

Reforming the CAP: The Roles of Policy Networks and Broader Institutional Structures

**By
Carsten Daugbjerg**

**South Jutland University Centre
Niels Bohrs Vej 9
DK-6700 Esbjerg
Denmark**

Tel.: +45 79 14 11 52

Fax: + 45 79 14 11 99

E-mail: cda@suc.suc.dk

Paper to the European Community Studies Association's 5th Biennial International Conference in Seattle, Washington, May 29 - June 1, 1997. Panel: Challenging the Common Agricultural Policy: Reform and Enlargement.

Abstract

The paper develops an analytical framework in order to analyse how policy networks and the broader organisational context in which they are embedded influence reform outcomes. The framework is applied in a study of the European Community's agricultural policy reform in 1992. Firstly, it is shown that the EC agricultural policy network led agricultural policy makers in the direction of moderate rather than fundamental reform. Secondly, the paper shows how the broader organisational structure of the European Community made radical reform an almost hopeless objective to pursue because the whole decision making structure allowed the existence of many veto opportunities which could be used to block radical changes.

Introduction

The Common Agricultural Policy (CAP) was fully implemented in the summer of 1968. Ever since, European Community (EC)¹ policy makers have been experiencing serious crises caused by the overproduction of food. Perhaps overstating the argument a little, one can say that EC agricultural politics has been characterised by continuous crisis management. Despite several attempts to cope with the chronic imbalances between demand and supply, the EC has still not resolved the fundamental problem of the agricultural policy; namely that the policy creates incentives for farmers to engage in intensive farming which increases production more than demand can absorb. The only ways, within the CAP, to dispose the excess production is to store or to provide large export subsidies for sales in the world market. Both ways have been extremely costly.

The history of agricultural policy reform in the EC shows that the reforms undertaken have been moderate, though they have often been labelled radical. Agricultural spending has kept rising steadily and sometimes dramatically. No reforms have broken that trend. The policy adjustments in the 1970s and the policy reforms of the 1980s have all been driven

¹ The term European Community is used since the 1992 agricultural policy reform process took place before the name was changed to the European Union.

primarily by budgetary crises. The Mac Sharry reform in 1992² was also triggered by budgetary problems but unlike previous reforms this one was also caused by pressure from the GATT Uruguay negotiations in which particularly the United States launched a serious attack on the CAP.

By the end of 1990, the recurrent problem of the policy - a forthcoming budget crisis - returned once more to the agricultural agenda. The Commission estimated that the agricultural spending in 1991 would increase by approximately eight billion ECUs, "the highest annual increase ever recorded" (Manegold, 1991: 119). A further 20 per cent increase was expected in 1992 (AE no. 1427, 15 February 1991: P/1).³ Unless the Community severely limited increases in spending, the ceiling of the Agricultural Guideline which the heads of government imposed in 1988 to control agricultural spending would be breached (AE no. 1422, 11 January 1991: P/1; Tracy, 1989: 309), thus causing a budgetary crisis.

In 1986, the Uruguay Round began in Punta del Este, Uruguay. The ministerial declaration of the meeting stated that with respect to agriculture the aim was to liberalise world farm trade and to make it more orderly and predictable. The agenda clearly reflected US priorities (Rayner *et al.*, 1993: 63, 79) but it was also a reflection of the interests of the Cairns Group, a group of fourteen "fair trading" nations, which had been formed at a meeting in Cairns, Australia the year before (Tracy, 1989: 351). Australia and New Zealand were the principal countries of this group. The United States and the Cairns Group "shared a common purpose in seeking reforms that would ensure that agricultural trade and export shares be shaped more in the future by underlying comparative advantage than has occurred in the past" (Rayner *et al.*, 1993: 92).

Although the CAP was under heavy pressure, EC policy makers managed to avoid a fundamental reform. Since the 1992 reform was the result of the most serious pressure which, so far, has been brought to bear on the CAP, the reform process is important to study in order to understanding why radical change of the CAP has not yet occurred. It is the assumption here that the heavy pressure revealed some of the mechanisms at work in EC agricultural policy reform processes.

The 1992 EC agricultural policy reform was the most far-reaching reform in the history of EC agricultural politics and has been characterised as a radical reform. For instance, Nedergaard (1994: 86; see also 1995: 117-118) claims that "The reform marks a 'regime shift' in the CAP." Basing his argument on Krasner's (1983) regime definition, he argues that a regime is a collection off "principles, norms, rules and decision-making procedures around which actor expectations converge in a given issue area" (*ibid.*). However, it is highly

² The reform is named after the Irish Agriculture Commissioner Ray Mac Sharry who headed the reform process.

³ German reunification only accounted for about one-sixth of the increase (AE no. 1424, 25 January 1991: P/1); five-sixth of the increase resulted from surplus production.

disputable whether this is the right way to classify the reform because it did not change the fact that on average, half of each EC farmer's income can be put down to direct or indirect subsidies (OECD, 1995: 111); in fact, the reform increased EC agricultural spending. The reform can hardly be called radical because it did not question the use of considerable subsidies in agriculture but only altered the way in which subsidies were paid to farmers. So, basically, the CAP is still an expensive, highly interventionist policy as it has always been. In other words, the interventionist principle of CAP remains the same.

The history of moderate reforms as responses to fundamental and serious policy problems suggests that we examine the reasons that there has been no fundamental change in the Common Agricultural Policy. This is what this paper does. One may wonder why EC policy makers, i.e. commissioners, commission officials, national civil servants and ministers, who cannot have been unaware of the basic problems of the CAP, did not respond with radical solutions to the problems of the CAP.

Using public choice theory Nedergaard (1994: 92-96; 1995: 124-131) argues that a moderate reform, and not a radical one, was enacted mainly because it was in the interests of farmers who want subsidies, of agriculture ministers who want rural votes and of bureaucrats who want complex regulation which, in turn, increases their power base, their responsibilities, the number of staff members and their career possibilities. Nedergaard focuses on the deductively derived self-interests of various types of actors involved in agricultural policy making as the independent variables when explaining the 1992 reform. The deduction of self-interest is based on the assumption that individuals are simple utility maximisers. This is one way to approach the question of agricultural policy reform; however, it omits the role of values, ideologies, principles and other institutional factors which in the final analysis may be the actual factors defining the self-interests of various types of political actors. Nedergaard's way of seeing things is one way to interpret reality but it is not necessarily right - or, at least, it is not the whole story. There is another interpretation which is more convincing; however, that is not to say that the actors involved in the reform process have not considered the factors Nedergaard mentions. Perhaps Nedergaard's argument is convincing among public choice theorists, but to many others, it is not because he does not examine whether the actors' policy preferences were those suggested by theory. The explanation may well lie in the organisational structure. As Hall (1986: 266) suggests "organizational structure tends to lead policy-makers into some courses of action and away from others; and each course of action tends to favor the interests of some social groups over others." This paper follows that line of argument.

Keeler (1996) argues that the Mac Sharry reform was relatively moderate because the power of farmers have not declined enough to provide favourable conditions for radical reform. Agricultural power has, however, declined somewhat and this enabled the EC to enact the most

far-reaching reform in its history. Keeler argues that farmers' power is based on a number of factors such as the size of the farm lobby, the perceptions of consumers and taxpayers, the asymmetry of interests, the asymmetry of organisational clout, agriculture's privileged position at the EC level (which is the result of the agricultural policy legacy, EC decision rules, the bargaining dynamics and bureaucratic interests), agriculture's privileged position at the national level (which is the result of privileged group-state relations and of the electoral power of agriculture) and the ties with governing parties in key member states.

This paper is distinguished from Keeler's article in two ways. Firstly, Keeler's undertakes an analysis which discusses a relatively large number of factors maintaining the power of farmers and thus precluding a radical reform of the CAP. This paper concentrates on only two types of organisational structures which biased the reform process in a certain direction, namely in the direction of moderate reform. Secondly, while Keeler focuses on the correlation's between the factors mentioned above and the reform outcome, this paper puts emphasis on the reform process itself in order to establish how the two types of organisational arrangements lead policy makers towards certain reform outcomes.

Firstly, the paper examines how the EC agricultural policy network influenced the Commission's formation of policy preferences. It is argued that the Agricultural Directorate's (DG VI) and the Agriculture Commissioner's pursuit of moderate rather than radical reform was basically in line with the policy principles of the agricultural policy network. Secondly, the paper analyses how the broader organisational structure of the European Community made radical reform an almost hopeless objective to pursue because the whole decision making structure allowed many veto opportunities to exist. These can be used to block radical changes. Therefore, the option of fundamental reform was not put on to the agenda.

The paper, firstly, makes some theoretical considerations on the way in which policy networks and the broader organisational structures of a political system influence reform outcomes. Secondly, the contents of the Mac Sharry reform is analysed. Thirdly, it is analysed empirically how the EC agricultural policy network influenced the reform and, finally, the way in which the broader organisational structure of the EC affected the reform.

How Do Policy Networks and the Broader Organisational Context within which They Are Embedded Influence the Contents of Reform?

Before we can discuss how policy networks and the broader organisational structure influence reform contents, it is necessary to classify reform outcomes. Basing the classification on Hall's (1993) work (however in a slightly modified form), one can distinguish among three types of reforms.

First order changes	Instrument settings, or levels, are changed. Objectives, instruments and policy principles remain the same.
Second order changes	Objectives, instruments and their settings are altered. Policy principles remain the same.
Third order changes	Objectives, instrument settings, instruments and policy principles are changed.

First, second and third order changes⁴

First and second order changes are moderate reforms, whereas third order changes are radical, or fundamental, reforms. In agricultural policy, a third order policy change would, for instance, imply that the state ceases to safeguard farmers against the market and relies on market forces to regulate prices. The classification can be linked to the policy network model (Daugbjerg, 1997; 1998). Before this link is examined, the policy network concept is presented.

A policy network is an organisational arrangement created to facilitate the intermediation between state actors and organised interests. The policy network concept is a meso-level concept. Meso-level analysis focuses on the relationship between government (or EC directorate generals) and interest groups (Rhodes and Marsh, 1992: 1, 12) and analyses relationships which are structural rather than personal (Marsh, 1995: 2). It "concentrates on questions concerning the structure of the network and the patterns of interactions within them" (Marsh and Smith, 1996: 13).

Following Benson (1982: 148), many network analysts define a network as "a cluster or complex of organizations connected to each other by resource dependencies and distinguished from other clusters or complexes by breaks in the structure of resource dependencies." Resource interdependency is the most important defining feature of policy networks. The type of public policy and the intensity of the regulation which it brings about strongly affect the pattern of resource interdependency (Daugbjerg, 1994: 460-61; see also Lowi, 1964: 688). Political actors create a policy network when they exchange resources regularly. Any organisation entering the

⁴ Adopted from Daugbjerg(1997).

policy process is dependent on other organisations for resources. Consequently, they have to exchange resources in order to achieve their goals. As van Waarden (1992: 31) points out:

[State actors] need political support, legitimacy, information, coalition partners in their competition with other sections of the bureaucracy, and assistance in the implementation of policy. Interest groups on the other hand desire access to public policy formulation and implementation of policy, and concessions in their interests or those of their members.

Whether reformers will succeed in reforming a policy, to a large extent "depends on the *opportunities* embodied in the network" (Döhler, 1991: 239). Some configurations of policy networks facilitate changes whereas others prevent them (Lembruch, 1991: 125). The key to revealing the different opportunities for reform embodied in a network is to analyse its degree of cohesion. In cohesive policy networks, there is a consensus on the basic policy principles among the members. There may, however, be varying views on the details of policy. When pressure for reform arises, the network members are likely to defend the existing policy principles because it comes naturally to them (Daugbjerg, 1998) and because radical policy reforms bring about uncertainty which they want to avoid. Firstly, this uncertainty emerges because it is difficult to know in advance which consequences a radically reformed policy may have. For instance, the deregulation of agricultural policy may lead to an unforeseeable high number of bankruptcies. Secondly, it is unlikely that the network formed around an existing policy survives fundamental policy reforms. As a consequence, members holding central and powerful positions within the network may lose power when it is redesigned. For these reasons, members of cohesive policy network are likely to defend the existing policy. Such network members are powerful because they control the expertise within their policy field and when outsiders threaten their control over the policy field, the consensus enables them to meet reformers with forceful counter arguments. These are often of a highly technical nature. Usually, the purpose of such arguments is to convince other actors "that 'outsiders' are not qualified to make decisions in a given area" (Baumgartner and Jones, 1993: 6). In sum, members of cohesive policy networks are able to form strong coalitions defending status quo (Daugbjerg, 1997; 1997a; 1998).⁵ However, in order to have reform demands removed from the agenda, policy network members may agree to give concessions to reformers. These concessions may be moderate policy changes; in other words, first and second order policy changes.

Policy networks in which no consensus on policy principles exists provide better opportunities for reformers because the members of such networks have severe difficulties in

⁵ It is important to be aware that the consensus within a policy network may break down and, consequently, lead to policy change. We do not, however, know much about what causes the breakdown.

forming strong alliances against change. Usually, cohesion is absent because the members of the network represent conflicting interests and therefore cannot agree on the principles upon which the policy should be based. Hence, policy is based on a temporary compromise, not on a shared understanding. When non-cohesive networks exist in a sector in which policy reform is on the agenda, there is a likelihood that reforms will be third order policy changes (ibid.).

Meso-level policy networks are embedded in a broader organisational context. At the national level, the broader organisational context refers to the structure of the state and at the EC level, it refers to the political decision making structure of the Community. Reformers require political power to be successful. They derive political power from their ability to generate authority within the political system to which they belong (see Katzenstein, 1978: 314, 322; Atkinson and Coleman, 1985; 1989), either by neutralising or by minimising opposition. This can most easily be achieved in a centralised political system because it has good opportunities for coordination. In such a context, the opportunities for generating authority produce strong reformers who can successfully pursue fundamental policy reform. Consequently, those who are subject to policy reform will find it difficult to oppose change. However, it must be said that we cannot take for granted that centralised political systems always produce unitary action but in comparison with fragmented systems, the likelihood is greater. Because the formation of strong opposition to changes within centralised political systems is difficult, reform processes may bring about third order policy changes.

Political actors who pursue policy reform in fragmented political systems have limited opportunities for generating authority (see ibid.). Since coordination is difficult, they are likely to meet opposition from one or more competing decision making centres. This competition - whether it occurs between central and regional authorities, between actors at the same administrative level of the state or between the legislature and the political executive - creates deadlock within the political system. Therefore, no political actor can generate sufficient authority to become a strong reformer. Consequently, the opponents of change can prevent fundamental alterations from taking place. The result of these obstacles to change is that policy reforms tend to be first or second order changes. Although fragmented political systems provide only limited opportunities for fundamental change, they do not prevent the question of policy reform from being raised. But as the organisational structure prevents any political actor from generating political power, attempts to introduce fundamental change are likely to fail.

A two-level analysis like the one undertaken in this study requires some considerations on the relation between the macro and the meso levels. Marsh and Daugbjerg (1997) argue that fragmented political systems are often associated with the existence of issue networks and centralised systems produce policy communities or networks in which two conflicting interest groups are members (see also Daugbjerg, 1998). It needs not always be so, however. The shape of meso-level policy networks may be the result of peculiar historical events. This paper shows

that the EC agricultural policy network shares important features with the ideal type policy community and exists in a highly fragmented political system. Some would argue that for reasons of parsimony, we should limit the analysis to one level, if possible. Certainly, that question needs to be discussed in general. The question is particularly relevant when the relationship between meso and macro-level structures is in agreement with the pattern predicted by Marsh and Daugbjerg. But when the relationship diverges from that pattern, like it does in EC agricultural policy sector, we should undertake a two-level analysis.

The Contents of the Mac Sharry Reform

In May 1992, the EC enacted the most far-reaching agricultural policy reform in its history. The centrepiece of the reform was a change of policy instruments in the arable sector. The reform was only a second order policy change because the whole idea of subsidising farmers and protecting them from market forces remained untouched. Prices of the so-called reform crops (cereals, oilseed, protein crops) were significantly decreased; for instance, cereals prices were reduced by 29 per cent. To compensate farmers for the income losses which would be the result of the price cut, a direct subsidy system in the form of acreage payments was introduced. To qualify for these payments, farmers (except small farmers) were required to set aside land (Agra Europe Special Report no. 65, 1992).

Although the reform was the most far-reaching in the history of the EC, one cannot claim that it was radical. Firstly, although prices were considerably lowered, they were, at that time, set at a level above the world market level and the market intervention system and the system of export subsidies remained intact. The EC would still intervene into the cereals market by buying up for stocks or by subsidising exports in order to maintain prices at a certain level. The Council of Agriculture Ministers would keep on to set prices on the basis of political considerations. Thus, the cereals sector - like most other commodity sectors - would remain highly regulated.

Secondly, a considerable share of farmers' income would still be derived from direct or indirect subsidies. Although the Commission's need to curb spending increases motivated the reform, the Commission proposal published in 1991 stated that the reform would increase expenditure by approximately 2.3 billion ECUs annually. Furthermore, the accompanying measures would cost about four billion ECU in the first five-year period to follow (Kommissionen, 1991a: 41-44). The Commission argued that the increase in spending was fully justified (*ibid.*: 3, 38) because by 1997, the expenditure would be even higher if nothing were done (*ibid.*: 6). The Council of Agricultural Ministers, which made the final reform decision, increased the annual spending by another three billion ECUs annually in the arable sector alone (Daugbjerg, 1998). Thus, the change of policy instruments did not lead to a decrease in the

degree of subsidiation: the share of arable farmers' income which could be put down direct or indirect subsidies (PSE percentage) in the wheat sector was 47 per cent in 1992 and it increased to 56 in 1993 and 57 in 1994 (OECD, 1995: 214). This stands in sharp contrast to the development in New Zealand where the PSE percentage fell from 33 per cent in 1983 and 5 per cent in 1989. In 1994, it was down to 2 per cent (Sandrey and Scobie, 1994: 1044). The dramatic decrease was the result of the deregulation of the agricultural policy in the mid-1980s.

To sum up, I agree with Wyn Grant (1995: 2) when he concludes that the reforms of the Common Agricultural Policy have "introduced new instruments for the management of policy, but [it has] not fundamentally changed the nature of the policy itself."

Policy Networks and the Contents of the Mac Sharry Reform

Above, it has been argued that, in theory, the existence of a cohesive policy network in the sector in which reformers attempt to bring about change is a major factor preventing fundamental policy reforms. The network model, thus, suggests that a reason the Mac Sharry reform in 1992 was relatively moderate is that the EC agricultural policy network is cohesive. To test this proposition, it is, firstly, examined whether the EC agricultural policy network is cohesive and, secondly, an analysis is undertaken to reveal whether the network actually influenced the Commission's and the farmers' formation of policy preferences.

Which institutions of the European Community should be included in the analysis of the agricultural network? As Kassim (1994) correctly points out, it is difficult to delineate EC policy networks. This study is mainly concerned with the EC Commission's position in the 1992 reform process. Hence, I examine the Agricultural Directorate General's and the Agriculture Commissioner's relations with other political actors in the process in which the policy proposals were prepared. Since organised interests rarely approach the Council as an institution (Nugent, 1991: 232; Butt Philip, 1985: 42) and since it does not negotiate directly with interest groups, it is not likely to become involved in the early phases of the policy process. Therefore, in analysing the Commission's preparation of reform proposals, it makes sense not to include the Council of Agriculture Ministers in the agricultural policy network. However, what goes on within the Agriculture Council has a crucial impact on the final policy choices.

The degree of cohesion in a policy network can be established by analysing the extent to which there, over time, has been stability on policy objectives. If these have not changed and have not been challenged by core members of the network, there is a good reason to believe that a consensus on policy principles exists within the network which therefore has a high degree of cohesion.

Article 39 of the Treaty of Rome lays down the policy objectives of the Common Agricultural Policy. They are: to increase agricultural productivity; to ensure a fair standard of living for the agricultural community; to stabilise markets; to assure the availability of supplies and to ensure that supplies reach consumers at reasonable prices (De europæiske Fællesskaber 1987: 253-54). Although formally the objectives enjoy equal status, there is no doubt that ensuring that farmers achieve a fair living standard has had the highest priority over the last three and a half decades (Smith, 1990: 152-53, 206). The Commission has often emphasised the need to protect their incomes. For instance, in 1981, it pointed out that the Community had a large responsibility when it makes agricultural decisions because such decisions had "immediate impacts on the income situation of eight million employed in agriculture who, with their families, represent forty million people" (Kommissionen, 1981: 4, *my translation*). The "green paper," published in 1985, repeatedly returned to the question of farmers' income (Kommissionen, 1985: III, 12, 49, 59, 60), arguing, for example, that "[t]he Community must ensure that the social and economic conditions for those working in agriculture do not deteriorate ..." (ibid.: VI, *my translation*). Similar concerns were expressed in one of the Commission's reform papers in 1991 which emphasised that price cuts could not be carried out unless the Community compensated farmers for their income losses. Further, it stressed that farmers' income should be safeguarded if the CAP was reformed (Kommissionen, 1991: 8, 12). Agriculture Commissioner Mac Sharry defended these positions, promising farmers that "he would continue to protect the idea of compensation for price cuts" (*AE* no. 1490, 8 May 1992: E/5).

More or less officially, a major objective of the Common Agricultural Policy is the commitment of the Community to maintain the family farm as the foundation of European agriculture. In 1958, this goal was written into the Stresa declaration which set up the main principles of the CAP. It was stated that: "given the importance of the family farm structure of European agriculture and the unanimous wish to safeguard this character, every effort should be made to raise the economic and competitive capacity of such enterprises" (Commission, 1958, quoted in Hill, 1993: 359-360). In the "green paper", the Commission confirmed that "the family farm is still regarded as fundamental" (Kommissionen, 1985: II, *my translation*) and that "every effort should be applied to increase the economic capacity and competitiveness of the family farms" (ibid.: 9, *my translation*). The above analysis shows that there is a high degree of stability in the CAP's policy objectives.

The consensus on policy objectives is closely associated with the absence of a strong interest countervailing farmers within the network (Nugent 1994: 366). COPA, the European farmers' association, national farmers' unions and the Agricultural Directorate have been, and still are, the core members of the EC agricultural network. Until the 1980s, the relationship between COPA and the Agricultural Directorate was very close. They consulted each other on a

day-to-day basis (Smith 1990: 161-62) and the Agriculture Commissioner and COPA's presidium met monthly (Burkhardt-Reich and Schumann 1983, 350). Since the late 1970s, the influence of COPA has declined because the association has had difficulties in reaching internal agreement (Nugent 1994, 367; Neville-Rolfe 1984, 247). However, COPA is still influential (Fearne 1991, 106). Compared to earlier, the national farmers' unions, which are members of COPA, now play a more important role in the network. The declining influence of COPA is clearly shown by the fact that the meetings between the Agriculture Commissioner and COPA's presidium only took place every fourth or fifth month in the late 1980s (Nello 1989, 103). BEUC, the EC consumer union, is a member of the policy network but does not belong to its core. Consumers do not enjoy insider status (Nugent 1994: 367) and, therefore, they have never been in a position to challenge the objectives of the CAP. As Ritson (1991: 119) points out: "It is generally accepted that the consumer voice in Europe, in so far as agriculture is concerned, is weak. It is difficult to cite one major example of a CAP decision which has been influenced predominately by the consumer interest."

The stability in policy objectives indicates that there is a consensus on policy principles within the agricultural policy network. This, in turn, indicates that the network has a relatively high degree of cohesion. The core members of the network share the view that the Community should intervene into agriculture to protect farmers from the impacts of free market forces. Safeguarding farmers' incomes and increasing the economic and the competitive capacity of the European family farms demands that the EC plays a significant role in the agricultural sector. The core members of the agricultural policy network, i.e. farmers and DG VI, have not questioned these policy objectives, but have defended them.

To argue that the network had influence on the reform outcome, it is necessary to show that the Commission's and the farmers' policy positions were based on the policy principles of the network which were to protect farmers from market forces.

Throughout the first four years of the GATT Uruguay Round in which particularly the United States tried to force the EC to reform the CAP, the top priority of the EC was to ensure the continuation of a Common Agricultural Policy which could still be based upon its existing principles. Agriculture Commissioner Ray Mac Sharry made this clear in July 1990 when he said that "[w]e are fully engaged in the Uruguay Round process. But let me make it clear, we are doing so on the basis of our commitment to the CAP" (AE, 1990, no. 1398: P/2). Mac Sharry was against liberalising world agricultural trade, arguing that the whole idea of agricultural trade liberalisation was based on unreliable academic arguments (ibid: P/3). EC Commission President Delors supported him by claiming that the abolition of EC export subsidies would "destroy the EC agriculture industry" (AE, no. 1400, 3 August 1990: E/2). Therefore, the EC Commission and, in particular, the Agriculture Commissioner and the Directorate for Agriculture (DG VI) had no intention of accepting the United States' and the Cairns Group's

liberalisation demands just before the Uruguay Round entered its final stages. The Commission would not accept that a future CAP would be based on the principles of the market place. Instead, there was strong support for the idea that the EC should continue to take responsibility for the well-being of farmers and to protect them from, particularly, US competition.

Realising that the GATT talks could not be completed until the CAP was reformed, the Agricultural Directorate in December 1990 produced a paper outlining a reformed Common Agricultural Policy which was later leaked to the press. The centrepiece of the paper was a reform of the arable sector, cutting the guaranteed minimum cereals and oilseed prices by 45 per cent. To compensate farmers for income losses, a direct compensation scheme was to be introduced. Farmers with up to 30 hectares of cereals, oilseed and protein crops (reform crops) would be fully compensated, whereas compensation would be reduced gradually for larger crop growers (AE no. 1423, 18 January 1991: E/2-E/7). The proposal represented a second order policy change in the arable sector while the animal sector was subject only to a first order change. What distinguished the reform plan from a third order change was that the Community should continue to protect farmers from the market forces. Increasing income certainty and stability even strengthened that principle. Farmers would still receive large subsidies but in a different way. There was no serious attempt to leave the farmer to the mercy of the market. A later reform paper which was released in February 1991 (Kommissionen, 1991) put forward the same type of proposal, though in general terms (Daugbjerg, 1998).

The Commission presented its formal reform paper in July 1991. Basically, it was based upon the same idea as the earlier proposals. The centrepiece of the proposal was a reform of the arable sector. The Commission still favoured a second order change in the arable market regimes and a first order change in the animal sector. Cereals prices were to be reduced to the expected world market level which meant a 35 per cent cut in EC prices.⁶ Oilseed and protein crop prices would also be reduced to the world market level. Small producers of cereals, oilseed and protein crops (reform crops) would still be exempted from setting aside land and would be fully compensated for income losses. Farmers producing more than 92 tons of cereals (on average, this is produced on 20 hectares) were required to set aside 15 per cent of the land upon which they had previously grown reform crops. Compensation paid to these farmers would be proportionally reduced according to the size of the area in which the farmer grew reform crops (Kommissionen, 1991a).

During the whole reform process, the national farmers' association in the EC opposed the Commission's proposals. Most of them defended the status quo, arguing that the Commission's would have destructive consequences for European agriculture (Daugbjerg, 1998). For instance,

⁶ Provided that the target price and the world market price are at the same level. This price level was estimated to be 100 ECU/t. If world market prices fail to reach that level, the EC cereals prices will be 90 ECU/t which is the EC intervention price (the guaranteed minimum price). In that case, the price reduction would be 42 per cent (AE no. 1448, 12 July 1991: E/2).

commenting on the Commission's early reform paper leaked to the press in December 1990, the National Farmers' Union in Britain complained that "the ideas in the leaked Commission paper would devastate British farming. The measures in the paper are completely unacceptable" (AE no. 1423, 18 January 1991: E/8). A later reform paper was met with the same type of criticism. The Belgian Farmers' Union (the *Boerenbond*) was particularly worried about the future of specialised farmers who "would see their chances of survival disappear suddenly" (AE no. 1427, 14 February 1991: E/4). Italy's leading agricultural association, *Confagricoltura*, which represents larger farmers, did not like "the underlying motivation nor the operational proposals." It objected "to the principle of an inverse relationship between the amount of the aid and the size of farm" (AE no. 1428, 22 February 1991: E/2). In Denmark, the Farmers' Union, which represents medium-sized and larger farmers, rejected the reform ideas and declared that the existing agricultural policy should be maintained (*Landboforeningerne*, 1991: 20). The *Bauernverband* in Germany stated that price reductions would ruin many farmers in Europe (AE no. 1448, 12 July 1991: P/3-P/4).

COPA, the European farmers' association of national farmers' unions, did not like the Commission's proposals either. It often repeated its traditional position which stated that "price and market policy must remain the main source of farmers' income" (AE no. 1420, 21 December 1990: E/6). Although COPA is usually unable to agree on more than "the lowest common denominator," its reform proposal fairly well revealed the position of EC farmers. It was presented in late May 1991. In the Commission proposal, the scheme was voluntary and farmers were to be fully compensated for their income losses, so COPA had no difficulties with that proposal. COPA wanted to maintain the existing policy with its system of high internal prices, import levies and export refunds. To cope with the surplus production, COPA suggested the implementation of a voluntary supply management scheme and production controls in which an important element was the development of an "effective and efficient" non-food policy. Farmers suffering from income losses caused by such policies should receive compensation. In addition, surplus production should be diminished by seeking new outlets and regaining markets taken over by substitutes. Imports of products competing with EC surplus products should be restricted and "the Community should pursue an active and dynamic export policy for farm and food products" (COPA, 1991). Basically, COPA wanted to maintain the existing policy; however, it recommended the introduction of supplementary policy instruments. In contrast to the Commission, COPA was unwilling to accept a second order change of the Common Agricultural Policy.

So, within the agricultural policy network, the core members disagreed over the appropriate policy instruments to apply. While farmers preferred adjustments of the existing policy - a first order change - the Agricultural Directorate and the Agriculture Commissioner were in favour of a change of policy instruments in the arable sector - a second order change. However, there was

no fundamental disagreement between the two parties. It is important to note that third order change was not even on the agenda. The conflict between the Commission and farmers was thus not over whether the EC should or should not subsidise agriculture, but over how it should be subsidised. So, there was a consensus that the EC should protect farmers from the market and ensure their economic well-being. Clearly, this policy principle influenced the farmers' and the Commission's policy positions in the reform process since they were both careful not to raise the basic question of subsidising agriculture. The consensus on policy principles indicates that the EC agricultural policy network is cohesive. Its existence help to explain why the Mac Sharry reform was moderate.

The Broader Institutional Structure and the Mac Sharry Reform.

In the theoretical part of this paper, it was suggested that the broader organisational structure of a political system also helps to explain the contents of policy reforms. The proposition which can be derived from theoretical model suggests that the Mac Sharry reform was moderate because the EC is a highly fragmented political system. This section examines whether the proposition is valid.

Compared to international organisations and to federal states, the EC is a unique construction (Keohane and Hoffmann, 1991: 13). It is neither an international organisation nor a federal state (Brewin, 1987: 2; Nørgaard, 1994: 245-46). As Keohane and Hoffmann (1991: 12) argue: "the European Community by no means approximates a realistic image of a modern state." They proceed with saying that when its authority is compared with that of "contemporary international organizations the Community looks strong [but] in comparison with highly institutionalized modern states it appears quite weak indeed." Compared to other international organisations, the European Community is strong because it "as a whole has gained some share of states' sovereignty" (ibid.: 13). When the EC is contrasted with most nation states, it is evidently that it is a highly fragmented political system. In fact, the EC is no more than a union of states without unity of government (Brewin, 1987). Before the enlargement in 1995, the EC consisted of, at least, thirteen decision making centres: the twelve national states and the Commission. The twelve national states are strong decision making centres, each capable of adopting national policies to supplement EC policies if they view such a move as being in their national interest. In agricultural policy making, for example, the Commission has feared that policy decisions which did not accommodate the national interests of all member states could lead to renationalisation of the Common Agricultural Policy (CAP) which, in turn, would have serious consequences for European integration (Kommissionen, 1985: IV, 8; Kjeldahl, 1994: 21; Grant, 1995). The member states' capabilities for supplementing the CAP with national

agricultural policies are clearly reflected in the percentage of the net value added in agriculture which can be derived from national support schemes. In 1991, the EC average was 13 per cent. This figure includes great variation between the member states: in Germany it was more than 30 per cent (the highest) whereas in Denmark it was only about 2 per cent (the lowest) (Hansen, 1993: 159).

Voting rules in the Council of Ministers are also an important fragmenting factor in the European Community. Before the Single European Act came into force in 1987, few decisions could be taken by majority voting. Many decisions could not be made unless the ministers achieved unanimity. The "Luxembourg compromise" from 1966 strengthened the rule of unanimity, declaring "that where 'very important interests' were at stake, the Council would endeavour to reach solutions which could be adopted by all members of the Council" (Tracy, 1989: 264; see also Fearne, 1991: 32). In practice, the "Luxembourg compromise" meant that a member state could veto a proposal which conflicted with its vital national interest. The Single European Act extended the use of qualified (weighted) majority voting.⁷ This development has raised questions as to whether the "Luxembourg compromise" is still in force. It has not been totally abandoned. For instance, in 1988, the Greeks successfully threatened to veto the CAP price package (Swinbank, 1989: 312-13), the French government declared in 1992 that it could still be used (Swinbank, 1993: 365), and the Italians unsuccessfully tried to block the enactment of the 1992 CAP reform by threatening to apply a veto (AE no. 1492, 22 May 1992: P/2, P/13). However, in agricultural policy making, the Single European Act implied that "it has become more difficult in matters of agricultural policy to openly apply a veto. Nevertheless, the threat of blockage remains, and the tendency in the Agricultural Council is still to accommodate a Minister who is opposing an agreement rather than to vote him down" (Tracy, 1989: 334). The existence of the veto opportunity is a major obstacle to fundamental policy reform. As Keeler, (1996: 136-37) points out: "The mere possibility of a veto has normally assured that only incremental adjustments to the CAP are seriously considered."

Although the Commission is a collective body, it divides along national lines. Until the mid-1960, the Commission consisted of commissioners who had been there since the creation of the EC. They had idealistic attitudes towards European integration (Averyt, 1977: 84-86). Thereafter, a new generation of commissioners took over. These "Commissioners and their staffs [were] increasingly conscious of their separate national identities and loyalties" (ibid.: 84). Compared to the first generation of commissioners, the commissioners of the early 1990s were also more nationalistic. For instance, in the 1992 agricultural reform process, the Commission was split along lines of national interest on the question of favouring small farmers in compensating for cuts in cereals prices (AE no. 1424, 25 January 1991: E/3). So, the Commission also consists of a number of veto opportunities. The macro-level analysis shows

that in the EC, authority is dispersed (Keohane and Hoffmann, 1991: 14). Compared to most nation states, the EC is a considerably more fragmented political system.

If the broader institutional structure is to contribute to an explanation of the reform outcome, then one must be able to show that the interests of all major decision making centres which could become veto points were accommodated in the final agreement. Here, I shall focus solely the reform process within the Council of Agricultural Ministers.⁸

The majority of member states could, more or less, support the principles of the Commission's reform plan. While most of them had objections to the price cuts, they supported the idea of giving full and permanent compensatory payments to farmers. The French position, however, was less clear. On the one hand, the French farm minister had to take care of the large and efficient arable exporters in Northern France and, on the other hand, he wanted to protect the incomes of the small farmers in the South. Germany's support for the reform was rather important for the breakthrough in the reform negotiations. The desire for a GATT deal changed Germany's traditional conservative position in the CAP process (*Agra Europe* special report no. 65, 1992: 3). The Commission was also an important party in the Council process because it did not want the ministers to water down the reform proposal. To revitalise the uncompleted GATT Uruguay round, the Commission had an interest in presenting a reform to the United States which significantly reduced export subsidies and production related internal support.

Belgium, Denmark, the Netherlands and the United Kingdom opposed the reform plans. They neither liked the Commission's radical price cuts nor were they pleased with the idea of giving full and permanent direct support to farmers. Instead, they argued that the settings of the existing policy instruments should be adjusted in the arable sector by cutting prices but without introducing new instruments for direct payments. In other words, they preferred a first order change of the existing policy. Although there seemed to be agreement on the principles in the beginning of the Council process, it later turned out that there was considerable disagreement. The Dutch President of the Agriculture Council declared already in July 1991 that "all delegations [i.e. members states, CD] agree that if there is no fundamental reform we will have an unbearable situation" (AE no. 1449, 19 July 1991: E/1). Two months later, he said there was general agreement in the Council that a move from production support to direct income support was necessary (AE no. 1459, 27 September 1991: E/1). However, he seems to have misjudged the situation. As late as March 1992, Belgium, Denmark, the Netherlands and the United Kingdom were still demanding a discussion on principles. When they realised that there was no chance of this, they joined the majority. As a result, the ministers were able to reach agreement

⁷ Until 1995, a qualified majority required at least 54 votes. The total number of qualified votes was 76.

⁸ The examination of the reform process in the Council is based mainly on Landbrugsministeriet, 1991a, Landbrugsministeriet, 1991b, Landbrugsministeriet, 1991c, Landbrugsministeriet, 1991d, Landbrugsministeriet, 1991e, Landbrugsministeriet, 1992, Landbrugsministeriet, 1992a, Landbrugsministeriet, 1992c, Landbrugsministeriet, 1992d, Landbrugsministeriet, 1992e, Landbrugsministeriet, 1992f, Landbrugsministeriet, 1992g.

on a second order change in the Common Agricultural Policy on May 21, 1992. However, not all members states wholeheartedly accepted the reform but they decided not to veto it - an indirect acceptance. Italy voted against the reform because it was not given 1.5 million tonnes of extra milk quota (AE no. 1492, 22 May 1992: P/2, P/13). Its decision to vote against was perhaps to be seen not as refusal of the reform package but as a protest in the quota question. Germany "abstained from voting the price cuts, but accepted the reform as a 'package' because it considered reform a necessity and because farmers would be compensated in full" (Hendriks, 1994: 69).

In conclusion, the EC is a highly fragmented political system which prevented a fundamental reform of the CAP. This contributes to an explanation of the reasons the Mac Sharry policy reform was a moderate one. The limited opportunities for fundamental policy reforms in the EC meant that the question of third order policy changes was not even raised.

Conclusion

It has been argued here that meso-level policy networks and the broader organisational context within which they are embedded play important roles in policy reform processes. The existence of a cohesive policy network in the sector in which reform is put on to the agenda limits the opportunities for fundamental reform. Members of such a network can form a strong coalition resisting change because within the network, there is a consensus on the policy principles. Where a non-cohesive network exists, there are better opportunities for radical reform since the lack on consensus within such a network impedes the formation of a strong coalition which can oppose reformers.

The broader organisational context also influences the contents of policy reforms. In political systems with centralised political decision making structures reformers have favourable opportunities for successfully pursuing radical policy change because political power can be centralised in one body. Once such a body decides to pursue fundamental policy reform in a sector, it is, to a large extent, able to neglect political opposition. In other words, there are few, if any, veto points status quo minded actors can use to prevent change. Political systems in which the structure disperses political power to several decision making centres provide many veto opportunities which, often successfully, can be used to mobilise opposition to reforms.

The two-level empirical analysis of the 1992 agricultural policy reform in the EC shows that fundamental change was not a realistic option. Firstly, the core of agricultural policy network, which consists of commission and representatives from farmers' associations, was relatively cohesive. There was a consensus that the EC agricultural policy should be a highly interventionist in order to safeguard farmers from the free market forces and ensure their

economic well-being. During the reform process, the EC Commission advocated moderate reform in line with the interventionist policy principle. Secondly, the EC is a highly fragmented political system with many veto opportunities which virtually makes it impossible to centralise political power. Therefore, the reform process concentrated on accommodating the interests of all decision making centres, that is primarily the Commission and the twelve members states. To sum up, the empirical analysis demonstrated that there are good reasons to believe that organisational structures both at the meso and at the macro-level lead reform processes in certain directions.

Most agricultural observers agree that the Mac Sharry reform is not the last EU agricultural policy reform. The plans to enlarge the EU towards the East, undoubtedly, will put new pressure onto the CAP. The current CAP cannot be implemented in the Central and East European countries without bankrupting or, at best, putting severe economic burdens on the EU. Therefore, the EU must find models which can minimise opposition among the current EU members and among the Central and East European countries. This requires that the EU guarantees or convinces West European farmers that their incomes will not be affected by the enlargement. On the other hand, EU policy makers must guarantee the new members that the EU will ensure their farmers' income. Additionally, a solution on the agricultural question must consider the economic costs of such guarantees. It will be extremely difficult to increase the agricultural share of the EU budget. The most attractive solution with regard to economic concerns is to deregulate the CAP, but since the West European farmer associations are strongly status quo minded, this option is not politically feasible. Another option is to have two common agricultural policies, a West and an East version. This may be unacceptable for the Central and East European countries, because such a solution opens up possibilities for special arrangements in other policy areas. This can lead to a situation in which the Central and East European countries will be full EU members in principle but they will only be second class members in practice.

How the EU will cope with agriculture and the forthcoming enlargement remains yet to be seen. But it is surely not going to be easy.

References

- AE, (Agra Europe), various issues.
Agra Europe Special Report no. 65 (1992), *The CAP Reform Agreement: An Analysis and Interpretation*, London.
Atkinson, Michael M. and William D. Coleman (1985). "Corporatism and industrial policy", in Alan Cawson (ed.), *Organized Interests and the State: Studies in Meso-Corporatism*, London: Sage Publications Inc, pp. 22-44.

- Atkinson, Michael M. and Coleman, William D. (1989), "Strong States and Weak States: Sectoral Policy Networks in Advanced Capitalist Economies", *British Journal of Political Science*, vol. 19, pp. 47-67.
- Averyt, William F. jr. (1977), *Agropolitics in the European Community: Interest Groups and the Common Agricultural Policy*, New York, London: Praeger Publishers.
- Baumgartner, Frank R. and Jones, Bryan D. (1993), *Agendas and Instability in American Politics*, London, Chicago: The University of Chicago Press.
- Benson, J.K. (1982), "A Framework for Policy Analysis" in D. Rogers, D. Whitten and associates (eds.), *Interorganizational Coordination*, Ames: Iowa State University Press.
- Brewin, Christopher (1987), "The European Community: a Union of States without unity of government", *Journal of Common Market Studies*, vol. XXVI, no. 1, September, pp. 1-23.
- Burkhardt-Reich, B. and Schumann, W. (1983), *Agrarverbände in der EG*, Kehl am Rhein/Strassburg: N.P.Engel Verlag.
- Butt Philip, Alan (1985). *Pressure Groups in the European Community*, London: University Association for Contemporary European Studies (UACES).
- Commission of the European Communities (1958), *Recueil des documents de la Conference Agricole des Etats Membres de la Communauté Economique Européenne a Stresa du 3 au 12 juillet 1958*, Brussels.
- COPA (1991), "COPA Proposal on the Future of the Common Agricultural Policy (CAP)", Brussels, 23 May 1991, Pr (91) 13.
- Daugbjerg, Carsten (1994), "Dansk industri og det indre marked: Policy-netværk i Bruxelles og København", *Politica*, vol. 26, no. 4, pp. 456-473.
- Daugbjerg, Carsten (1997), 'Policy Networks and Agricultural Policy Reforms: Explaining Deregulation in Sweden and Re-regulation in the European Community', *Governance* 10 (forthcoming).
- Daugbjerg, Carsten (1997a), 'Policy Network and Policy Choices in Changing Environments: Environmental Policy in Swedish and Danish Agriculture', in David Marsh. (ed.), *Policy Networks: Theory and Comparison*. Milton Keynes: Open University Press (forthcoming).
- Daugbjerg, Carsten (1998), *Policy Networks under Pressure: Pollution Control, Policy Reforms and the Power of Farmers*, Aldershot: Avebury/Ashgate Publishing (forthcoming)
- De europæiske Fællesskaber. 1987. *Traktater om oprettelse af De europæiske Fællesskaber*. Luxembourg: Kontoret for De europæiske Fællesskabers officielle Publikationer.
- Döhler, Marion (1991), "Policy Networks, Opportunity Structures and Neo-Conservative Reform Strategies in Health Policy" in Bernd Marin and Renate Mayntz (eds.), *Policy Networks: Empirical Evidence and Theoretical Considerations*, Frankfurt am Main/Boulder, Colorado: Campus Verlag/Westview Press, pp. 235-96.
- Hall, Peter A. (1986), *Governing the Economy. The Politics of State Intervention in Britain and France*, Cambridge: Polity Press.
- Hall, Peter (1993), "Policy Paradigms, Social Learning, and the State. The Case of Economic Policymaking in Britain", *Comparative Politics*, vol. 25, no. 3, pp. 275-296.
- Hendriks, Gisela (1994), "German Agricultural Policy Objectives" in Rasmus Kjeldahl and Michael Tracy (eds.) *Renationalisation of the Common Agricultural Policy?* Valby/la Hutte: Institute of Agricultural Economics/Agricultural Policy Studies, pp. 59-73.
- Fearne, Andrew (1991), "The History and the Development of the CAP 1945-1985" in Christopher Ritson and David Harvey (eds.), *The Common Agricultural Policy and the World Economy: Essays in Honour of John Ashton*, Wallingford: CAB International, pp. 21-70.
- Hill, Berkeley (1993), "The "Myth" of the Family Farm: Defining the Family Farm and Assessing its Importance in the European Community", *Journal of Rural Studies* vol. 9, no. 4, pp. 359-370.
- Grant, Wyn (1995), "The limits of Common Agricultural Policy reform and the option of denationalization", *Journal of European Public Policy* 2:1, March, pp. 1-18.
- Kassim, Hussein (1994) "Policy Networks, Networks and European Union Policy Making: A Sceptical Review" *West European Politics*, vol. 17, no. 4, pp. 15-27.

- Katzenstein, Peter J. (1978) "Conclusion: Domestic Structures and Strategies of Foreign Economic Policy" i Peter J. Katzenstein (ed.) *Between Power and Plenty. Foreign Economic Policies of Advanced Industrial States*, Madison, London: The University of Wisconsin Press.
- Keeler, John T.S. (1996), "Agricultural Power in the European Community. Explaining the Fate of CAP and GATT Negotiations", *Comparative Politics*, vol. 28, no. 2, January, pp. 127-149.
- Keohane, Robert O. and Hoffmann, Stanley (1991), "Institutional Change in Europe in the 1980s", in Robert O. Keohane and Stanley Hoffmann (eds.), *The New European Community. Decisionmaking and Institutional Change*, Boulder, San Francisco, Oxford: Westview Press, pp. 1-39.
- Kjeldahl, Rasmus (1994), "Reforming the Reform? - The CAP at a Watershed", in Rasmus Kjeldahl and Michael Tracy (eds.), *Renationalisation of the Common Agricultural Policy*, Valby/la Hutte: Institute of Agricultural Economics/Agricultural Policy Studies, pp. 5-22.
- Kommissionen for de europæiske Fællesskaber (1981), *Retningslinier for EF's landbrug: Memorandum, der supplerer Kommissionens rapport vedrørende mandatet af 30. maj 1980*, COM(81) 608, Brussels.
- Kommissionen for De europæiske Fællesskaber (1985), *Perspektiver for den fælles landbrugspolitik: Kommissionens Grønbog*, Brussels.
- Kommissionen for de europæiske Fællesskaber (1991), *Den fælles landbrugspolitik udvikling og fremtid - Kommissionens betragtninger*, COM(91) 100, Brussels.
- Kommissionen for de europæiske Fællesskaber (1991a), *Den fælles landbrugspolitik udvikling og fremtid: Opfølgning af dokumentet med Kommissionens betragtninger, KOM(91) 100 af 1. februar 1991*, COM(91) 258, Brussels
- Krasner, Stephen D. (1983), *International Regimes*, Cornell University Press: Ithaca and London.
- Landboforeninger, De danske (1991), *Beretning 1991*, Copenhagen.
- Landbrugsministeriet (1991a), "Referat af 879. møde i Specialkomiteen for Landbrug, den 5-6 novm. 1991", Copenhagen.
- Landbrugsministeriet (1991b), "EF Repræsentationens referat af rådsmøde (Landbrug) 11-12 november 1991", Copenhagen
- Landbrugsministeriet (1991d), "EF Repræsentationens referat af rådsmøde (Landbrug) 18-19 november 1991", Copenhagen
- Landbrugsministeriet (1992), "EF-Repræsentationens referat af rådsmøde (Landbrug) den 27.-29. januar 1992", Copenhagen.
- Landbrugsministeriet (1992a), "EF-Repræsentationens referat af rådsmøde (Landbrug) den 10.-11. februar 1992", Copenhagen.
- Landbrugsministeriet (1992b), "EF-Repræsentationens referat af rådsmøde (Landbrug) den 2-3 marts 1992", Copenhagen.
- Landbrugsministeriet (1992c), "EF-Repræsentationens referat af rådsmøde (Landbrug) den 20 marts 1992", Copenhagen.
- Landbrugsministeriet (1992c), "Referat af 880. møde i Specialkomiteen for Landbrug, den 11-12 novb. 1991", Copenhagen.
- Landbrugsministeriet (1992d), "EF-Repræsentationens referat af rådsmøde (Landbrug) den 30-31 marts 1992", Copenhagen.
- Landbrugsministeriet (1992e), "Referat af 881. møde i Specialkomiteen for Landbrug, den 25-26 novb. 1991", Copenhagen.
- Landbrugsministeriet (1992e), "EF-Repræsentationens referat af rådsmøde (Landbrug) den 28-29 april 1992", Copenhagen.
- Landbrugsministeriet (1992f), "Referat af 894. møde i Specialkomiteen for Landbrug den 11-12 maj 1992", Copenhagen.
- Landbrugsministeriet (1992g), "EF-Repræsentationens referat af rådsmøde (Landbrug) den 18-19 maj 1992", Copenhagen.
- Lembruch, Gerhard (1991), "The Organization of Society, Administrative Strategies, and Policy Networks" in Roland Czada and Adrienne Windhoff-Héritier (eds.), *Political Choice:*

- Institutions, Rules, and the Limits of Rationality*, Frankfurt am Main/Boulder, Colorado: Campus Verlag/Westview Press, pp. 121-158.
- Lowi, Theodore J. (1964). "American Business, Public Policy, Case Studies, and Political Theory" *World Politics*, vol. 16, no. 4, pp. 677-715.
- Manegold, Dirk (1991) "EC Agricultural Policy in 1990/91: Growing Need for Real Policy Reform" *Review of Marketing and Agricultural Economics*, vol. 59, no. 2, pp. 98-129.
- Marsh, David (1995), "State Theory and the Policy Network Model", Department of Government, University of Strathclyde.
- Marsh, David, and Smith, Martin J. (1995), "The Role of Networks in an Understanding of Whitehall: Towards a Dialectical Approach" Paper presented at Political Studies Association, Annual Conference, University of York, April 18-20.
- Marsh, David and Carsten Daugbjerg (1997), "Linking the Policy Network Model with Micro and Macro-level Analysis" unpublished paper, Birmingham University, UK and Southland University Centre, Denmark..
- Nedergaard, Peter (1994), "The Political Economy of CAP Reform", in Rasmus Kjeldahl and Michael Tracy (eds.) *Renationalisation of the Common Agricultural Policy?* Valby/la Hutte: Institute of Agricultural Economics/Agricultural Policy Studies, pp. 85-103.
- Nedergaard, Peter (1995), "The Political Economy of CAP Reform", in Finn Laursen (ed.), *The Political Economy of European Integration*, The Hague, Boston, London: Kluwer Law International, pp. 111-144.
- Nello, Susan Senior (1989), "European Interest Groups and the CAP", *Food Policy*, vol. 14, no. 2, pp. 101-106.
- Neville-Rolfe, Edmund (1984), *The Politics of Agriculture in the European Community*, London: European Centre for Political Studie
- Nugent, Niell (1991). *The Government and Politics of the European Community* (2nd ed.), London: Macmillan.
- Nugent, Neill (1994), *The Government and Politics of the European Union* (3rd edition), London: Macmillan.
- Nørgaard, Asbjørn Sonne (1994), "Institutions and Post-Modernity in IR. The 'New' EC", *Cooperation and Conflict*, vol. 29, no. 3, pp. 245-287.
- OECD (1995), *Agricultural Policies, Markets and Trade in OECD Countries: Monitoring and Outlook 1995*, Paris.
- Rayner, A.J, Ingersent K.A. and Hine, R.C. (1993) "Agricultural Trade and the GATT" in A.J. Rayner and David Coleman (eds.) *Current Issues in Agricultural Economics*, Basingstoke: Macmillan, pp. 62-95.
- Ritson, Christopher (1991), "The CAP and the Consumer" in Christopher Ritson and David Harvey (eds.), *The Common Agricultural Policy and the World Economy: Essays in Honour of John Ashton*, Wallingford: CAB International, pp. 119-137.
- Sandrey, Ron A. and Scobie. Grant. M. (1994), "Changing International Competitiveness and Trade: Recent Experience in New Zealand Agriculture", *American Journal of Agricultural Economics*, vol. 76. no. 5, pp. 1041-1046.
- Smith, Martin J. (1990a), *The Politics of Agricultural Support in Britain: The Development of the Agricultural Policy Community*, Aldershot: Dartmouth Publishing Company.
- Swinbank, Alan (1989), "The Common Agricultural Policy and the Politics of European Decision Making", *Journal of Common Market Studies*, vol. XXVII, no. 4, June, pp. 303-322.
- Swinbank, Alan (1993), "CAP Reform, 1992", *Journal of Common Market Studies*, vol. 31, no. 3, September, pp. 359-372.
- Tracy, Michael (1989), *Government and Agriculture in Western Europe 1880-1988*, New York, London, Toronto, Sydney Tokyo: Harvester Wheatsheaf.
- Van Waarden, Franz (1992). "Dimensions and Types of Policy Networks", *European Journal of Political Research*. vol. 21, no. 1-2, pp. 29-52.