

# The Rise of a European Public Administration

European capacity building by stealth

## ISL WORKING PAPER

2012:7

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ISSN 1893-2347

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### Introduction<sup>1</sup>

The European integration of core state powers necessitates the supply of independent and integrated bureaucratic capacities at a 'European level'. This chapter conceives of a genuinely European public administration as executive centre formation. Essential is the extent to which a new executive centre builds organisational capacity for independence and is able to act relatively independently from key components of an inherent administrative order (Madison 1788). Formulating and implementing public policy in Europe has been a prerogative of national administrations. This chapter explores how these prerogatives have become complemented with the rise administrative capacities within the European Union (EU) institutions. A European public administration serves to create an institutional infrastructure for the joint formulation and execution of public policy. The rise of a genuine European public administration is shown to reflect European capacity building by stealth (see the Genschel-Jachtenfuchs introduction to this volume). These capacities are centred on the European Commission (Commission), EU agencies, and domestic agencies. Capacity building at the centre may subsequently strengthen the Commission's capacity to independent policy formulation, managing decentralized policy implementation, and strengthen its capability to draw common lessons from experience. Centre formation in this regard at EU level may also strengthen the Commission's capacity to integrate domestic government institutions as part of the centre, thus integrating public administration in Europe across levels of government. Despite public administration is conceived of as a core state power, capacity building in public administration serves the purpose of succeeding regulatory integration in mostly non-core state policies.

A vast literature on state building demonstrates how the extortion of administrative capacity within new executive centres tends to involve delicate balancing acts between creating action capacities for the standardization and the penetration of the territory and concerns for local autonomy (Rokkan 1999). The centralisation of core state power through capacity building, however, balanced against sub-national powers, is seen as one vital ingredient of state formation, also in nascent federal states (Bartolini 2005; Kelemen in this volume). More recently, studies have suggested that executive centre formation at international level may profoundly affect government institutions at the level of government below. Studies suggest that the supply of organizational capacities within international bureaucracies profoundly influence the executive branch of domestic government, particularly at the implementation stage of the policy-making process (Egeberg and Trondal 2009).

Based on a rich body of primary data, this chapter explores the supply of organizational resources at disposal to the Commission and shows how these resources are used by Commission officials. Secondly, this chapter examines the extent to which and how subordinate agencies (both EU and national) relate to the Commission and in practice tend to supply the Commission with relevant organizational capacities, however, particularly at the implementation stage of the decision-making cycle. Two empirical observations are highlighted: First, the supply of organizational capacities inside the Commission has become steadily strengthened largely by stealth over a 60 years period. This chapter thus contend claims that 'the .... Commission lack[s] powerful, independent sources of authority ...' (Peterson and Shackleton 2012: 16). At present, most organizational capacities are concentrated within policy DGs, however, increasingly supplemented within a more powerful Secretariat General (SG). This supply of organizational capacities inside the Commission administration enables Commission officials to act fairly independently of domestic government institutions. This chapter shows that the supply of organizational capacities inside the Commission is positively correlated with a stealthy integration of agencies at EU and national level across levels of governance. Secondly, the organizational capacities of the Commission augment the Commission's capacity to integrate nonmajoritarian institutions – such as subordinated agencies - by stealth. Compared to the gradual increase of capacities in the Commission, the supply of organizational capacities outside the Commission has happened more recently. These consist primarily of EU agencies and domestic agencies.

The chapter proceeds in the following stages. The next section conceptualizes European integration of public administration. The subsequent empirical section is offered in two steps: The first step examines capacity building within the Commission and how Commission officials make use of these capacities in their everyday work. The second step analyses the extent to which and how subordinate agencies (both EU and national) relate to the Commission and in practice tend to supply the Commission with relevant organizational capacities, however, particularly at the implementation stage of the decision-making cycle.

#### Conceptualizing the European public administration

Organizational theory can be used to answer two general questions: First, under what circumstances will new political orders that may challenge the existing power structure be established? Secondly, if established, under what conditions will institutions be able to actually affect politics and policies? Formal organizations temporarily settle issues about 'tasks, authority, power, and accountability' (Olsen 2010: 37). It is the formal rules established that regulate, constitute and construct the decision-making behaviour of civil servants, ultimately biasing administrative behaviour and decisions (Barnett and Finnemore 2004: 3). An organizational approach claims that both continuity and change of organizations and the behaviour of organizational members are considerably shaped by organizational structures.

But first, how can a European executive centre be empirically grasped? As an analytical concept, centre formation at EU level entails (i) the development of administrative capacities that make the Commission able to act relatively independent from pre-existing executive orders at national level; and (ii) that the executive centre is able to integrate non-majoritarian institutions by stealth. What matters is the extent to which a new European

executive centre is in practice autonomous from key components of an intergovernmental administrative order, *not* whether it is autonomous in general. This chapter thus suggests that a comprehensive conceptualization of European centre formation includes two key variables: *independence and integration*.

- The rise of independent administrative capacity: First, centre formation necessitates the rise of an independent administrative capacity. Envisaged already by Saint-Simon in 1814 (1964: 35-38), one necessary factor in building common administrative systems even common political order is the establishment of common institutions, including a permanent congress independent of national governments serving the common interest. In a European context it necessitates the rise of separate institutions organised according to principles of organization that crosscuts domestic government institutions that are able to act relatively independent from member-state governments.
- The integration of administrative capacities: Secondly, centre formation requires some degree of integration of administrative capacities across government institutions and levels of government. This entails the integration of majoritarian (here: the Commission) and non-majoritarian institutions (here: agencies) into one common administrative resource. Examples would be the integration of administrative capacities of the Commission and EU agencies, and/or the integration of administrative capacities of the Commission and domestic agencies.

  Administrative capacity building in the Commission might also augment its capacity to integrate horizontal administrative networks (see Heidbreder in this volume).

**Explaining organizational change:** An organizational approach argues that the European integration of public administration is profoundly shaped by pre-existing organizational structures – by the 'genetic soup' of pre-existing organizational architectures (Olsen 2010: 96). Administrative systems do not emerge solely as organizational solutions to functional needs, as the result of wilful design, as a reaction to external crises, or as local translations of global institutionalized standards and ideas. An organizational perspective ascribes an autonomous role for pre-existing organizational structures (or orders) to explain the emergence of new organizational arrangements, and their effects (Egeberg 2003). Organisational change is framed by the heritage of structures (Radin 2012: 17). Organizations create elements of robustness, and concepts such as 'historical inefficiency' and 'path dependence' suggest that the match between environments and new institutional structures is not automatic and precise (Olsen 2010). New governing arrangements – such as a common European public administration – is expected to be extorted from and mediated by pre-established institutional frameworks that empowers and constrains political actors (Olsen 2010; Skowronek 1982). The compound institutional terrain and the 'genetic soup' of pre-existing political institutions may serve as important supply of resilience and opportunity in the genesis of institutions (Pierson 2004: 47). This terrain serves as the stealthy supply of capacities from which a European public administration is formed. An organizational approach may for example explain how several institutions may develop administrative capacities simultaneously. As seen below, the growth of EU agencies seems not to have halted Commission expansion. This parallel rise of administrative capacities may be explained by a parallel 'task expansion' supplied by the Commission and the EU-level agencies, respectively.

In short, the rise of a European public administration does not start from 'a blank slate' but are supplied by pre-existing organizational capacities (Pierson 2004: 151).

The development of a common European public administration may be illustrated in looking at how federal states are forged: in the United States of America the Congress and the Court were both established in Washington before a federal executive was supplied within adequate capacity to act on a broader scale (Skowronek 1982). Such administrative capacity did not emerge automatically as a response to functional needs but was supplied by stealth from already established institutional structures, in particular from the constituent states (see Kelemen in this volume). Similar examples of institutional capacity building have been seen in Germany where a new and separate executive centre at federal level emerged only gradually above the constituent states after 1871, and also largely supplied by pre-existing Länder capacities (Gunlicks 2003: 341).

Explaining behavioural implications: Following the Genschel-Jachtenfuchs framework, an organizational approach suggests that the supply of organizational capacities have certain implications for how organisations act. An organizational approach assumes that capacity building supply organizations with leverage to act independently and to integrate outside organizations into its orbit. An organization approach may also help explain how individual organizational members act. This approach departs from the assumption that formal organizational structures mobilize biases in public policy because formal organizations supply cognitive and normative shortcuts and categories that simplify and guide decisionmakers' behaviour (Schattschneider 1975; Simon 1957). Organizations supply cognitive maps that simplify and categorize complex information, offer procedures for reducing transaction costs, give regulative norms that add cues for appropriate behaviour as well as physical boundaries and temporal rhythms that guide decision-makers' perceptions of relevance with respect to public policy (March and Olsen 1998). By carving organizations into vertical hierarchies of rank and command the decision-making behaviour evoked by civil servants is assumed to be guided by political-administrative hierarchies through disciplination and control (Lægreid and Olsen 1978: 31). Decision-making processes within government systems are the result of hierarchical imposition and horizontal departmentalization of organizational structures where mutually exclusive groups of participants, problems, alternatives and solutions reside. According to this perspective the decision-making behaviour of 'Eurocrats' in a European administrative system is likely to reflect their primary organizational embedment into government institutions. Concomitantly, two empirical predictions follow:

First, the supply of independent administrative capacities is necessary for government institutions to act themselves and to affect how other institutions act. Thus, organizational capacity installed in majoritarian institutions may supply them with a capacity to integrate non-majoritarian institutions (such as agencies subordinated to ministerial departments). Organizational capacity within majoritarian institutions may for example contribute to mutual adjustment and reduction of decisional errors within non-majoritarian institutions (Landau 1969: 351). By contrast, lack of organizational capacity may reduce its capacity to integrate and steer subordinated non-majoritarian institutions. One implication may be increased autonomy for non-majoritarian institutions and thereby a vertical disintegration of the administrative apparatus on a broader scale. Concomitantly, the supply of administrative

capacities in the Commission is expected to increase the likelihood that signals sent from the Commission will be ascribed importance by officials in EU agencies and domestic agencies. In sum, administrative integration is contingent on the supply of independent administrative capacity at the centre.

Secondly, because officials spend most of their time and energy in organizational sub-units (Whyte 1956: 47), they may be expected to primarily attend to their sub-unit and less towards organizations as wholes (Ashford and Johnson 2001: 36). Subsequently, Commission bureaucrats are likely to attend primarily to their Commission DGs rather than to the concerns of member-state governments. They are expected to evoke an 'inward-looking' behavioural pattern geared towards their 'own' sub-units and task environments. Officials are expected to evoke the classical Weberian civil-servant virtues of being party-politically neutral, attaching identity towards their unit, division and portfolio, and abiding by administrative rules and proper procedures (Richards and Smith 2004). Their role perceptions and loyalties are expected to be primarily directed towards those administrative units that are the *primary supplier* of relevant decision premises.

#### Data and methods

The empirical observations benefit from three separate data sets: One interview study of Commission officials, one survey among officials in EU agencies, and finally one survey among domestic agency officials.

First, semi-structured interviews have been completed among permanent Commission administrators (ADs) (N=24) and contracted Commission officials (N=50) by using a standardized interview guide. Interviews were carried out during 2006 and 2007 in Brussels. The questions posed in the interviews were directed at measuring the *perceptions* of civil servants with respect to their decision-making behaviour, and role and identity perceptions. Proxies applied were: officials' contact patterns, co-ordination behaviour, patterns of conflict and co-operation, and role and identity perceptions. All interviews were taped and fully transcribed. One caveat is warranted: The data presented covers two Commission DGs (DG Trade and the Secretariat General) and a fairly small sample of officials compared to the universe of ADs. Concomitantly, the selected cases merely serve as *illustrative devices* of centre formation. (The original data are presented in Trondal 2010.)

Secondly, survey data from senior officials in what was formerly categorised as 'Community' or 'First Pillar' agencies were collected in 2009. Second and Third Pillar agencies were left out due to the ratification of the Lisbon Treaty: this treaty did away with the so-called pillar structure and we wanted to avoid confusion as regards how to interpret results from agencies that may find themselves in a period of transition. Among the 22 Community agencies (in 2009), 19 were selected for study. The three not included were considered less relevant from a policy analysis point of view; e.g. the Translation Centre for the Bodies of the European Union. However, two agencies did not respond to our initial letters (European Network and Information Security Agency and Community Fisheries Control Agency), and one agency was impossible to contact (European Institute for Gender Equality). Thus, we ended up covering 16 EU agencies. The questionnaire received 54 responses. All agencies were represented among the respondents, varying between 1 and 7 respondents per agency (mean = 3,4; median = 3). The exact response rate is, unfortunately, impossible to calculate.

The reason is that we do not know the universe within those four agencies which refused offering lists of senior officials and their addresses. However, the response rate among those who replied electronically is 45. (The original data are presented in Egeberg and Trondal 2011)

Thirdly, survey data from officials have been collected in national agencies within the Norwegian central administration in 2006. Norway is not a member of the EU and, accordingly, Norwegian politicians and officials are not taking part in the formal decisionmaking processes within EU institutions. However, due to the European Economic Area (EEA) and Schengen agreements, Norway is obliged to implement most of the EU's hard law as regards the internal market and border control. If one focuses on the practicing of EU legislation (and not on its coming about), Norway can be considered in most respects to be comparable to EU member states (Egeberg and Trondal 1999). Arguably, given its 'quasimembership', Norway might even be seen as a critical case in the sense that if, for example, direct implementation of EU legislation is observed in this case, we may have reason to believe that an integration of domestic agencies in the European public administration will be observed in the EU member-states as well, other things being equal. The survey was conducted as an online survey by the Norwegian Social Science Data Service encompassing officials from all Norwegian subordinated agencies (51 in total). The survey was distributed to a random selection of every third official at the 'A-level' with at least one year in office. The total number of responses at the agency level is 1452, giving a response rate of 59. (The original data set is presented in Egeberg and Trondal 2009).

#### The European public administration

This section proceeds in two steps. The first step explores the profound supply of organizational resources at disposal to the Commission and shows how these resources are used by Commission officials. The second step examines the extent to which and how subordinate agencies (both EU and national) relate to the Commission and in practice tend to supply the Commission with relevant organizational capacities, however, particularly at the implementation stage of the decision-making cycle.

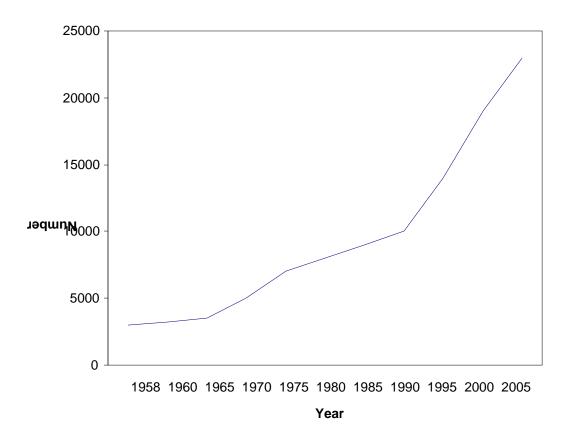
#### Step I: The supply of independent administrative capacity in the Commission

This section shows that the organizational capacities of the Commission have steadily increased during a 60 years period. Even despite public criticism toward the 'Brussels bureaucracy' – particularly after the resignation of the Canter Commission in 1999 – the Commission administration has continued to expand largely by stealth (see Figure 1 below), and probably despite public ignorance. The Commission was established in 1957 under the leadership of President Hallstein, succeeding the High Authority under the presidency of Jean Monnet (1952-1957). Organising the Commission into 'vertical columns' was Hallstein's idea (Dumoulin 2007: 221; Loth and Bitsch 2007). Following Hallstein's ideas, from 1957 the Commission was horizontally organized with a total of nine DGs, numbered I to IX. Émile Noël, the long-term Secretary-General of the Commission, recalls that President Hallstein had clear ideas about the organization of the Commission: he wanted a 'great administration', both strong and hierarchical (Duchêne 1994; Dumoulin 2007: 221). Today the number of DGs totals 42. In several respects the Commission shares some similarities with national core executives with regard to formal structures and personnel (Egeberg and Trondal 1999; Lequesne 2000).

The Commission personnel increased from 280 officials in 1953 (the High Authority) to 680 in 1957. When the Hallstein Commission was established in 1957, the original estimate was that the Commission needed some 1,000 to 2,000 officials. However, already by December 1958 there were 1,051 officials (Bitsch 2007: 58; Dumoulin 2007: 219). The staffing of the first Commission was completed by 1961. The number of officials reached 2,892 in 1967 – at the time of the merger of the three Commissions – and by 1972 the Commission had a total of 5,778 officials (Dumoulin 2007: 220). Whereas by 1953 the Commission was dominated by short-term seconded officials from the member-states, today the Commission is mostly staffed by permanent officials with long-term careers. For example, in 2000, 19 out of 22 Directors-General had tenure within the Commission of more than ten years (Georgakakis and Lassalle 2007: 12). Since the last enlargement more than 4,000 new civil servants from the new member-states have joined the Commission (Kurpas et al. 2008: 46). Despite Jean Monnet's early vision of creating a small Commission mostly hired on secondment contracts and intentionally not exceeding 200 officials, the current Commission houses around 35,000 officials. Of this workforce only ADs (totalling approximately 12,000) are studied here. Divided by the number of DGs in the Commission, there are on average approximately 300 ADs per DG (Statistical Bulletin of Commission Staff 01/2012).

The largest increase in staff has happened post-1990, partly due to increased workload caused by the 'communitarisation' of ever more policy areas, and partly due to the enlargements in 1994 and 2004. The large Commission staff also reflects continuous legislative activity of the Prodi and Barosso Commissions from 2000 to 2007 (Kurpas et al. 2008: 3). Hence, the Commission in general seems not to do 'less'. However, the Commission seems to put greater 'focus on the implementation of what is already in place' (Kurpas et al. 2008: 20). Thus, the need for implementation capacities at the Community level *and* at the national level is ever more crucial (see the next section). In sum, the Commission has acquired increased administrative capacity steadily over a 60 years period. There is no evidence of a reduction in this capacity building inside the Commission at any point of time. Beyond quantitative growth of the apparatus, however, the overall organizational architecture of the Commission administration remains largely untouched during 60 years. Thus, the supply of organisational structures inside the Commission has been mainly characterised by continuity.

Figure 1 Number of Commission services personnel, 1958-2005



This section demonstrates that the supply of organisational capacity inside the Commission have certain behavioural implications among staff members. Reflecting the independent administrative capacities supplied by the Commission administration officials of different ranks in the Commission hierarchy, as well as officials in different DGs, tend to act fairly independently of member-state influence both as regards decision-making behaviour, role perceptions and institutional identities.

The Commission administration has recently experienced substantial capacity building by stealth around the President and the Secretariat-General (SG). The ambition has been to make the SG into the administrative command centre for the President (Barroso 2009 and 2011; Kassim 2006). Still, most Commission officials orient their behaviour, role perceptions and identities towards the DGs, directorates and units. Centre ambitions in the SG thus seem partly dashed throughout policy DGs largely due to the portfolio specialization of the DGs (see Trondal 2012). Essentially, the supply of organizational capacities in the Commission administration along sectoral lines accompanies behavioural independence of Commission personnel vis-à-vis member-state governments. A complementary effect of the horizontal specialization of the services is the emergence of an individualization of policy formulation within separate DGs.

'There is tremendous power in the departments because of what they know about their policy areas, and their decades of managing and developing policy. There is a large level of experience and knowledge of their areas. And we are inevitably skating on the surface.' (Commission 4)

'Even the President says we are thinking in silos and we have a lot of turf fighting. That is, I think, well known and even acknowledged by the President. Barroso says we should now stop with this silo thinking and start working together.' (Commission 7)

The organizational capacities supplied in the Commission also profoundly affect temporary Commission officials (SNEs). Being hired by the Commission for a maximum of six years and having an ambiguous organizational affiliation to the Commission during the contract period, the emergence of portfolio roles and identity perceptions among SNEs would serve as a valuable illustration in this regard. Our interviewees suggest that SNEs tend to be attached to the Commission organization quite quickly upon arrival in Brussels, viewing themselves as 'ordinary' Commission officials. A study of *current* and *former* SNEs demonstrate that these officials direct their *primary* allegiances towards Commission DGs and sub-units and only secondary allegiances towards their parent ministries and agencies back home (see Trondal et al. 2008). Quite similar to permanent ADs, portfolio loyalties are strong among SNEs. In sum, the 'Silo thinking' is supplied throughout the Commission services by the horizontal specialization of the organizational structure. The next sub-section shows that this organizational capacity supplies the Commission with a capacity also to integrate non-majoritarian institutions at both EU and national levels of government.

#### Step II: The integration of administrative capacities

This sub-section shows that the Commission in practice is supplied with some auxiliary administrative capacities. Emphasise here is on the role of EU agencies and domestic agencies. Arguably, these agencies tend *in practice* to supply the Commission with executive capacity by stealth. 'Agencification' is a well-known phenomenon within Europe's national executives (Christensen and Lægreid 2011; Pollitt *et al.* 2004; Wettenhall 2005). The 'agency fever' at the EU level has been accelerating more recently, creating a parallel Eurocracy outside the Commission building (Busuioc et al. 2012; Dehousse 2008; Kelemen and Tarrant 2011; Rittberger and Wonka 2011).

**EU agencies:** The accumulated administrative capacities of EU agencies may be assessed by considering their number and size. At least three waves of agency formation at the EU level can be distinguished – the initial one in 1975, a second one from 1990 to 1999, and the third from 2000 to present. Several of the currently existing agencies are granted some amount of formal decision-making power, while the remaining agencies have tasks such as information gathering, technical support and administration (Groenleer 2009). Most EU-level agencies have restricted *de jure* powers, particularly with regard to making decisions. The European Aviation Safety Agency (EASA) is one key example where great expectations were partly dashed. When planned and established, EASA was expected to acquire major rulemaking powers. The result, however, suggests that EASA has received much less *de jure* powers in this regard.

Despite a significant increase in the supply of independent administrative capacities in the Commission (see above), the same time period has witnessed a quantitative increase in the total number of EU agencies, EU agency staff and budgets. Since 2008 the pace has accelerated even further, especially in 2010 and 2011 with the advent of the new European Supervisory Authorities in the financial services area. These new agencies have added not only in terms of quantity but also in terms of their nature and their powers, some of which

are quite novel and far-reaching. Together these agencies spend over one billion Euros per year, and employ more than 4,000 staff. Thus far, there is only evidence of increased supply of administrative capacities in EU agencies.

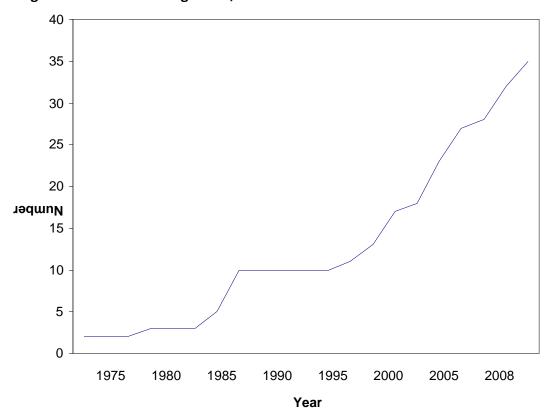


Figure 2 Number of EU agencies, 1975-2008

New governing arrangements, like EU-level agencies, do not arise automatically in response to new conditions. They are often created on the basis of already existing organizational arrangements. Krapohl (2004) shows that several EU-level agencies have evolved from existing EU committees and take over most of their structures, like the European Food Safety Authority (EFSA) and the European Medicines Agency (EMEA). Similarly, Martens (2012) highlights that the organizational structures and standard operating procedures of the European Chemicals Agency (ECHA) to a large extent have been copied from the EMEA and the Commission framework through cut and paste. Busuioc (2010) finds that agencies' accountability procedures, and particularly financial accountability procedures, often clone parallel procedures originally developed for the Commission. In sum, the rise of EU agencies is strongly biased by the supply of pre-existing organisational structures. These structures may serve as a stealthy supplier of both resilience and opportunities both in their *making* and in their *functioning*.

Our survey data shows the pivotal role of the Commission in the daily life of EU agencies, however, particularly within policy areas in which the Commission itself supply organizational capacities (i.e. strong DGs). In the policy formulation phase, the 'parent' Commission DG (among others) are seen by EU agency officials as particularly influential. At the policy implementation stage, by contrast, influence is shifted relatively towards one's own agency and national agencies, although the Commission is considered to be the most

powerful institution outside one's own agency also at this stage (Egeberg and Trondal 2011). The Commission thus stands out as more powerful in the daily life of EU agencies, reflecting that EU agencies serve as stealthy suppliers of relevant administrative capacities for the Commission.

Table 1 shows how senior officials in EU agencies assess the power structures surrounding EU agencies, and does so by comparing these structures as regards policy formulation as well as implementation.

Table 1 Percent EU-agency managers who perceive the following institutions to be <u>influential</u> (percent reporting 'fairly much' or 'very much'), when it comes to policy formulation (developing new/changing existing EU policies and legislation), and concerning policy implementation (practising EU policies/applying EU legislation)\*

		Policy
	Policy formulation	implementation
Own agency	53	77
The agency's management board	45	51
The Commission DG(s) within own issue area	86	69
Other Commission DGs	34	22
The standing committee of the EP within own		
issue area	58	15
Other standing committees in the EP	11	6
Council of the European Union (Council)	70	24
National agencies	37	61
National ministries	33	50
Mean N	49	48

Original question: 'Concerning your own issue area, how influential are the following institutions/actors when it comes to policy formulation (developing new/changing existing EU policies and legislation)' and 'when it comes to policy implementation (practicing EU policies/applying EU legislation)?'

Table 1 unveils that institutional influence is clearly patterned, as could be predicted, by the suppply of relevant organizational capacities. In the policy formulation phase, the 'parent' Commission DG, the standing committee in the EP in the relevant policy area, and the Council, are seen as particularly influential. At the policy implementation stage, by contrast, influence is shifted relatively towards one's own agency and national agencies, although the Commission is considered to be the most powerful institution outside one's own agency also at this stage. The supply of relevant administrative capacities by Commission DGs thus serves to integrate EU agencies. Similar conclusions can be drawn as regards the relationship between domestic ministries and agencies, however, largely at the policy implementation stage of the decision-making cycle.

Next, Table 2 reports the contact patterns of EU-agency managers.

Table 2 Distribution of <u>contacts</u> (e.g. meetings, emails, phone calls) of EU- agency managers within their own issue area (percent reporting 'fairly much' or 'very much')\*

<sup>\*</sup> Original scale: Very little/no influence (value 1), fairly little influence (value 2), somewhat (value 3), fairly much influence (value 4), very much influence (value 5).

The Commission DG(s) within own issue area	70
Other Commission DGs	30
The standing committee in the EP within own issue area	8
Other standing committees in the EP	8
The Council	10
National agencies	55
National ministries	21
Mean N	51

Original question: 'Concerning your own issue area, how often is it contacts (e.g. meetings, emails, phone calls) with the following institutions?'

The powerful role of the Commission, in particular the 'parent' DG, becomes evident in the daily life of EU agencies. National agencies are also considered to be a key administrative partner. Since the main activities of EU agencies are more on the implementation side than on the policy formulation side, it makes sense that the EP and the Council are less contacted. Another way to measure how the supply of administrative capacities affects administrative integration is to ask EU agency managers about whose concerns they pay attention to when exercising discretion in their work. The results are shown in Table 3.

Table 3 Percent EU-agency managers who consider the following <u>concerns/considerations</u> to be important when they exercise discretion in their work (percent reporting 'fairly important')\*

The concerns of own agency	94
Professional/expert considerations	78
The concerns of national agencies	39
The concerns of national ministries	41
The concerns of the Council	33
The concerns of the Commission DG(s) within own issue area	77
The concerns of other Commission DGs	33
The concerns of the standing committee in the EP within own issue area	40
The concerns of other standing committees in the EP	19
The concerns of my country of origin	0
Mean N	50

Original question: 'How important are the following concerns/considerations when <u>you</u> exercise discretion in <u>your</u> work?'

Table 3 suggests that senior officials in EU agencies tend to consider the concerns of their own agency as most important when they exercise discretion in their work. This may indicate that EU agencies do have their own will and that they are more than mere tools in the hands of governments. Quite consistent with the findings above, the key role of the Commission in the institutional environment of EU agencies is evident. In sum, EU agencies seem to be profoundly integrated into the decision-making processes of the Commission, however largely in areas where the Commission supply considerable organisational capacities. This is clearly demonstrated in Table 4. Table 4 reports a positive (and significant)

<sup>\*</sup> Original scale: Very seldom/no contact (value 1), fairly seldom (value 2), somewhat (value 3), fairly much (value 4), very much (value 5).

<sup>\*</sup> Original scale: Very little/not important (value 1), fairly unimportant (value 2), somewhat (value 3), fairly important (value 4), very important (value 5).

relationship between the supply of relevant organizational capacities within the Commission and the actual power of the Commission vis-à-vis EU agencies. The 'parent' Commission DG tend to be perceived as more influential by EU agencies when the Commission supply relevant organizational capacities ('organizational duplication') than when it does not.

# Table 4 Correlations between <u>organizational duplication</u>\* and EU-agency managers emphasis on the <u>concerns/considerations</u>\*\* of the Commission when they exercise discretion in their work (Pearson's r)

The concerns of the Commission DG(s) within own issue area	.40**
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<sup>\*\*)</sup>  $p \le 0.01$ 

**Domestic agencies:** Also domestic agencies seem to supply the Commission with relevant administrative capacities, particularly in their application of EU hard law. Domestic agencies tend to be integrated by the Commission, particularly if the Commission supply relevant organizational capacities. Our data shows that even the daily practicing of EU legislation at the national level is no longer solely in the hands of national governments although the role of ministerial departments is pivotal. Egeberg and Trondal (2009) show that the Commission actively takes part in the practicing of EU legislation at national level. Concomitantly, also domestic agencies may supply the Commission with relevant organizational capacities, however, particularly at the implementation stage of the decision-making cycle.

Table 5 demonstrates the extent to which legislation that originates from EU decisions ('hard law') is practiced by domestic agency officials.

Table 5 Percent of agency officials who report that national agencies <u>practice</u> laws and rules that originate from EU decisions within their own issue area\*

Yes	No	Do not know	Total
61	13	26	100 (974)

<sup>\*</sup> The table includes those officials who report being affected by the EU 'to a fairly little extent' or more

Table 5 suggests that a vast majority of domestic agency personnel who find themselves affected by the EU confirm that EU legislation is practiced within their issue area. In the following, only this group of agency officials (594) is included in the analysis. Egeberg and Trondal (2009) also show similar findings among ministry personnel: 46 percent of ministry officials report that EU legislation is implemented at the agency level within their particular issue area.

Table 6 reveals the extent to which different institutions and actors are deemed important with respect to influencing how EU 'hard law' is being practiced by domestic agencies.

Table 6 Percent of agency officials reporting that the following institutions and actors are <u>important</u> with respect to influence national agencies' practicing of EU 'hard law A, B

Ministry			67

<sup>\*</sup> This variable applies the following five-point scale: To a very little extent (value 1), to a fairly little extent (value 2), somewhat (value 3), to a fairly large extent (value 4), to a very large extent (value 5).

<sup>\*\*</sup> This variable applies the following five-point scale: very little/not important (value 1), fairly little importance (value 2), somewhat (value 3), fairly important (value 4), very important (value 5).

National agency	66
European Commission (EC)	43
EFTA Surveillance Authority (ESA)*	36
EC and ESA combined	51
'Sister agencies' in other countries	32
EU-level agencies	23
Mean N	572

- a) This table includes those officials who report that national agencies practice laws and rules that originate from EU decisions ('hard law') within their own issue area.
- b) This table combines value 1 and 2 on the following six-point scale: very important (value 1), fairly important (value 2), both/and (value 3), fairly unimportant (value 4), very unimportant (value 5), do not know (value 6).
- \*) ESA has the role of monitoring implementation of EU 'hard law' in the EEA member states Norway, Iceland and Lichtenstein.

Domestic agencies organised at arm's length from ministerial departments enjoy a certain level of autonomy as regards their exercise of discretion: almost two-thirds consider the executive agency itself to be important in this respect. The role of 'sister agencies' in other countries reflect the role of horiziontal administrative networks (see Heidbreder in this volume). Also, the respondents agree that the 'parent ministry' is the most influential external body. As expected, the importance of the ministry is to some extent dependent upon its supply of organizational capacity. 'Parent ministries' that contain units that are 'duplicating' units found in the agencies are deemed more powerful by agency officials than ministries without such units (Pearson's r=.21\*\*). Secondly, national agency officials report that the second most important external institutions at the stage of practicing EU legislation are the Commission and the EFTA Surveillance Authority (ESA). While the Commission is responsible for monitoring implementation of EU policies at the national level and, if necessary, activating sanction mechanisms within the EU, ESA has similar responsibility as regards the EEA countries. ESA strives to copy Commission procedures and ways of behavior in these respects but doesn't take part in the policy process at various stages in the way the Commission does (Martens 2011). Together the two 'sister executives' may supply considerable administrative capacity of relevance for domestic agencies. Finally, national agency officials who report that the Commission is important as regards their implementation practices also tend to have direct contacts with the Commission (Pearson's r=.20\*\*). In the same vein, those who consider EU agencies as important tend to interact directly with these bodies (Pearson's r=.37\*\*). The results indicate that the Commission, and to some extent EU agencies as well, actively take part in the practicing of EU legislation at the national level. Thus, the supply of organizational capacities by stealth by the Commission even by EU agencies – is positively correlated with the integration of public administration across levels of government.

#### Conclusions

This chapter reports the European integration of the inherent state prerogative to formulate and implement public policy. It is suggested that the European integration of core state powers necessitates the supply of *independent* and *integrated* bureaucratic capacities at a 'European level'. The rise of a genuinely European public administration has been conceived of as *executive centre formation*. It is suggested that the integration of public administration

may be explained by organizational capacity building by stealth (see the Genschel-Jachtenfuchs framework). In greater details, this chapter shows that the supply of organizational capacities inside the Commission has become steadily extended over a 60 years period. At present, most organizational capacities in the Commission are concentrated within policy DGs, however, increasingly supplemented with a more powerful Secretariat General. This supply of organizational capacities inside the Commission administration also enables Commission officials to act fairly independently of domestic government institutions. Secondly, the organizational capacities of the Commission also supply the Commission with a capacity to integrate non-majoritarian institutions by stealth. Compared to the gradual increase of capacities in the Commission, the supply of organizational capacities outside the Commission has happened more recently. These consist primarily of EU agencies and domestic agencies. This chapter suggests that the supply of organizational capacities inside the Commission is positively correlated with a stealthy integration of non-majoritarian institutions, notably agencies at EU and national levels, however, largely at the implementation stage of the decision-making cycle.

This chapter has argued that the European integration of core state powers necessitates the supply of *independent* and *integrated* bureaucratic capacities at a 'European level'. The rise of an independent European administrative capacity increases its ability to integrate non-majoritarian institution by stealth. Capacity building through the creation of genuinely European public administration may strengthen the Commission's ability to set independent policy agendas, shape the implementation of these, and strengthen its capability to draw common lessons from experience. Centre formation in this regard at EU level may increase the Commission's capacity to integrate domestic government institutions, and thus integrate one particular core-state power: public administration.

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#### **Notes**

<sup>&</sup>lt;sup>1</sup> This chapter is financed by the Norwegian Research Council, under two projects: 1) 'DISC: Dynamics of International Executive Institutions' and 2) 'EURORANS: The Transformation and Sustainability of European Political Order'. Thanks to Carolyn Ban for comments to a previous version of this manuscript. Previous versions of this chapter have been presented at the workshops 'Beyond the Regulatory Polity? The European Integration of Core State Powers', Hertie School of Governance, Berlin, June 2011 and Delmenhorst, March 2012. The author is indebted to comments from the conveners of the workshop – Philipp Genschel and Markus Jachtenfuchs – as well as Eva Heidbreder, Adrienne Hèritier, Nicolas Jabko, Anond Menon, Berthold Rittberger, Fritz Scharpf, Susanne Schmidt, and Arndt Wonka.