the EU "the necessary impetus for its development" (TEU: art. 15). The institution is indeed "a signalling authority for policy-making" (Elias and Timmermans, 2014). After all, "[a]lthough the European Commission has a monopoly over legislative initiatives, the impulse for legislative proposals often comes from the European Council", as argued by Alexandrova and Timmermans (Alexandrova and Timmermans, 2013:319). Thus the latter institution is inherently a source of stimulus in the European Union. The "consolidation of the leadership role of the European Council", as claimed by Ludlow, occurred in the second half of the 1980s, mostly as a result of its institutional incorporation in the Single European Act, by which the Conclusions of its summits got a "quasi-legal status" (1992:62). In fact, as Alexandrova and colleagues have argued, the European Council "has become an institution of political leadership which pulls the strains of the integration process to the extent and in the direction of activity it desires" (Alexandrova et al., 2016:611).

The pattern in the relationship stems also from their distinct political attributes. On the one hand, the European Council is the uppermost political body in the EU (cf. Alexandrova et al., 2012). Given that it is composed by the highest political leaders at the national and European level and in charge of guiding the EU, the institution has a substantial and strategic meaning. Its strong political authority 'empowers' the institution (cf. Johansson and Tallberg, 2010). In this sense, one characteristic of the European Council's design that is especially relevant is it "bargaining power" (Tallberg, 2008). According to Tallberg, such power entails three dimensions, namely, state, institutional and individual. These sources of power, especially the state dimension, grant influence in the institution (Ibid). This apparently equips the European Council with a significant advantage over its opponent when playing the political game of setting the EU agenda. Therefore, in its relationship with the Commission, the European Council essentially leads. On the other hand, in view of its more technical profile, the Commission follows because its proposals have more chance to be decided after the European Council's political legitimization of policy problems. In this way, the ability of the Commission to place an issue on the agenda becomes empowered.

Another explanation of their interactive pattern has to do with their roles in agenda setting. The European Council is responsible to provide general guidelines, while the Commission must issue initiatives on specific issues. This has implications in the policy process. Although in general terms the institutions accomplish a similar function, strictly speaking there is a difference, as noticed in the analysis of the intra-agenda dynamics. Based on the distinction made by Hobolt and Klemmensen on the types of responsiveness in national governments (2008), the European Council has a 'rhetorical' policy commitment and the Commission an 'effective' one. Put shortly, the latter institution talks politics and the former writes policy. As a result, the Commission needs to invest considerably more resources and time to deliver actual proposals. This suggests that the Commission is busier working in consequence than trying to set the pace. In this sense, their roles are complementary.

A powerful reason of the way they interplay is related to the way they deal with information. Being a serial processing institution, the European Council indicates problems more generally. Then the Commission takes up the issues to process them in detail. It also handles them simultaneously with new and existing problems and policies. This is supported by the previous results that demonstrated that the Commission's agenda is importantly moved by policy inheritances and to a lesser degree by political signals. In both cases, the indications made by the European Council appear to be highly relevant for the Commission. In other words, the two

factors of attention represent strategic channels of influence of the European Council on the Commission. In this way, the European Council has it hands free to be able to move its attention to handle other issues in the EU that also require its attention, which is significantly limited. In the meantime, the Commission can give problems specialized and routine treatment because it has a large apparatus. The distinct processing capacities of the institutions thus allow them to proceed in these ways.

But where does the European Council take the energy from to be an entrepreneur, being importantly constrained in its design? Put differently, how does its small size machinery get the impulses? The analysis on the intra-agenda dynamics suggests that the institution highlights and monitors policy issues largely on the basis of indications from diverse political actors, including the Commission. Accordingly, the European Council responds importantly to political signals. Here the Commission takes the opportunity to influence the institution. And it is often successful. This indicates that the finding that the European Council has an impact on the Commission, but not the other way around, does not mean that the latter does not influence the former at all. It rather signifies that the European Council does not respond to the Commission on a regular basis. Other indications that also move the European Council come from other political bodies, such as the Council and the Parliament. Altogether these signals support the European Council's job. Moreover, it was shown that the European Council is likewise triggered by policy inheritances. The influential role of the Commission in this case is significantly limited, given the institution's constrained, not to say null, decision-making faculties. As a result, the European Council relies on other EU institutions, including itself. Thus, while the designs of the Commission and the European Council are complementary, the latter institution does not constantly need the former to be able to advance its agenda.

There are three main explanations of why the European Council is not regularly moved by Commission. First, the European Council is more detached from following recurrently the same type of stimulus, as can be seen from the findings on the factors that drive its attention over time. The institution takes up relatively similar portions of impulses from different sources. For instance, it considers policy inheritances and political signals equally important, as well as it gives focusing events and EU institutional milestones the same weight. By contrast, the Commission is by and large attached to policy inheritances. Although it also reacts importantly to professional concerns, this factor is far away from the level of response the institution concedes to legacies. This pattern explains also why over time the Commission regularly follows the European Council. The Commission has the tendency to reply commonly to the same source of political inspiration.

Second, the European Council is politically compelled to adapt to the changing and uncertain environment. It needs to be flexible enough to deal with the hot issues that suddenly come on the EU scene. The institution thus requires a free political spirit that enables it to adapt. In addition, its limited resources and ephemeral-type of configuration require the institution to be quick in dealing with issues in all policy domains, not only in organized crime, basically no matter what. These conditions further indicate that it is not in the institution's design to be fixed to the desires or influence of a particular factor. This can be also observed in the previous results on the intra-agenda dynamics. As demonstrated, the predominant factor contributing that its attention punctuated was not always the same. This conforms to previous research that has argued that "the European Council is free to set its own agenda" (Alexandrova et al., 2016:612). This behavior clearly contrasts significantly with the performance of the Commission, where the (one) predominant factor —policy inheritances— triggered all its spikes of attention.

Third, the findings on the intra-agenda dynamics showed that competences play a role for the institutions, but especially for the Commission. In this regard, their unidirectional way of interacting seems to be result of the combination of the Commission's adaptation process of obtaining broader faculties in the domain of organized crime —which, as we saw, have been granted incrementally over the years by the Treaty— and the institution's more gradual way to handle policy issues, as also demonstrated in this study. It seems that this situation eventually hinders the institution to take the lead through time, as well as to give feedback to the European Council on a regular basis.

Ultimately, the distinct individual patterns of the institutions also are a reason why a bidirectional flow in their relationship is not present over time. The two political bodies respond quite different to potential sources of influence over the years, including at high moments of fluctuations in their attention. And there is also another explanation for why their interaction is not bidirectional. As Ludlow has claimed, "of the Commission's basic strengths, three have repeatedly proven to be a major importance: its right of initiative, its permanence, and its multinational and pluralist character." (1992: 64) Indeed, the institution counts with several key assets for policymaking. However, it does not have decision-making power. This seems to be what makes an important difference between having a relationship under the lead of the European Council and closing a circle between the two institutions. Given that the European Council monitors issues also largely on the basis of previous policy decisions, it finds support in other EU institutions than the Commission. In the end, although the European Council and the Commission have complementary capacities

and roles in agenda setting, their distinct architectures and more broadly different faculties in the policy process make the institutions less inclined to have a constant relationship of circular flow.

The result obtained in this study, where the European Council has an impact on the Commission, is similar to previous work that has studied the influence between political institutions in national systems, using VAR techniques. Research on agenda setting in the United States has found that the President influences the Congress (Peake, 2001; Rutledge and Larsen Price, 2014). Although the European Council and the Commission are both executives in the structure of the EU, it is possible to make an analogy with the US government. As recent work has found, the European Council has gradually become "the EU's de facto government" (Carammia et al., 2016). This institution has evolved into a sort of political executive (Puetter, 2013, 2014). This can be relatively comparable to the role of the President. In the meanwhile, the Commission does a similar task to that carried out by the Congress in that both propose laws. It is thus make sense that in the EU the European Council has an impact on the Commission, similar to what happens with analogous institutions in traditional political systems.

8.2.2. The Commission: digesting the new impulses

As observed above, the evidence shows that in the interaction with the European Council the Commission is reactive. But the analysis also demonstrates another characteristic: it takes time for the Commission to react. The Commission does not increase its attention immediately, but builds up the process. Initially the institution diminishes its attention to reorient its priorities and prepare to produce policy output; afterwards, its consideration grows. In other words, the Commission needs time to digest the new impulses from the European Council.

This dynamic is not surprising for different reasons. To begin with, a time difference has been suggested by previous work that has argued that member states together in the European Council "predetermine" the agenda of the Commission "months and years in advance" (Allerkamp, 2010:2). In addition, the response is consistent with the empirical findings on the intra-agenda dynamics. Accordingly, the European Council and the Commission do not only have different ways to deal with issues, but also different tempos to do so. The European Council processes issues serially, but the Commission does it in parallel. Consequently, their institutional rhythms to handle problems essentially differ. The European Council jumps from one problem to the next providing general guidelines of policy, as the institution cannot process issues otherwise, given its limited resources. The European Council is thus quick in

dealing with policy problems. But the Commission cannot follow its pace. Although the Commission has a big apparatus to deal with many more issues simultaneously than the European Council, it also has limitations at the end of the day. It requires time to develop a dossier to get to know problems and address them. This explains in part the gradual pattern in the Commission's reaction.

Another part of the explanation is that the institution is committed to deal with routine issues and past arrangements. Thus the Commission cannot simply shift its priorities right away. As demonstrated, policy inheritances play an important role for both political bodies, but in particular for the Commission. The relevance of policy inheritances in EU agenda setting is reasonable because is similar to what occurs in countries. As argued by Hogwood and Peters, "[i]n reality, 'new' policies are rarely written on a tabula rasa, but rather on a well-occupied or even crowded tablet of existing laws, organizations and clients" (1983:1). Indeed, there is often a significant "legacy from the past" that current governments need to face, which "consists of the accumulation of commitments made", as claimed by Rose (1990:266). According to the findings in this study, half of the Commission's attention was generated on the basis of policy legacies. By contrast, the European Council's was triggered by such factor only in a quarter of the cases. The Commission is thus specially devoted to process issues on the basis of previous commitments. This suggests that the Commission does not raise its attention right away to the European Council because it is importantly dealing with inheritances.

The Commission has a preexisting agenda that tries to fulfill, but the institution eventually moves to deal with new issues set by the European Council. This also suggests that an important part of the current agenda of the Commission is already set by the agenda previously established, largely by the European Council. These conditions ultimately indicate that the Commission does not wait for the European Council to send a new impulse. The Commission does not only react. It also works in the absence of a novel pointer, at least for a while. It is an ongoing process where the Commission knows already what to do without the need of a new indication from the European Council. At the same time, the European Council relies purposely on the Commission simply because the former does not have the capacity to deal by itself with many issues simultaneously, but the latter can. This situation occurs on the tacit understanding that the Commission is working on the previous matters decided by the European Council, but also will work eventually on the new ones. In this way, the European Council does not need to send recurrent indications on the same issues and, instead, can move freely to attend different policy problems for an important period of time until the new cycle comes.

An additional explanation of the Commission's reply has to do with the distinct political attributes of the institutions. The low politics route, where problems are introduced by the Commission, is a "gradual, indirect one" (Princen, 2012:34). Here policy issues slowly "creep" to reach the agenda. By contrast, the high politics route by which issues are initiated by the European Council is "quick and direct" (Ibid). In this case, problems suddenly "crash" on the agenda. In this context, it seems that no preferential concession to the European Council's issues happens. The priorities of this institution need to wait in line as well. Put differently, problems advocated by the European Council also need to creep to make it to the Commission agenda. This situation is apparently a matter of design, not a will from the Commission. Ultimately, the dynamic of the Commission's route is also an explanation why a unidirectional relationship under the leadership of the Commission does not happen. The nature of this institution is to act gradually, which prevents it to go first over time.

The slower moving way to proceed of the Commission is understandable. In domestic systems, the attention of political institutions is largely promoted "by strong inertial forces" due to "routines of governing" and "prior commitments of the government" (Edwards and Wood, 1999:341). Moreover, policy-making organizations in general are designed to resist change, being more keen on retarding any adjustment in the system as much as possible, rather than responding directly to needs in it (Jones and Baumgartner, 2005:147). In other words, political institutions are designed on the whole not to be volatile. The architecture of the Commission makes it less disproportionate than the European Council regarding shifts in attention to problems on its agenda. Furthermore, the Commission is by design inclined to induce stability in the system. Its institutional essence is to have a gradual performance, in contrast to the architecture of the European Council. Consequently, the new desires of the European Council do not directly transmit an "issue contagion" in the Commission (cf. Coombs, 2002:215). According to Coombs, this type of "contagion" affects the management of issues by changing the way they are prioritized (Ibid). The empirical evidence in this research indicates that, in the handling of policy problems between the European Council and the Commission, it takes time for such contagion to happen. While the similar roles of the institutions point at the need of being regularly in policy tune, continuous tuning is hindered by their different configurations. Although willing change and achieving it are different things, the attempt to promote change is necessary to be able to concretize it. Thus, eventually these conditions have consequences for policymaking.

8.2.3. Implications of the European Council's leadership for the Commission's role

Base on the findings, it is clear that the European Council impacts the Commission in the long run. However, according to the Impulse Response Function analysis, the magnitude of the effect (see Table 8.2) does not occur in such a high level as many scholars have argued it happens. For instance, previous research has claimed that the European Council (together with the Council) is "undermining" the Commission's role in policy initiation (Allerkamp, 2010) and has "significantly eroded" its power in this regard (Ponzano et al., 2012: Executive summary, point 4). This study did not find empirical evidence to support the argument in academia that the Commission has a "subservient position" in its relation with the European Council (Werts, 2008:45). The European Council is a determinant actor in shaping the Commission's attention, but the former institution does not take overwhelming control of the agenda of the latter. There is also space for other elements to play a role on how the Commission shapes its priorities. This is consistent with the previous findings on the intra-agenda dynamics, where was identified that diverse factors promote the attention of the Commission. This is makes sense because "the Commission does not carry out its work in a vacuum" (Princen, 2007:23).

The institutions have developed an interface, in which the Commission works mostly on the basis of the European Council agenda, but also has to an extent room of maneuver to decide what to handle. While this cannot be called a win-win situation, it appears a fair deal for the Commission because, although its agenda is determined in first place by the European Council, the former institution can also produce some output on the basis of other sources, thus following its own choices. Moreover, this is also a reasonable arrangement, considering that the 'chunk' influenced by the European Council entails a dose of legitimization, which makes it more likely for the Commission to succeed in setting the agenda on those issues.

While the Commission agenda is primarily influenced by the European Council agenda, this does not mean that the former has no chance to contribute to shape the latter's priorities. As the findings on the intra- and inter-agenda dynamics showed, the European Council does take up the signals of the Commission, but at discretion. The European Council is selective with the moments to consider the indications of the Commission. This suggests that the Commission has a discretionary effect on the European Council, as determined by the latter.

8.3. Conclusions

This chapter studied the dynamics of the interaction between the European Council and the Commission in agenda setting. It showed that the topic has received much speculation based on little empirical evidence. On the whole, existing ideas and assumptions of how their interplay happens are unsubstantiated. Therefore, based on the Agenda Dynamics Approach, four patterns were explored. It was thus analyzed whether the institutions interact in the first place; whether their relationship is unidirectional and, if so, who influences whom; or whether their interaction is bidirectional. The systematic analysis conducted by means of vector autoregression techniques enabled us to order the different ideas and examine which has the strongest foundation.

The study delineated one straightforward way their inter-agenda dynamics work. The relationship flows predominantly in one direction in the long run, in which the Commission is affected by the European Council. The analysis revealed relevant characteristics of their interaction. For instance, it demonstrated that the institutions communicate importantly through policy inheritances and political signals. It was also revealed that the effect of the European Council is not so high as conceived by an important stream in academia. There is also space for the Commission to decide what issues to include on its agenda. It was also shown that the Commission needs time to digest the novel indications from the European Council. All in all, the European Council is the strategic actor in agenda setting, while the Commission has the machinery to develop the process broadly.

The chapter also explained their behavior. The explanatory power of the 'twin features' in the institutional design of each institution became evident, as also concluded in the analysis of the intra-agenda dynamics. The European Council is both a serial-processing institution and a high politics venue. Similarly, the Commission is both a parallel-processor type of organization and a low politics venue. Thus, the institutions interact in the way they do, largely as a result of a combination of the two characteristics. Their interaction is more generally a consequence of their intra-agenda dynamics, as proposed by ADA.

In this way, the analysis of their inter-agenda dynamics provided substantial elements to inform the scholarly debate on the relationship between the European Council and the Commission. This helps theorizing their interaction. The Agenda Dynamic Approach is thus a useful view to get a better understanding of the way the institutions interplay in agenda setting. The next chapter deals with the conclusions of the whole project, showing the contributions of this research.