

# **The Sectoral Dynamics of Germany's Role in the European Union**

**Paper to be presented at the Fifth Biennial Conference of European Community Studies Association, 29 May - 1 June 1997, Seattle, USA.**

**Panel: Germany and the EU: Building Europe or Pursuing National Self Interest**

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# THE SECTORAL DYNAMICS OF GERMANY'S ROLE IN THE EUROPEAN UNION

## INTRODUCTION

The unification of Germany gave a new impetus to the discussion about Germany and the European Union (EU), reopening the age old debate about a 'German Europe' or a 'Europeanised Germany'. As the Intergovernmental Conference (IGC) draws to a close and EU moves into a new phase of its development, German actions in the EU are still arousing suspicion amongst its partners. Germany's role in the EU evokes a schizophrenic reaction from the other member states; whereby Germany's partners in the EU expect greater leadership on the one hand, whilst fearing German dominance on the other. The mere idea of Germany with any coherent 'national' interests invokes a negative vision of Germany as a hegmon dominating the EU.

Interest within the academic community, particularly in the post-cold war period, has almost exclusively focused on the motivations behind Germany's actions and the changing nature of the 'new' Germany's role in the EU. The debate within the literature broadly reflects the concerns of Germany's neighbours and can be mapped on a continuum of extremes: of Germany as either an 'assertive' or 'benign' actor. Some writers assert that devoid of the constraints of the post-war order Germany will become more 'assertive', some kind of hegemon in the pursuit of 'national' interest.<sup>1</sup> Others reject these 'hegemonic' notions choosing to characterise Germany as a 'benign' and multilateral player in the EU.<sup>2</sup> The discussion is, however, far more complex. It is an oversimplification to characterise Germany as either 'assertive' or 'benign'. In contrast to these dominant paradigms, this paper posits an alternative approach, which takes into account the sectoral dynamics of Germany's relationship with the EU.

Issue areas have largely been ignored in the analysis of German European policy. Scholars have tended to concentrate their analysis more broadly on German European policy objectives, focusing on integration rhetoric and declaratory policy. It could perhaps, be argued that they have been drawing over optimistic or overly negative conclusions about the nature of Germany's role in the EU. The study propounds a sectoral approach to analyse specific policy areas in relation to Germany's role in the EU. The analysis centres on two well chosen areas; agriculture and migration. Agriculture constitutes an original issue of great significance to EU politics and migration an area of increasing concern. It is implicit that this study cannot provide a complete picture or design a typical position. Nevertheless an analysis of specific

policy sectors provides a fruitful insight into Germany's role in the EU and has proved valuable in elucidating broader conclusions about Germany's relationship with the EU.

## **THE SECTORAL APPROACH**

Despite Germany's predominant pro-integration approach, it is suggested that there is sectoral variation in Germany's approach to the EU. The argument propounded here rests on a typology of characteristics which affect Germany's role in the EU in each of the policy areas. A taxonomic model of characteristics is developed to demonstrate the sectoral nature of Germany's role in the EU. The model identifies the dynamics of the policy sector and policy-making structures, as characteristics which can be found, in different forms, in each of the policy sectors. The underlying assumption is that the nature of the policy issue (in other words characteristics within the policy area itself), together with the institutional dynamics of the policy process (policy-making structures) combine to affect Germany's role in the EU. It is argued that sectoral variations exist, not only in the dynamics of the policy issue, but also in the institutional make up, culminating in the conclusion that Germany's role in, and approach to, the EU is sector specific. It is contended that Germany's role in the EU differs significantly in different policy sectors. The two case studies provide a contrast of Germany's approach to, and role in the EU. Furthermore, it is asserted that Germany's role in the EU in any given policy area is shaped by the nature of the policy sector itself. Thus, policy sectors have dynamics of their own which necessitate particular courses of action. It is proposed that these sectoral variations in policy areas have implications for the nature of Germany's role in the EU. It could be argued in part that Germany's role in the EU, at least on a day to day basis, is issue driven. Therefore in certain policy sectors, actors are able to deviate from general European objectives, using the EU to solve domestic problems or pursue sectoral aims. In this sense the EU policy making arena may serve as a policy resource. Where the EU serves as a framework for solving certain specific policy problems, and where German policy makers are willing to utilise that resource, they are likely to be more European-oriented. The institutional sectorisation of policy making in Germany sanctions this practice due to the integration of domestic and European policy making at the national level. Therefore, the institutional structures within the policy process allow actors to pursue their own sectoral agendas at the European level. As a consequence there is not one overarching approach to the EU, different policy areas are positioned towards different ends of this 'assertive' benign' spectrum.

## **THE THEORETICAL FOUNDATIONS OF THE TAXONOMIC MODEL**

A central tenet of the proposed taxonomic model is that Germany's role in the EU has sectoral dynamics, varying in different policy sectors. It is asserted that this sectoral variation can be ascribed to nature of the policy issue and the dynamics of the policy making structures. In certain policy areas policy actors are able to pursue sectoral agendas. Peter Ludlow has cited the European Monetary System (EMS) as a sector in which German policy makers most clearly pursued any kind of leadership.<sup>3</sup> Bulmer illustrated the sectoral nature of Germany's role in the European Community (EC) by pointing out that the 'EMS affords clear sectoral evidence of German hegemony in the EC'.<sup>4</sup>

The taxonomic model which comprises the dynamics of the policy sector and policy making structures, is rooted in a range of theoretical approaches. Essentially, the model draws on the ideas of Lowi and the work of Dyson, Bulmer and Katzenstein. The ideas of Lowi are particularly relevant for the dynamics of the policy sector. Lowi links the nature of the policy issue, to the pattern of politics associated with it, and policy outcomes. Hence, he asserts that different policy arenas produce different policy patterns, processes and actors. Katzenstein and Bulmer stress the importance of institutions in shaping policy. They demonstrate the diversity of the policy process, by illustrating the varying influence, and role of, a core set of institutions in different policy sectors. Bulmer elaborates on the concepts of institutional pluralism and the sectorisation of policy, elucidating their impact on the making of policy in Germany. Whilst Dyson elucidates the sectoral nuances of the policy process by illustrating the variety of policy styles prevalent in the German policy making process.

## **DYNAMICS OF THE POLICY SECTOR**

### *LOWI AND THE CONCEPT OF POLICY STYLE*

The dynamics of the policy sector strand of this two-pronged model is rooted in the work of Lowi. Lowi, the best known proponent of the policy sector approach, departs from the premise propounded by the national styles approach that 'politics determines policy'. Lowi suggested 'reversing the direction of causality' by asserting that the nature of political issues themselves causes the politics associated with them.<sup>5</sup> Lowi's conception of the policy process is rooted in the assumption that particular kinds of policies produce certain types of politics and shape policy outcomes.<sup>6</sup> Lowi illustrates the sector specific characteristics of the policy process. He makes a causal link between the nature of policy issues and the pattern of politics associated with them. Therefore, the assertion that the policy issue itself may be a determinant of the

manner in which a problem is processed. Lowi states that, 'a political relationship is determined by the type of policy at stake, so that for every type of policy there is likely to be a distinctive political relationship'.<sup>7</sup> Lowi delineates the sectoral variation in the policy process and the sectoral nature of policy-making by suggesting that each policy arena develops its own characteristic political structure, process, patterns and actors.<sup>8</sup> By alluding to different political structures and actors, Lowi emphasises the varying role of actors in the policy process.

Lowi relates policy to politics by typifying policy. In doing so it is automatically assumed that policies differ in their political connotation. Lowi outlines the sectoral variation in policies by defining areas of policy into functional categories in terms of their impact or expected impact on society. He develops a typology of policy types: distributive, regulatory and redistributive.<sup>9</sup> However, Lowi's detailed categorisation of policy types is of limited relevance for the model presented here. Lowi's ideas are particularly instructive for the component on dynamics of the policy sector. It is suggested that the dynamics of the policy sector, defined as the nature of the policy issue has a direct impact on policy outcomes. In other words, the nature of the policy issue itself influences the course of action in that policy sector.

The two policy sectors considered migration and agriculture demonstrated how the dynamics of that sector influenced policy outcomes and provided a contrast of how Germany's role in the EU differed in those policy areas. For instance, characteristics intrinsic to the migration issue, such as the political sensitivity surrounding the issue in the domestic arena and the definition of migration as a transnational issue, were directly related to the German government's attempt to Europeanise policy in this sector. Conversely, characteristics specific to the agricultural issue produced a protectionist and essentially 'German' oriented approach to agricultural matters in the EU. Not only did policy dynamics demonstrate sectoral variation, but the varying role of the actors involved in the policy process indicated sectoral nuances. This undoubtedly had an effect on policy outcomes. The structured and the consensual approach towards agricultural policy making has not only enabled agricultural issues to dominate the political agenda but also result in favourable policy outcomes. In contrast, the case of migration demonstrated a much less formalised institutional framework.

## **POLICY MAKING STRUCTURES**

Various scholars have employed the case study approach to categorise, characterise and study policy making on a national level. The work of Dyson, Katzenstein and Bulmer is particularly useful in that it focuses on various elements of the German policy-making arena. All three scholars utilise the case study approach to

examine policy sectors, in order to demonstrate the diversity in the policy making process.

### *A GERMAN POLICY STYLE?*

Richardson advocates the concept of a national policy style, which he defines as policy '*making and implementation*' style.<sup>10</sup> The concept of 'policy style', according to Richardson, comprises two primary features; firstly a government's approach to problem-solving which he characterises as either anticipatory or reactive; and secondly, the nature of a government's relationship with other actors in the policy making process. Richardson maintains that this relationship can be one of imposing decisions or reaching consensus.<sup>11</sup> Richardson assumes that Lowi would oppose the idea of a *national* policy style, arguing that policy content would have to be stipulated first. However, Richardson does acknowledge that all policies are not dealt with in exactly the same way and that difficulties exist in identifying policy style. He alludes to the phenomenon of sectorisation as one of the main problems in attempting to identify a dominant policy style. The sectorisation of policy making in the German case, certainly allows for sectoral variation of a dominant policy style. Richardson notes that,

if policies are formulated independently in each policy sector....then this may invalidate a search for one policy style. If each policy area develops into a semi-watertight compartment, ruled by its own 'policy elite', then quite different policy styles may develop within the same political system.<sup>12</sup>

Kenneth Dyson's model diverges from Richardson's exclusive advancement of a national policy style, by allowing for the sectoral variation of policy style within a state. Dyson draws on the cultural norms which underpin the German public policy making process to outline the distinctive and diverse, yet general character of policy style. Dyson's analysis provides an insight into the general approach to policy-making and the relationship between actors in the policy process. Dyson identifies the predominant policy style in Germany as that of a 'rationalist consensus'.<sup>13</sup> Dyson's model allows for the sectoral nuances of the policy process, by illustrating the variety of policy styles. He observes that policy is made differently between sectors.<sup>14</sup> Dyson devises a model to categorise policy making style in different policy sectors in Germany.

Using Richardson's definition, Dyson charts the concept of policy style on a two-dimensional axis, with the horizontal axis mapping Germany's approach to problem

solving and the vertical the government's relationship with other actors in the policy process. Germany's approach to problem solving is characterised as either 'reactive' or 'anticipatory'. Reactive policy style, according to Dyson, stresses the 'passive and responsive' character of, and the unbiased role of the government as a referee. Dyson classifies reactive policy style as 'deductivist', and aspiring to a 'language of principles'. On the opposite end of the spectrum, the anticipatory style denotes a 'pre-emptive' style which assumes an innovative and committed role for the government on the basis of obtaining knowledge and information. By contrast to the reactive style, the anticipatory style is grounded in 'the language of goals, options, appraisal and effectiveness'.<sup>15</sup>

The relationship between the government and other policy actors in the policy process is identified as one of 'negotiation' or 'imposition'. The style of negotiation highlights the interdependence within the policy process and the search for consensus in policy. This style is characterised by power sharing between actors in the policy process, with the balance of power being embodied in the 'co-operative norms of the 'state-society' ideology, of German federal arrangements and of coalition politics'.<sup>16</sup> The negotiation relationship is distinguished by the sanctioning of group power, with interest groups in a position to gain favourable access and higher institutionalised status. Conversely, interest groups are deemed as executing a potentially 'disruptive and irresponsible' role in the imposition relationship. Imposition involves enforcing the 'technically correct solution' in order ensure the 'overriding common good'.<sup>17</sup> German suspicion and apprehension of party political imposition guarantees that this authoritative style is used as the last possible course of action.

Dyson's classification results in four kinds of models of policy style in Germany. Both 'concertation' and 'status preservation' emphasise the role of 'co-operative and trustworthy' interest groups, which gain a favoured institutionalised position. These two models are distinguished by the salience of the policy area concerned. Hence, status preservation alludes to those policy sectors which involve routine relationships and co-operation between interest groups and the government. Concertation is, by comparison, denoted by the 'pursuit of enlightenment and innovation via a politics of summit diplomacy'.<sup>18</sup> 'Activism' and 'regulation' constitute authoritative styles of imposition. Activism is essentially, an innovative style of imposition, which is a short-term and rare attribute of German policy making. Whilst regulation 'is the traditional style of bureaucratic legalism, which embodies the highly formalised character of the *Rechtstaat* conception and a neo-liberal political outlook'.<sup>19</sup>

Having delineated the general character of policy style in Germany, Dyson analysed three different policy sectors; nuclear policy, health policy and economic policy, to illustrate the variety of style that could be found in the German policy process.<sup>20</sup> The crux of Dyson's model rests on the notion that, 'a given policy sector

or a particular case may display various policy styles as well as shifts in the dominant policy over time'.<sup>21</sup> The sectoral variation in policy style is enhanced by the existence of the phenomenon of sectorisation. The constitutionally guaranteed principal of departmental autonomy facilitates this process by creating powerful centrifugal tendencies which become unmanageable at the centre. Dyson's model illustrates the diversity of the German policy making process. He particularly focuses on the institutional sectorisation of policy making which illuminate the sectoral tendencies in the policy making process, by providing a contrast of policy making. Although, there is a general approach to policy making, the case studies noted differences in the areas of migration and agriculture.

Dyson's work has been instructive in showing how policy making varies in different sectors, particularly to elucidate the fact that Germany's role in the EU varies in different sectors. Dyson is not alone in his conclusions. Studies conducted by Rosenthal and Wallace<sup>22</sup> in the 1970s concluded that, 'policy-making patterns differ according to the area concerned'.<sup>23</sup> Bulmer also illustrated the diversity of the policy process by using the concept of policy style to characterise the policy making environment and patterns, which he argues differ in different policy areas.<sup>24</sup> Bulmer's approach is instructive for the taxonomic model, firstly by looking at policy-making structures to examine the behaviour of member states in the EU. The model suggested here moves down to the sectoral level to analyse the role of actors in the policy sectors, to illustrate the varying nature of Germany's role in the EU.

### *THE INSTITUTIONAL DIMENSION*

The institutional dynamics of the policy process are vital in the role that a member state plays within the EU. The domestic policy-making structures determine the policy positions individual ministers take up to the European level. The policy-making structures in the two policy sectors analysed have been imperative in determining the success or failure of policy initiatives at the domestic and European level. The integration of domestic and European policy-making at the domestic level is crucial in shaping the course of action the Germans take in EU structures. As Bulmer notes, 'the patterns of negotiation on EC issues at the domestic level of the member states will determine the progress on individual policy issues and integration in general'.<sup>25</sup> The integration of policy-making at the national level in Germany ensures that not only are domestic actors able to affect European policy decisions, but they are also able to play an active part in the formation of that policy. The 'institutional pluralism' inherent in the German political system ensures that a range of domestic actors and interests are able to participate in the policy-making process and affect policy outcomes. Domestic sectoral actors acquire further significance in



policy decisions due to the federal nature of the state, which divides responsibility for policy formation and implementation between the Federal and Länder governments. The input of ministries, political parties, interest groups and public opinion all becomes relevant in the formation of policy due to the sectorised and pluralistic nature of policy process in Germany.

Katzenstein and Bulmer enlighten important aspects of the section on policy making structures. Both Katzenstein and Bulmer emphasise the role of institutions in shaping policy. Katzenstein links the institutional make up of the state with the debate about the exercise of German power. Katzenstein relates the concept of semisovereignty to the internal dynamics of German policy making, arguing that it has a constraining effect on the exercise of German power. He asserts that institutions foster an interdependent approach to policy making, where actors are tied together in a policy network. This interdependent approach mitigates against an accumulation of power and radical policy changes, cultivating a propensity towards incremental policy change. Hence, Katzenstein argues that the sectorised nature of policy making places institutional constraints on the capacity of the German state, thereby reducing the scope for the exercise of power. Katzenstein concludes that German power has been 'tamed' by the institutional structures in the German policy process. Bulmer and Paterson also cite internal policy-making structures as applying constraints on West Germany's capacity to play a leading role in the EC. Paterson endorses the existence of semisovereignty in post unification Germany. He argues that unity has not disturbed the semisovereign state in the internal domain.<sup>26</sup>

Katzenstein places institutions at the core of his analysis, arguing that 'the interaction between policy and politics is shaped by specific West German institutions'.<sup>27</sup> He presents a comprehensive configuration of institutions which influence policy making in general and which act as internal constraints to the accumulation of power, and upon which policy is determined. According to Katzenstein, political parties, co-operative federalism and parapublic institutions constitute the three nodes of all policy networks.<sup>28</sup>

Katzenstein's approach is particularly useful in demonstrating the important role that institutions play within the German policy making process. Although, Katzenstein's model comprises an inclusive outline of institutions which affect policy making in general, his model engenders a degree of sectoral diversity. The sectoral variation is borne out in the different mix of actors; and the varying importance, and influence of, particular institutions in different policy sectors. Katzenstein contends that, 'the institutional structure creates particular capacities and incapacities in different policy sectors'.<sup>29</sup> Katzenstein illustrates the differing role that institutional structures, particularly parapublic institutions, play in different policy sectors.<sup>30</sup> He asserts that the degree of influence varies according to the policy sector in question,

thereby delineating the sector specific institutional role of actors in the policy process. Katzenstein's model also highlights the institutional sectorisation of policy making in Germany. The two policy sectors examine the role of the policy actors, and the implications of the sectorisation of policy making in each of the policy sectors.

Bulmer's model formulates the basis for the organisation of the section on policy making structures in this taxonomic model. He reveals the diversity of the policy process by again emphasising the differing role of various institutions in different policy sectors. Bulmer observes the wide variety of 'policy communities' in the German policy process, and the varying degrees of influence the same institutions enjoy in different policy sectors. He argues that, 'politics are conducted in a highly institutionalised manner... However, the exact balance between institutional 'players' varies according to the policy area in which the 'game' is being played'.<sup>31</sup>

Bulmer utilises an institutional approach to illustrate the role of institutions in shaping the arena in which policy is formulated. Bulmer notes Peter Hall's argument that institutions develop their own dynamics which are capable of affecting policy content in their own right.<sup>32</sup> Bulmer highlights the importance of the concept of institutional pluralism and the sectorisation of policy making. Institutional pluralism is a concept used by Bulmer to characterise the public policy making process in Germany. Firstly, the term describes the 'plurality' in the policy process. Secondly, it correlates to the institutional perspective of the policy process proposed by Bulmer. Bulmer utilises the concept of institutional pluralism to demonstrate the issues of unity, diversity and stability. Like Katzenstein, Bulmer examines the impact of these processes for Germany's wider role in the EU.

Bulmer points out that institutional pluralism is most readily identifiable in the organisation of government structures in Germany. It is here, that Bulmer's approach proves most fruitful for the theoretical analysis of the paper. Bulmer identifies a vast array of institutions, and the varying degree of their influence, in different policy sectors in the policy process. Bulmer outlines ten dimensions of institutional pluralism.<sup>33</sup>

Bulmer stresses the significance of the federal system, particularly co-operative federalism, which generates manifold variations on the way in which responsibility for policy is allotted. Responsibility for policy formation and implementation is shared between the federal and state governments according to the area concerned. The Bund and the Länder enjoy exclusive powers in some sectors, and competence is shared in matters falling under 'framework conditions' and 'concurrent legislation'. Hence, the Federal government does not have exclusive competence for all policy areas addressed by the EU. The Länder governments have to be consulted on certain issues.<sup>34</sup> The federal structure of the state leads to incoherence in policy.

Bulmer also cites the importance of ministerial autonomy and coalition politics, where both ministers and political parties protect their lot. The constitutionally guaranteed right of ministerial autonomy or (Ressortprinzip) is compounded by the sectorisation of policy. The principle of ministerial autonomy empowers individual ministers to formulate their own policies. The sectorisation of policy places existing policy and its protagonists in the ministry in a strong position. The operation of the principle of ministerial autonomy and the sectorisation of policy can have negative consequences. It leads to the evolution of 'house policies', where individual ministries focus rather narrowly and subjectively on their policy area, sometimes to the detriment and coherence of overall European policy concerns. Bulmer and Paterson note that, 'In their totality, ...sectorized policy areas may bear an inadequate relationship to the government's stated European Policy'.<sup>35</sup>

The institutional position of actors in the policy process is endorsed constitutionally. The Basic Law provides for the legal autonomy of the Bundesbank. More importantly, constitutional principles back up the power of the Chancellor. Article 65 of the of Basic Law empowers the Chancellor to set the guidelines for government policy. This competence also extends to European policy. Hence, there is scope for a Chancellor to pursue an active European policy. However, the extent to which this resource is utilised and how much attention is given to European policy is dependent on the Chancellor.

The institution of a system of proportional representation<sup>36</sup> and the necessity of coalition-formation also has an important role in the policy-making process. The system of proportional representation facilitates the representation of minorities and allows the smaller parties such as the FDP and CSU to gain parliamentary representation. In order to obtain a majority in the Bundestag, governments need to form coalitions. The tradition of coalition governments further enhances the power of the smaller parties. Thus, the policies of the smaller parties such as the CSU, who have particular ideas regarding agriculture, are crucial in policy-making. The coalition system of government means that minority parties in the coalition also have key ministerial positions. Hence, an agricultural minister in the present coalition may derive either from the CDU, CSU or the FDP. The party that a minister belongs to will indeed affect his position on certain policy decisions. The system of coalition-government can therefore ease policy-making, but it can also complicate it.

The degree of 'institutional pluralism' in Germany affords interest groups a great deal of influence over policy. Webb maintains that, 'governments can be ..sensitive to the political clout of some groups'.<sup>37</sup> This is certainly the case in agriculture, where the Deutsche Bauern Verband (DBV) holds a lot of political weight. Individual ministries and the corresponding interest group also tend to work closely together. Personnel tend to develop a high degree of specialisation and personnel are often

recruited from the corresponding interest group. For instance Ignaz Kiechle, the former Minister for Agriculture, was a prominent member of the DBV prior to becoming Minister for Agriculture. Webb asserts that the dealings that governments have with other domestic actors can improve national participation in the EU, as well as complicate it.

## **THE SECTORAL DYNAMICS OF GERMANY'S ROLE IN THE EU: AGRICULTURE AND MIGRATION**

### *WHY AGRICULTURE AND MIGRATION?*

The analysis of Germany's role in the EU focuses on two well chosen policy areas: agriculture and migration. Economic and Monetary Union (EMU) would have been an alternative but obvious issue area. EMU represents one of the chief and potentially divisive challenges for the EU, in which Germany's role is of fundamental importance. However, Germany's role in the EU in this issue area has always exhibited sectoral tendencies. Many scholars allude to Germany's economic strength as a 'power resource'.<sup>38</sup> Germany derives a considerable amount of power from its economic strength. However, Germany's economic status is by no means a new phenomenon, predating unification. German policy makers have always adopted a leading role in economic policy-making.

Agriculture and migration constitute two important issue areas in which German policy makers have taken a leading role in the EU. Agriculture is an original area of importance to German and EU politics and migration an issue of expanding interest. In the domestic and European context the importance of the migration issue has manifestly grown, with the issue occupying centre stage on the German political agenda in the early 1990s. Migration has, however, always been a highly contentious and 'awkward' issue for both German policy actors and the public. Issues relating to migration have been considered 'politically sensitive' resulting in a contradictory approach to the whole debate. However, in the 1990s migration represented an even greater challenge for German policy makers and their partners in the EU, both at the domestic and European level. The perceived 'crisis' in migration in the post unification period lead analysts to refer to the problem as 'Germany's most pressing domestic and social challenge'.<sup>39</sup> Germany has represented the principal destination for migratory movements in Europe. However, the sheer volume of migration to Germany increased substantially after the momentous events of 1989.<sup>40</sup> The measures of the EU to establish an internal market and its provisions for free movement of individuals raised the profile of the migration issue at the European level. Domestic attempts to achieve policy solutions have been embroiled in a

quagmire of problems. <sup>41</sup> German policy makers have been more than willing to resolve the issue at the European level, exporting it out of the scrutiny of the domestic political environment. Chancellor Kohl in particular has been a prime advocate of the communitization of migration policy, with the issue being one of his priorities for the IGC.

Agriculture constitutes an important issue in which German policy makers have traditionally taken a leading role. From the European perspective agriculture represents an important policy area of the EU; it is the most highly developed form of common action in the European Union and the CAP is often referred to as 'the cornerstone of the Community'. Agriculture in the European context has developed a dynamic of its own. From a domestic perspective, Germany has traditionally taken a protectionist stance in agriculture. Germany has very strong national traditions in agriculture and defined policies which it has actively pursued. Agriculture has acquired a special significance in German politics. The agricultural tradition of protectionism and the importance of organised agricultural interests on decisions regarding agriculture have survived to the present day. As a result, relative to its economic weighting, agriculture has an important political role. Hence, agricultural interests have strong political influence at the national and European level. In the 1990s agriculture presented a dilemma for Germany, not only at the European level but also the domestic. Germany faced the task of incorporating the diverse agricultural sector of the East Germany into the Federal Republic and further into the agricultural mechanisms of the EU, namely the CAP.

#### *THE POLICY AREAS: A COMPARATIVE ANALYSIS*

It is contended that an analysis of Germany's role in the EU has to be sensitive to sectoral variations. Therefore, Germany's role in the EU differs in contrasting policy areas. These differences can be attributed to key characteristics proposed in a taxonomic model comprising the dynamics of the policy sector and policy making structures. Sectoral variation exist not only in the nature of the policy issue but also institutional dynamics. As a consequence German policy making actors behave differently within European policy making structures. Policy makers are in some cases able to deviate from European policy objectives to pursue sectoral agendas. Policy making structures can facilitate this process. Indeed, the pursuit of sectoral goals is largely dependent on the readiness and ability of policy actors to use these 'power' resources. Hence, there is not one blanket approach to Germany's role in the EU; different policy sectors can be positioned towards different ends of this 'assertive' 'benign' spectrum.

## *DYNAMICS OF THE POLICY SECTOR*

A core assertion of this model is that the dynamics of the policy sector or characteristics intrinsic to the policy area under analysis shaped Germany's role in the EU in any given policy scenario. It is acknowledged that the two sectors are inherently different, in terms of the policy responses they generate within domestic and the European arenas. The two policy sectors considered illustrated that agriculture and migration produce different results at the European level.

In the case of migration, dynamics of policy sector includes an analysis of the complex nature and the inconsistencies of the debate within Germany. The political sensitivity surrounding the migration debate in Germany and the inability to deal with the issue sufficiently at the domestic level has resulted in an essentially reactive and contradictory approach.<sup>42</sup> The disparities in the debate include the antipathy between the refusal to admit the reality of permanent migration and a *de jure* non immigration policy, and the consequent confusion over citizenship issues and the gradual blurring of immigration and asylum issue. Germany's approach to migration renders domestic solutions virtually impossible, thereby automatically thrusting domestic problems on to the European agenda. Migration is inherently a transnational phenomenon, which up to now has been regulated by national policies. However, as national policies prove inadequate to deal with a transnational issue, demands for European regulations have intensified.

Germany's approach towards migration policy has been conditioned by the very nature of the issue itself. There can be no doubt that Germany's approach to migration is a conundrum of inconsistencies. The definition of the issue as a 'politically sensitive' subject, ensuing partially from Germany's Nazi legacy,<sup>43</sup> has dictated the course of action in that policy arena both at the domestic and European level. Germany's idiosyncratic approach to migration questions resulted in an inconsistent and contradictory policy. A principal contradiction in contemporary migration debate continues to be the confusion and the fusion of the immigration and asylum issues. The two are distinct, yet interconnected, forms of migration.<sup>44</sup> In Germany there has been a tendency to mix the immigration and asylum issues. The fusion of these two issues has resulted in an unsatisfactory approach, with the asylum problem becoming embroiled with wider immigration and integration questions, and the former dominating the political agenda.

The political sensitivity surrounding the migration issue and the unwillingness to accept the reality of permanent migration allows the perpetuation of the notion that Germany is not a country of immigration.<sup>45</sup> The contentious official assertion that Germany is not a country of immigration has obscured much of the discussion over migration. However, the reality of migration in Germany fundamentally contests this

notion of a *de jure* non immigration country. The unwillingness of the Germans to accept the possibility of permanent settlement has become entangled with the concept of, and the conferral of, citizenship in Germany. The **Reichs- und Staatsbürgerschaftsgesetz** of June 1913 stipulates that nationality is based on the principle of '**ius sanguinis**'. Thus, citizenship in Germany is a right which can only be transmitted by blood. The nationality law is based on ethnicity, the idea of 'Germanness' or belonging to the German Volk. The tradition of *ius sanguinis* precludes the notion that one cannot become German; this inherently renders anyone born in Germany of non-German origin as a 'foreigner'. The absence of an immigration policy originates directly from the belief implicit in the Nationality Law that one cannot become German. The conferral of citizenship on the basis of the Reichs- und Staatsbürgerschaftsgesetz corroborates the official policy position that Germany is not a country of immigration.

With the absence of an active immigration policy and the effective ending of permanent immigration for employment purposes in the 1970s, the right of asylum, as guaranteed by Article 16 (2) 2 of the Basic Law<sup>46</sup>, became the only legitimate means of immigration to Germany. Article 16 (2) of the Basic Law put the onus on the German government to disprove the claim for asylum; and therefore seemed to encourage migrants to enter Germany via the asylum procedure.

The dynamics of the migration issue initially characterised the issue as domestically unmanageable, thwarting policy reform. The political sensitivity surrounding migration and Germany's distinctive approach towards the issue precluded a coherent policy until 1992. The fusion of immigration and asylum in Germany meant that the government focused on the asylum question, perceiving the system as being, 'on the verge of collapse: The right of asylum has more and more turned into an uncheckable vehicle of migration'.<sup>47</sup> The domestic policy process was marked by inaction elevating the issue up to the European agenda.

The increasing interpretation of the migration issue as a transnational phenomenon, particularly by the Germans and in light of developments within Europe to lift internal borders, intensified the search for solutions within European frameworks. The implementation of Article 8a of the SEA, which provided for the free movement of individuals, extended the regulation of migration beyond the realm of national boundaries. In the past member states had the power to determine who to admit for purposes of employment or humanitarian reasons. With the establishment of the internal market nation states no longer had complete control over their borders. The policy choices of national actors were limited since national policies of border controls had to be co-ordinated. The transnational character of migration demanded a transnational solution, as national solutions were proving incapable of regulating migration. Thus, common action at the EU level was required.

Thus, the dynamics of the migration issue elevated it up to the European level. The political sensitivity and the idiosyncrasies of the policy and policy process, with conflict and deadlock in the domestic arena, transferred the issue to the third tier of policy making. The inherent characteristics of migration as a transnational issue produced a scenario where the Germans actively sought to Europeanise policy with joint action being perceived as the logical course of action for Germany's increasing asylum problems. The dynamics of policy sector in migration produced a tendency towards European policy solutions.

Whereas the dynamics of the migration issue generated conflict and deadlock in the domestic arena in the post unification period, characteristics within agriculture gravitate towards consensus oriented policy-making in the domestic arena. The dynamics of the policy sector analysed the very nature of agriculture in Germany. The dynamics of the agricultural issue rest on two basic foundations: the traditional importance of agriculture, and the elevated position of the agricultural community which drive policy in the domestic arena. The approach towards agricultural policy-making is governed by the idea that German farmers hold a special position in German society and need to be 'protected'. Germany's approach towards agriculture has been, and continues to be, determined domestically, with a highly national and protectionist response to the CAP. Despite the overall 'European' rhetoric towards matters concerning the EU, German policy in agriculture has been driven by its own needs. The CAP has served the interests and needs of German farmers, which the German government has been keen to placate.

These fundamental characteristics and traditions withstood the immense challenges which unification brought for the agricultural sector in Germany. Not only did the Germans face the task of integrating the diversely structured agricultural sector of the former GDR into the western part, but agriculture in the East also had to be incorporated into the mechanisms of the CAP. Despite the inherent differences in the two agricultural sectors, <sup>48</sup> agricultural policy makers have generated consistent policies bearing a 'German' hallmark.

Although emphasis may have shifted in certain areas of agricultural policy,<sup>49</sup> Germany's overall attitude towards agriculture, particularly at the European level, remains protectionist. Agricultural interests remain important in German politics. Old structures remain firmly at the helm of agricultural policy-making, continuing to exert influence on policy decisions. <sup>50</sup> The notion that unification would dilute Germany's attitude towards the CAP does not hold true. There remains the belief that German farmers have a special position in German society and that they need to be aided and protected. These traditions have transcended many turbulent changes in agriculture. Rather than Germany letting down its protectionist barriers, the protectionist attitude has been extended eastwards. 'Wir sind sicherlich im Landwirtschaftsbereich noch



protektionistisch.. Das sind wir nach wie vor'. Indeed it was remarked that Germany had avoided a 'revolution' in agriculture by maintaining a protectionist stance. <sup>51</sup>

German policy makers continue to grant farmers substantial financial assistance, a clear manifestation of their protectionist attitude. Furthermore, Germany continues to defend and strive for benefits for German farmers with a manipulation of the agrimonetary system. German agricultural policy makers have used the agrimonetary system to protect their farmers' incomes; the system has worked to the advantage of German farmers by supporting high cost German agriculture. The vigour with which the Germans strove to hinder changes in the agrimonetary rules clearly indicated that Germany's protectionist attitude had not altered in the post unification period. The Germans were still engaged in battles with the Commission over agrimonetary issues after unification.

Agriculture is inherently a complicated issue both within Germany and the EU, with an entrenched set of problems existing prior to unification. Unification has not resulted in a change in Germany's overall attitude towards agriculture at the European level. Unification did not execute a fundamental transformation of Germany's general approach to , or role in the CAP. It did, however, alter Germany's position and specific interests in the CAP, ones which were acceptable to eastern farmers. Nor has it altered the fundamental contents of the CAP. Eastern German agriculture is insignificant in terms of its contribution to EU agriculture to bring about a radical transformation. Eastern agriculture has been successfully incorporated into the mechanisms of the CAP, with the help of a number of derogations. German interests have naturally shifted and the Germans have modified their representation of interests. Generally speaking, Germany's dislike of CAP reform has persisted, with reform being pursued reluctantly. Nevertheless, the Germans have skilfully managed to extract a satisfactory set of concessions for eastern German farmers as part of the reform package. Characteristics of the German agricultural agenda dominate European agricultural policy.

Despite the widespread changes in the agricultural sector after unification, agriculture has retained its traditional characteristics. The dynamics of the agricultural issue still affords great importance to it as a sector and to the agricultural policy making structures. The characteristics of the agricultural issue still define policies within Germany and the EU as beneficial for the farming community. The inherently important position given to agriculture means that policies bear a 'German' hallmark within the EU.

Thus, the dynamics of the two policy sectors exhibited sectoral variations, with different policy outcomes being generated within European policy making structures. The dynamics of the migration sector rendered it a difficult issue within the domestic arena, producing conflictual policy and politics. The issue was automatically pushed

up to the European level, with German policy makers actively seeking common European solutions to the migration problem. Conversely, consensus politics surrounds agricultural policy making in Germany. The issue has an entrenched importance within the domestic arena, with domestic policy initiatives being relatively successful in European policy structures. Policy initiatives almost always bear a German hallmark.

### *POLICY-MAKING STRUCTURES*

The policy-making structures in the two policy sectors have been imperative in determining the success or failure of policy initiatives at the domestic and European level. Pattern of negotiations at the domestic level determine the progress of initiatives at the EU level. The 'institutional pluralism' in the policy process ensures the involvement of a range of domestic actors in the formulation of policy. The particular configuration of institutions participating in the formulation of individual policy aims also has a bearing on their success or failure. Different institutions have varying degrees of influence in different policy sectors. The integration of domestic and European policy-making at the domestic level is crucial in shaping the course of action that German policy makers take in EU structures. In certain policy sectors the integration of policy making structures facilitates the pursuit of sectoral goals. Of course, this depends on the ability and willingness of policy actors to utilise this resource.

The institutional and constitutional dynamics assume fundamental importance in the migration issue. An analysis of the actions of domestic political actors is vital in understanding Germany's attempts to reform policy. The integration of domestic and European policy making is vital in understanding Germany's attempts to 'Europeanise' policy. In the case of migration the 'institutional pluralism' complicated the policy-making environment. The input of domestic political actors is less formalised in this policy area. The policy making process excludes the input of a formalised set of interest groups, unlike agriculture. The policy-making structures were characterised by a lack of consensus, inaction and political and constitutional deadlock. The CDU/CSU's proposed amendment of Article 16 evoked contradictory policy positions, with inter- and intra party splits dominating the policy process. The protracted political debate, compounded by the need to achieve a two thirds majority in both the Bundestag and Bundesrat, resulted in a temporary paralysis of the policy process. Hence, the constitutional dimension acquired particular significance, being the source of one of the most intense and controversial political debates in Germany. The federal structure and the nature of policy-making in Germany, which disperses power between different levels of government also added to complications. The

eastern Länder experienced particular difficulties in the maintenance of asylum seekers. The Chancellor assumed a much greater role in this policy area, curbing the power of the individual ministry by utilising his *Richtlinienkompetenz*. His efforts were, however, doomed to failure. The inability of policy-making structures to deal with the 'politically' sensitive issue of migration benefited only the extreme right, who were able to manipulate the issue, further heightening concern and need for reform. The discontentment amongst the public reached epidemic levels, exacerbating pressure for a policy solution. The actions of the federal government were impeded since it needed a consensus in institutions which were not wholly dominated by the governing parties. Therefore, in the domestic arena the policy making structures initially hindered policy reform.

The domestic political and constitutional stalemate elevated the search for a solution to the European arena. The most important facilitators in the government's search for a European solution to the asylum crisis can be found in the institutional dynamics of domestic and European policy making in Germany, particularly the potential power resources available to the Chancellor and the sectorisation of European policy making. The integration of domestic and European policy-making initially aided the Germans in their attempt to solve the domestic 'crisis'. A policy decision reached within European frameworks would automatically be applicable domestically. As Webb notes, 'the EC can be used as resource in domestic problems by hard pressed governments'.<sup>52</sup> The belief that the migration issue was better dealt with at the transnational level underpinned Germany's calls for harmonisation of policy. Despite the system of institutional and procedural 'checks and balances' codified in the Basic Law, the potential for the Chancellor in particular, and the executive more generally, to emerge as key actors within specific policy areas has been of fundamental importance to the government. 'In European policy, as in other policy areas, the obstacles inherent in the pluralistic framework of Germany's institutions can be transcended by a Chancellor who has a strong political base'.<sup>53</sup> In attempting to Europeanise migration policy Chancellor Kohl willingly utilised all the power resources available to him. Chancellor Kohl derived strength from the knowledge that public sentiment favoured change. The *Bundeskanzleramt* has developed into an influential player in the European policy process, basing its influence on the strength of the Chancellor's position. The *Richtlinienkompetenz* is greatly enhanced in European policy: 'whereas the web of constraints in the domestic context has made innovation a slow process, in the broad portmanteau of European relations a Chancellor has far greater freedom of action'.<sup>54</sup> Much to the chagrin of the Foreign Ministry, Chancellor Kohl has left the formation of a European migration policy in the hands of the Interior Ministry, where his influence is greater. Chancellor Kohl utilising his *Richtlinienkompetenz* actively tried to bring migration into

community competence as part of Article 8a of SEA, which was governed by majority voting. He also put forward proposals for a European-wide policy at the Luxembourg Council in 1991 and at the Maastricht Summit.

The fundamental difference between the agricultural and migration policy-making at the European level is that migration remains within the intergovernmental framework. Hence, in this case the integration of domestic and European policy structures did not aid German policy makers in their search for European policy solutions. The institutional constraints of the intergovernmental framework worked against the efforts of Chancellor Kohl. The requirement of unanimity, the primacy of nation-states which identify migration as a national competence linked to national sovereignty and the lack of consensus hindered progress at this level. Thus, despite Chancellor Kohl's willingness to use the policy resources available to him, the European policy making structures hindered the pursuit of sectoral goals in this policy sector. The failure to achieve a solution within this framework aided the domestic policy structures to overcome the obstructions to the constitutional amendment. However, the revision of the asylum law has not eradicated the desire of the Germans to regulate migration within EU umbrella, hence Chancellor Kohl's continuous endeavours to Europeanise policy and bring migration under Community competence.

The policy making structures within the domestic arena are the key to understanding agricultural policy making in Germany and the EU. Unlike migration, the institutional pluralism inherent in the policy process aids agricultural decision making. The institutional pluralism prevalent in German policy-making permits the full participation of a range of domestic actors. An established set of structures and traditions govern agricultural policy-making, allowing a whole series of bargains and trade-offs. Hence, important domestic political actors namely; interest groups, political parties, the Minister and Ministry of Agriculture, the Länder all become involved in policy making. The federal structure, the system of proportional representation, the sectorised nature of policy making in Germany and the role of the Chancellor also acquire significance. This configuration of institutions leads to the success of policy initiatives.

The domestic policy-making structures in the agricultural sector are generally characterised by consensus and co-operation. The German political system has always enhanced the position of farmers, with the DBV holding an influential role in the formulation of policy. The integration of domestic and European policy-making at the domestic means that the DBV<sup>55</sup> is not only able to control the domestic agenda but also the European. In general the policy making structures in policy sector augment agricultural interests and facilitate the progress of policy aims at the EU level. The close co-operation between the Minister of Agriculture, the BML and the DBV perpetuates the farmers' ability to dictate a German agenda in European structures.

The tradition of coalition-government in Germany means that coalitions need to attract the farm vote directly or through smaller parties. Individual farmers and the DBV generally tend to support the Christian Social Union in Bavaria and the Christian Democratic Union in the rest of Germany. The proportional representation system in Germany also strengthens the power of the farm vote. Unification has complicated the policy-making in agriculture, but not altered it a great deal. The same structures retain importance in the formulation of policy in Germany and the EU.

Agricultural policy makers have readily utilised the 'power' resources accessible to them. The sectorisation of policy at the domestic level leads to the operation of 'house policies' which are carried up to the European level. The Ressortprinzip ensures that the Minister of Agriculture generally has a great deal of autonomy, resulting in German agricultural interests being translated in the European arena. The sectorisation of policy enables individual ministers to pursue sectoral agendas. The sectorisation of policy and the operation of 'house policies' has been particularly prevalent in the Bundesministerium für Ernährung, Landwirtschaft und Forsten (BML). The contradictions from the operation of these policies have spilled over to the European level. For instance, Helmut Schmidt's attempts to reform the CAP conflicted with the BML's efforts to increase CAP expenditure. It is clear that the attitudes and interests of those formulating agricultural policy and those drafting the EU budget at the national level differ considerably. Another example is the contradiction of interests between German industry and agriculture in the GATT negotiations. When the negotiations were deadlocked, German industry began to exert pressure on the Federal government for a successful conclusion. It is argued that the Chancellor utilised his Richtlinienkompetenz and instructed his Cabinet that the negotiations must not fail.

Yet another example of the BML's pursuit of sectoral objectives, in contradiction to stated European objectives was Jochen Borchert's pursuit of policies which would add to the overall EU budget. Indeed, the BML clashed with the Bundesbank over this issue. The German CAP demands conflicted with the Bundesbank's concerns over Germany's contributions to the EU budget. The Bundesbank suggested in a report in 1993 that Germany's contributions to the EU budget be reduced. In 1993 Germany paid 29% of the total EU budget but only benefited from 12% of EU expenditure.<sup>56</sup> The Bundesbank suggested that the rise in German contributions was no longer appropriate bearing in mind the drop in Germany's purchasing power since unification. The Bundesbank's suggestions contradicted Borchert's demands from the Commission for a policy which would add the burden on the EAGGF budget.

Sectoral dynamics were clearly at work within the policy making structures in the two policy areas. The institutional pluralism prevalent in the domestic policy process facilitated the success of agricultural policy initiatives, with a consensus oriented

approach to policy making. The migration issue, on the other hand, generated conflict, with much less scope for the successful participation of a full range of actors in the policy process. Therefore, sectoral variation existed not only in the outcomes of policy initiatives but also in the differing policy actors involved in the policy process. The integration of domestic and European policy making at the national level aided the successful the pursuit of sectoral objectives within EU structures in agriculture, as opposed to migration. Thus, the assertion that Germany's role in the EU has sectoral dynamics.

#### *SECTORAL VARIATIONS OF GERMANY'S ROLE IN THE EU*

Despite Germany's overall 'European' approach; signified by its continued commitment to the EU, and its strengthened role in the EU after unification, its role has largely been policy specific. The nature of the policy issue and the domestic and European policy-making structures influence the course of action in given policy sectors, elucidating the sectoral dynamics of the two policy areas and Germany's role in the EU.

An analysis of these two policy sectors illustrated the sectoral dynamics of Germany's role in the EU. Germany's action in the EU varied in different policy areas. Consequently, it is difficult to draw blanket conclusions about Germany's role in the EU. A pro-integration stance may prevail at the 'high' politics level, but differing dynamics are at work at the sectoral level. Hence, different policy areas are positioned towards different ends of this 'assertive' and 'benign' spectrum. Germany's role in the EU is policy specific, consequently certain policy sectors gravitate towards the 'compliant' end of the spectrum and in other policy areas towards the 'assertive' end. In policy areas of interest the German policy makers adopt a pro-active position and a progressive role to pursue policy solutions beneficial to them. They have the capacity to set the policy agenda in their favour and if necessary they are willing to pursue an independent path. In both agriculture and migration, German policy makers have attempted to utilise the European frameworks to pursue policy outcomes favourable to them. In the case of migration, the Germans attempted to Europeanise policy to solve the domestic asylum crisis, but the desire was a policy with 'European' overtones. The utilisation of European frameworks in agriculture has been driven by their own policy needs, primarily to derive benefit for, and satisfy an important domestic constituency. German actions within agricultural policy-making has distinct 'German' characteristics, maintaining a high price and protectionist policy. Thus, the Germans have utilised arena in both policy sectors but with different outcomes.

Germany's role in the EU in agricultural policy has been 'assertive' in attempting to secure policy solutions beneficial to them. Despite the overall 'European' rhetoric,

Germany's approach to agriculture, has been and continues to, determined domestically, with a highly national and protectionist response to the CAP. Countless examples provide evidence for that assertion. Germany's continued manipulation of, and insistence on the maintenance of an agrimonetary system is but one example. Unification has not altered this practice. The continued disdain for CAP reform and the assertiveness with which German policy makers procure concessions for their farmers is another example. In agricultural policy Germany has been successful in achieving German oriented outcomes. Unification has not executed a fundamental reorientation of Germany's attitude towards agriculture, and its role in agricultural policy-making at the European level. Eastern agriculture was simply incorporated into the mechanisms of the CAP, with the aid of a number of derogations. One can witness a great degree of continuity at the European level after unification. Germany's role in the EU in agriculture could be interpreted as an attempt pursue self interest.

Germany's role in the EU in migration policy has been pro-active advocating policy harmonisation and common solutions to a common problem. Whereas the outcome has been satisfactory for the Germans in agricultural policy in terms of benefits for their farmers, in migration policy German attempts to Europeanise policy have initially failed, partially due to the nature of the policy issue and partially due to the institutional structures which works against the Germans. German policy makers have certainly taken the lead and attempted to set the agenda. But the agenda has dictated European solutions in migration and German ones in agriculture. Unification has had an indirect but equally important impact on migration policy in intensifying the need for policy harmonisation at the European level. Thus, the European framework can be a useful tool in some cases and not in others. Germany's efforts to achieve common solutions in migration policy can be viewed in terms of an attempt to build Europe.

#### *THE PURSUIT OF SECTORAL AGENDAS?*

An underlying assumption of the analysis is that sectoral policy actors are able to deviate from stated European policy objectives to pursue sectoral aims. Therefore, the notion that Germany does not have the ability to assert its interests in the EU on institutional and political grounds is pertinent for this study. The paper explains Germany's role in the EU in terms of a sectoral analysis, based on a taxonomic model which combines an institutional analysis of the policy process with an examination of the nature of the policy issue.

What are the implications of institutional pluralism and the sectorisation of policy making for Germany's role in the EU. Many scholars adhere to the idea that constraints within the domestic policy making structures precludes the pursuit of

German national interest. Katzenstein's seminal analysis of the Federal Republic, related the concept of semisovereignty to the internal dynamics of German policy making, arguing that it had a constraining effect on the exercise of German power. The sectorisation of policy making bred an interdependent approach to policy making, with institutional constraints being placed on the capacity of the German state, thereby reducing the scope for the exercise of power. Katzenstein, therefore, asserted that German power has been 'tamed' by the institutional structures. Similarly, Bulmer stressed the importance of the concepts of institutional pluralism and the sectorisation of policy making. He cited sectorisation and fragmentation of policy structures as reducing the capacity for exercising 'purposive hegemony' in the EU. The new post-Maastricht institutional constraints, according to Bulmer, reduce the capacity of Germany to pursue national interests even further.<sup>57</sup> The institutional pluralism inherent in the policy making process means the government cannot act as a coherent, monolithic national actor, since power is dispersed both vertically and horizontally. Some scholars even question the existence of a set of German national interests. In short, institutional pluralism and sectorisation militate against hegemony in the German case. Bulmer noted enhanced institutional constraints and pluralism in the post-unity period, deducing that it was difficult to see how Germany could behave like a hegemon. In short, the institutional sectorisation of policy making traditionally forms a countervailing argument against the characterisation of Germany as a hegemonic actor: the political structures in Germany were constructed precisely to prevent the accumulation of German power in the traditional sense. Bulmer adds a further dimension to this debate. He attempted to sum up German power in the 'new' Europe by identifying key power resources. These included Germany's economic power, its political significance and the role Germany plays in security and defence issues. Perceptions of German influence were particularly important and its 'political and institutional capacity to project its interests in the European arena'.<sup>58</sup> Bulmer noted that it is simply not enough to just possess the requisite power resources. In order to be defined as hegemonic power German policy actors have to be 'willing and able to use them'.<sup>59</sup>

The analysis noted the effect of the sectorisation of policy making and the institutional pluralism for Germany's role in the EU in the individual policy sectors. Although, not a conscious strategy, the structures which were designed to constrain Germany in the EU, can in some specific cases or policy sectors empower them on a sectoral level. Bulmer and Paterson note that, 'Sectorized policy making may not be simply a matter of dissipating the efforts of German European policy. It may prove to be a policy resource'.<sup>60</sup> The institutional pluralism in the German policy process allows a number of policy actors to participate in policy making, and consequently permits a diversity of interests to pursue sectoral objectives within the EU. Thus, the



fragmentation of policy making structures and the sectorisation of policy can empower actors on a sectoral level. The policy process is so fragmented that individual ministers are able to take their own agendas up to the European level. The pluralistic and sectorized nature of policy making, coupled with the principle of ministerial autonomy and the integration of domestic and European policy making at the national level facilitates this process. Hence, policy makers may not be able to pursue 'national' interests, but in certain policy sectors policy actors are certainly able to work within European policy making structures, willingly utilising the 'resources' available to them, to pursue sectoral interests. However, the institutional pluralism and the sectorisation of policy provide only a partial explanation of the process. The paper concludes that the nature of the policy issue evokes certain responses and actions in the EU. The migration case study is a classic example, fostering European co-operation. The pursuit of these sectoral agendas can either help or hinder Germany's overall European policy objectives.

The two policy areas analysed provide a better explanation of the sectoral dynamics of Germany's role in the EU. The policy sectors illustrate how German policy is driven by sectoral interests in individual policy areas, giving the appearance of instrumental commitment to Europe. German agricultural policy in the EU, for instance, has been driven by the need to achieve domestic objectives, principally to gain benefit for, and satisfy an important domestic constituency. Conversely, the German government looked to the European framework to Europeanise migration policy in order to solve a domestic crisis.

The pursuit of sectoral goals not only gives the appearance of instrumental commitment to the EU, it may be perceived as an act of German power. Of course, as Bulmer and Paterson argue, this largely dependent on the definition of power. They note,

Power and influence do not derive only from their explicit use in a purposive manner through governmental diplomacy: they may also derive from Germany's policy credentials...and from unintentional consequences of other actions. <sup>61</sup>

The pursuit of sectoral goals could be perceived in terms of the exercise of unintentional power. Bulmer and Paterson observe that German policy actors can exercise soft power through institutions. Hence, the coining of the phrase 'gentle giant'. <sup>62</sup> Bulmer concludes that, 'German power will be asserted in a relatively uncoordinated way, ...or in discrete policy areas....: a soft kind of hegemony'. <sup>63</sup> Bulmer's argument could be applicable to the pursuit of sectoral goals in both migration and agriculture.

What does the pursuit of sectoral goals mean for Germany's role in the EU? The pursuit of sectoral interests does not indicate a move away from integrated actions within the EU or multilateral forms of co-operation. The German government has essentially benefited from collective action within the EU, being able to achieve major aims and solve domestic problems. It is quite clear that Germany is still committed to multilateral means of co-operation. The German government has utilised multilateral frameworks, working within them to derive benefits. The two policy areas illustrate this point, that although differing in form, objectives and outcomes, German policy actors have worked within the EU to Europeanise policy in migration and to achieve German-oriented solutions in agricultural policy. German policy makers certainly have the ability to set a policy agenda which is favourable to them in these multilateral frameworks. The policy sectors analysed provide examples of two domestically important issues, where policy actors attempted to resolve problems in the EU. German policy makers took a proactive stance in migration policy in continually attempting to put it on the European agenda. For instance, Chancellor's repeated attempts for policy communitization. The German attempt to set the agricultural agenda pre-dates unification, and is well documented trait of that issue. But all this is not part of a hegemonic strategy to dominate the EU.

However, when interest driven policy making threatens to precipitate a crisis, sectoral dynamics are overridden, and Germany's fundamental commitment to Europe takes over. Gaddum argued that the Kohl/Genscher axis acted as a filter between sectoral interests and integration policy. He noted that the Chancellor, backed by the Chancellors Office and endowed with the constitutional right to set policy guidelines, performed the role of a co-ordinator. Paterson cites Gaddum in illustrating the co-ordinating function. He observes,

Within the government the primacy of the integration policy of the actors Kohl/Genscher turned out as the most powerful interest of German European policy. It functioned as a kind of filter (*Schleuse*) between sectorally oriented interests and positions which could be realised in the Community. Whenever sectoral interests hampered the interests of policy of the axis, Chancellor/Foreign Minister, they came under their influence and amenable to compromise.<sup>64</sup>

In the case of migration where sectoral dynamics of the migration issue threatened to precipitate a crisis in the domestic arena, the Germans looked to the European fora for a solution, voicing European reasons for that course of action. The Chancellor in particular utilised his *Richlinienkompetenz* to put the migration issue on the European agenda. The reverse is the case in agriculture. The Chancellor has

intervened on several occasions to constrain a whole series of Agricultural Ministers. One such occasion was during the GATT negotiations.

## CONCLUSION

The paper has sought to explicate the sectoral dynamics of Germany's role in EU, an area of research which is largely ignored in the literature. Sectoral politics play an important role in the way a member state behaves within the EU. Germany's role in the EU is far more complex than appears at first glance. Blanket assumptions about Germany's European policy miss the sectoral nuances of Germany's relationship with the EU. Although, integration rhetoric may prevail at the 'high' politics level, different dynamics are at work at the sectoral level. As demonstrated by the two policy sectors, issues acquire particular significance in this relationship. To the extent that in part Germany's role in the EU, at least on a day to day basis, is issue driven.

A recent example clearly illustrates the importance of sectoral politics and its possible impact for Germany's role in the EU and Chancellor Kohl's European project. In a bid to rejuvenate the IGC, the Irish Presidency asked member governments to fill out a questionnaire stating which policy areas should continue to be decided by unanimity and which ones should be subject to majority voting. The German government refused to fill out the questionnaire. Furthermore, casting a blow to Chancellor Kohl's attempt to quicken the pace of political integration, several German ministers have rejected a move towards majority voting in key policy areas. One official was cited as saying that a move towards majority voting would make issues easier to challenge. An interesting point to note is that, both the Minister of Agriculture, Jochen Borchert and Interior Minister Kanther feature amongst Ministers who are opposed to majority voting. But this by no means precludes the prospect of a common European vision, which mitigates against hegemony and a later chancellorial intervention.

Germany's role in the EU is dependent on the policy sector in question, hence the conclusion that Germany's role in the EU varies in contrasting policy sectors. The dynamics of the policy sector and policy making structures within those policy sectors elucidate the sectoral variations. Thus, these two characterises combine to affect Germany's role in the EU, where certain policy actors are able to bypass overall European policy objectives to pursue sectoral agendas. Hence, Germany's role in the EU can be positioned either on the 'assertive' or the 'benign' end of this continuum.

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<sup>1</sup>This line of argumentation has been propounded most assertively by Markovits and Reich, who suggest that Germany is set to dominate Eastern Europe, where fewer institutional constraints exist. Economic success in the EU is cited as the basis for this hegemony, which according to Markovits and Reich is not the product of 'purposive, coercive behaviour by the Germans' but by the conscious acceptance of Germany's partners, who equate trade with Germany with economic success. Germany is

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not 'intent' on achieving economic hegemony, but this may well be the result. Hence, the assertion that, 'German power will expand inadvertently rather than wilfully'. A. Markovits & S. Reich, 'Should Europe Fear the Germans?', *German Politics & Society*, No. 23, 1991, 2-20. Garton-Ash presents an alternative argument, noting a fusion German and European interests. It is not simply the case that German actors are pursuing national interests in Europe's name. Rather the commitment to European integration is such that German policy makers have on occasions had problems in differentiating between German and European interests. T. Garton-Ash, *In Europe's Name. Germany and the Divided Continent.*, (London: Jonathan Cape, 1993) and T. Garton-Ash, 'Germany's Choice', *Foreign Affairs*, Vol. 73, No. 4, 1994, 65-81.

<sup>2</sup> These writers reject 'hegemonic' arguments pointing not only to Germany's commitment to work within multilateral frameworks but also to the benefits that Germany has derived from joint action and EU membership. The functional and institutional constraints of the domestic policy-making structures are cited as evidence negating a 'hegemonic' resurgence on the part of Germany. Paterson argues that the nature of policy-making in Germany mitigates against the rise of German power and the pursuit of national interest. For a comprehensive summary of the literature on Germany's Role in the EU in the post unification period see: N. Malhan, *The Implications of Unification for Germany's Role in the European Union*, unpublished PhD 1996, 83-99. For further reading refer to: S. Bulmer & W. E. Paterson, *The Federal Republic of Germany and the European Community*, (London: Allen & Unwin: 1987); C. Hodge, 'The Federal Republic of Germany and the Future of Europe: A Reassessment', *German Politics*, Vol. 1, No. 2, 1992, 223-238; B. Goldberger, 'Why Europe Should Not Fear the Germans', *German Politics*, Vol. 2, No. 2, 1993, 288-310; W. E. Paterson, 'Germany and Europe', in J. Story (ed.), *The New Europe. Politics, Government and Economy since 1945.*, (Oxford: Blackwell, 1993).

<sup>3</sup> P. Ludlow, *The Making of the European System*, (London: Butterworth, 1982), p. 290.

<sup>4</sup> S. Bulmer, 'Germany and European Integration: Towards Economic and Political Dominance?', in C. F. Lankowski, (ed.) *Germany and the European Community. Beyond Hegemony and Containment?*, (London: Macmillan, 1993), p. 86.

<sup>5</sup> G. Freeman, 'National Styles and Policy Sectors: Explaining Structured Variation', *Journal of Public Policy*, Vol. 5, No. 4, 1985, p 467.

<sup>6</sup> This supposition is grounded in various theoretical perspectives, apart from Lowi. For a summary see: *Ibid.*, pp. 482-484.

<sup>7</sup> T. Lowi, 'American Business, Public Policy, Case Studies and Political Theory', *World Politics*, Vol. 16, 1963-64, p. 688.

<sup>8</sup> In other words, he argues that different policy arenas produce different policy patterns, actors and processes. *Ibid.*, pp. 689-690

<sup>9</sup> For a definition of Lowi's policy types and an illustration of his scheme in a diagrammatic form see: *Ibid.*, pp. 690-715.

<sup>10</sup> J. Richardson, (ed.), *Policy Styles in Western Europe*, (London: Allen and Unwin, 1982), p. 2.

<sup>11</sup> *Ibid.*, pp. 11-12.

<sup>12</sup> *Ibid.*, p. 3.

<sup>13</sup> K. Dyson, 'West Germany: The Search for a Rationalist Consensus' in J. Richardson, (ed.), *Policy Styles in Western Europe*, (London: Allen and Unwin, 1982), p. 17.

<sup>14</sup> *Ibid.*, p. 17.

<sup>15</sup> *Ibid.*, pp. 17-18.

<sup>16</sup> *Ibid.*, p. 18.

<sup>17</sup> *Ibid.*, p. 18.

<sup>18</sup> *Ibid.*, p. 19.

<sup>19</sup> *Ibid.*, p. 20.

<sup>20</sup> For a detailed discussion of the policy sectors analysed by Dyson refer to: *Ibid.*, pp. 25-41.

<sup>21</sup> Dyson discerned a change in the predominant policy style of the 1960s from one of regulation and status preservation to one of concertation and status preservation. *Ibid.*, p. 21.

<sup>22</sup> See: G. Rosenthal, *The Men Behind the Decisions*, (Lexington, D. C. Heath: 1975) and H. Wallace, W. Wallace & C. Webb, (eds.), *Policy-Making in the European Community.*, (Chichester, John Wiley & Sons, 1983).

<sup>23</sup> S. Bulmer, 'Domestic Politics and European Community Policy-Making', *Journal of Common Market Studies*, Vol. XXI, No. 4, 1983, p. 349.

<sup>24</sup> *Ibid.*, p. 353.

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25 Ibid., p. 357.

26 W. E. Paterson, 'Beyond Semi-Sovereignty: The New Germany in the New Europe', *German Politics*, Vol. 5, No. 2, 1996, p. 167.

27 P. Katzenstein, *Policy and Politics in West Germany. The Growth of a Semisovereign State*, (Philadelphia: Temple University Press, 1987), p. 35.

28 The structure of political parties, government by coalition and the institutional rules of the Bundestag all foster centrist, consensual political outcomes and a culture of incremental policy change. Many scholars have cited the system of co-operative federalism, which rests on a harmonious relationship between Bonn and the Länder, as a constraining factor on the purposive exercise of German power. Indeed, the federal structure which is divided by functions and not policy areas performs the task of bringing together divergent interests to formulate consensual policies, and acts as a barrier against attempts to force radical policy developments. The federal structure is, however, amply flexible to accommodate change. Katzenstein attributes the flexibility of the federal structure to the close links between 'conflict and consensus' and 'centralisation and decentralisation' which guard against blockages. The third node of the policy network comprises a composite set of parapublic institutions, most notably the Bundesbank, which connect public and private actors. Ibid., pp. 35-45.

29 Ibid., p. 361.

30 Katzenstein analysed six policy sectors economic management, industrial relations, social welfare, migrant labour, administrative reform and university reform.

31 Bulmer argues that policy outcomes in different sectors are dependent on the 'balance of authority' between the state and federal governments, the role of the 'lead' ministry and sector-specific semi governmental bodies. S. Bulmer, 'Unity, Diversity and Stability: the Efficient Secrets behind West German Public Policy?', in S. Bulmer, (ed.), *The Changing Agenda of West German Public Policy*, (Aldershot: Dartmouth, 1989), pp. 13-14.

32 Ibid., p.17.

33 These include co-operative federalism, bureaucratic politics and administrative culture, which focuses on the search for a 'rationalist' consensus as identified by Dyson, the role of the law and the Federal Constitutional Court, parapublic institutions, the institutionalisation of industry and finance, the institutionalisation of labour, powerful interest groups such as the DBV, international institutions including the EU and NATO and political parties, which Bulmer argues are institutions in their own right.

34 The Länder were able to guarantee more influence in European policy decisions during the ratification of the Single European Act (SEA). According to the Länder the SEA was transferring powers to the EU which were under their competence, without securing any Länder involvement in the policy-making. The Länder were able to secure a consultation procedure on all issues concerning the EU. This procedure would undoubtedly slow down European policy-making in Germany. S. Bulmer & W. E. Paterson, 'European Policy-Making in the Federal Republic - Internal and External Limits to Leadership', in W. Wessels & E. Regelsberger, (eds.), *The Federal Republic of Germany and the European Community: The Presidency and Beyond*, (Bonn: Europa Union Verlag, 1988), pp. 249-250.

35 Bulmer & Paterson, 1987, op. cit., p. 25.

36 The electoral system in Germany is a mixed system which combines the simple majority plurality system with party lists. Thus, the electoral system in Germany is one in 'which half the representatives are elected on the simple majority plurality principle but the other half are selected on the basis of party lists so that the overall system is proportional'. W. E. Paterson & D. Southern, *Governing Germany*, (Oxford: Blackwell, 1994), p. 181.

37 C. Webb, 'Theoretical Perspectives and Problems', in H. Wallace, W. Wallace & C. Webb, (eds.), *Policy-Making in the European Community*, (Chichester: John Wiley & Sons, 1983) p. 29.

38 S. Bulmer, *European Integration and Germany: The Constitutive Politics of the EU and Institutional Mediation of German Power*, Paper presented at the Annual Conference of the Association for the Study of German Politics, University of Birmingham, 7-8 April 1995, p. 3. Markovits and Reich asserted that Germany was set to dominate Eastern Europe on the basis of its economic strength. Refer to note 1.

39 C. Parkes, 'The Immigration Issue: National Self Confidence is Wavering Amid Economic Uncertainty', *Financial Times*, 26 October 1992.

40 The reunification of Germany and the collapse of communism in Central and Eastern Europe, coupled with the dissolution of the Soviet Union, increased the flow of asylum seekers and in general intensified the pressure for migration. The number of asylum seekers entering Germany rose from 121,318 in 1989 to 438,191 in 1993. P. Henson & N. Malhan, 'Endeavours to Export a Migration

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Crisis: Policy Making and Europeanisation in the German Migration Dilemma', *German Politics*, Vol. 4, No. 3, December 1995, p. 131-132.

<sup>41</sup> Refer to: *Ibid.*, pp. 128-144.

<sup>42</sup> The degree of political sensitivity clearly manifested itself in the attempts to reform the asylum law in the early 1990s. The inability of domestic structures to resolve the issue resulted in a temporary paralysis of the domestic policy process.

<sup>43</sup> The asylum law was particularly difficult to amend due to its historical background. The provision of a liberal asylum law was directly related to Germany's National Socialist past. Many Germans had survived persecution because they had managed to get asylum in other countries. 'That is why the right to asylum in the Federal Republic was worded generously and went beyond international law and the right of asylum granted by any other state'. Bundesministerium des Innern, *Survey of the Policy and Law Concerning Foreigners in the Federal Republic of Germany*, July 1993, p. 51.

<sup>44</sup> Jonas Widgren elucidates the difference between the two forms of migration. Asylum is a reflection of enlightened humanitarian action: providing protection to vulnerable human beings who are in grave and urgent need of safety. Immigration policies by contrast, are largely based on principles relating to state utilitarianism. Immigration policies are part of state sovereignty....Humanitarian actions allows immigration irrespective of such utilitarian considerations. J. Widgren, 'The Movement of Refugees and Asylum Seekers: Recent Trends in a Comparative Perspective', in OECD, *The Changing Course of International Migration*, (Strasbourg: OECD, 1993), p. 89.

<sup>45</sup> The continued assertion of this notion was made clear during interviews conducted in Germany. An official in the Interior Ministry remarked, 'Die politische Haltung ist ganz klar. Deutschland ist kein Einwanderungsland'. Author's translation, 'The political position is quite clear. Germany is not a country of immigration'. Interview with official, Referat A1, Grundsatz Referat für Asyl und Ausländerpolitik, Bundesministerium des Innern, Bonn, 15 September 1994. Despite the official rhetoric, in practical terms the FRG has been a country of immigration since its inception in 1949 with the absorption of 12 million refugees from the eastern territories. The importation of guest workers during the economic miracle in the 1950s and 1960s has ensured that Germany has a resident immigrant population totalling 6.5 million people.

<sup>46</sup> Article 16 (2) of the Basic Law deals with a human right which is universally applicable and stipulates that 'Persons persecuted on political grounds shall enjoy the right to asylum'.

<sup>47</sup> Bundesministerium des Innern, *op. cit.*, p. 51.

<sup>48</sup> The differences between the agricultural sectors in the two parts of Germany were manifold and explicit. First and foremost, the agricultural sectors were shaped by their respective economic and political structures. The system in the former GDR was governed by a planned economy and central planning in which the agricultural means of production were collectivised. Conversely, the system in the former FRG was influenced by its involvement in the EU and subject to the mechanisms of the CAP. The two systems differed vastly in terms of their organisational structure. In the former GDR, an agricultural area of 6 171 000 was farmed by 4751 farms. Agricultural holding in the East predominantly came in the form of 'agricultural production co-operatives' (Landwirtschaftliche Produktionsgenossenschaften, LPG) and state-owned estates, where family farms were prevalent in the western part of Germany. The average size of these LPGs was 4500 hectares as compared to 18 hectares in the West. A far greater proportion of the population was active in the East, almost 10% as compared to 5% in the West. Agriculture was also 'dualistic' in nature in terms of the structure of prices. Malhan, *op. cit.*, pp. 201-206.

<sup>49</sup> Unification has resulted in a radical transformation of agriculture, particularly in the East, although not without problems. The initial attempt to imprint a 'western German' style agriculture in the East failed. On the contrary, agriculture in the East has influenced the West. Germany's position on agriculture at the domestic level has changed as a consequence of unification. Unification has necessitated internal change which has led to a definite shift in the balance of agricultural policy in Germany. Unification has renewed the discussion about the future shape of agriculture policy. The debate on the structure of agricultural holdings has intensified and has brought about a re-orientation. *Ibid.*, pp. 201-231.

<sup>50</sup> Chancellor Kohl had the option of appointing an agricultural Minister from the East, bearing in mind the shift in the balance of agricultural interests. However, Ignaz Kiechle, a CSU politician, continued as Minister for Agriculture after the first all German election, hence virtually guaranteeing the maintenance of Bavarian influence over agricultural decisions. The advent of a new CDU Agricultural Minister, Jochen Borchert, has not altered the path of decision making in agricultural politics.

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- 51 Author's translation, 'In the agricultural sector we are definitely protectionist..We still are now'. Interview with senior official, Ministerialdirigent, Bundesministerium für Ernährung, Landwirtschaft und Forsten, Bonn, 19 April 1995.
- 52 Webb, op. cit., p. 29.
- 53 Paterson & Southern, op. cit., p. 267.
- 54 G. Smith, 'The Nature of the Unified State', in G. Smith *et al.*, *Developments in German Politics*, (London: Macmillan, 1992), p. 49.
- 55 The DBV is a powerful farming lobby, with a loyal membership of 750 00 which represents over 90% of those who are involved in agriculture full time. Paterson & Southern, op. cit., p. 235.
- 56 Agra Europe, *German CAP Demands Clash with Bundesbank Concerns*, 19 November 1993, P/5
- 57 Bulmer cites five developments which have strengthened the fragmentation of European policy and above all offset the scope for a more purposive role, over and above the normal horizontal constraints. He notes the increased ambivalence of public opinion about European issues. Added to this are the gains of the Länder in achieving greater participation in European policy-making. The establishment of the new European Union Affairs Committee in the Bundestag, coupled with the Federal Constitutional Court's judgement also act as constraining factors. Finally, Bulmer refers to the role of the Bundesbank in the integration process, particularly EMU. Bulmer, 1995, op. cit., p. 13.
- 58 Ibid., p. 3.
- 59 Ibid., p. 3.
- 60 S. Bulmer & W. E. Paterson, 'Germany in the European Union: Gentle Giant or Emergent Leader?', *International Affairs*, Vol. 72, No. 1, 1996, p. 12.
- 61 Ibid., p. 21.
- 62 Ibid., p. 23.
- 63 Bulmer, op. cit., p. 17.
- 64 Paterson, op. cit., p. 178.