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The Strength of Weakness.

The Transformation of Governance in the EU

Beate Kohler-Koch
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Beate Kohler-Koch

The Strength of Weakness: The Transformation of Governance in the EU*

Introduction

Reflecting on the transformation of governance in the European Union is motivated by the desire to know more about the actual changes that take place in "governing" and by the assumption that, bringing together concepts from international relations and integration theory with those currently debated in policy analysis and state theory, we may gain a better understanding of the nature of the transformation process.

The essay starts from the premises that the European Union is not an "emerging state" in the sense federalists have conceptualized the Community as a "not yet completed federation"¹ (Hallstein 1969). It is rather assumed that the present state of a multi-tiered system of government will last at least for some more decades to come. After all, the Community as a political system "sui generis" has been with us now for more than 40 years and should not longer be conceptualized as a "system in transition". Furthermore, the distribution of allocative authorities to different levels of policy-making is not singular to the European Community. It is a phenomenon that is considered to spread and gain importance in the international system, too (Czempiel 1981, Walker/Mendlovitz 1990). Therefore it is of general interest to know more about the interpenetration of political systems and the effects this process will have on the future of governance.

There is already a well established academic discussion on who governs the European Community in terms of the relative power of the member-states as compared to that of the Community institutions, above all the Commission. Two opposing schools of thought dominate the stage and according to the dramaturgical rules of intellectual debate, political scientists have put their arguments (or at least the contributions of the opposing camp) in the framework of either neo-realist or neo-functionalist writings. From a neo-realist perspective, "states are here to stay", they do and will also in the coming future dominate the political fate of Europe, whereas from a neo-functionalist point of view there is a "dissemination" of power and supranational institutions, in particular the Commission, will become central actors, transgressing national boundaries by forging influential transnational policy communities. I will not recall this long and lively debate, ranging from Hoffmann (1966) to Moravcsik (1991;1994) and from Haas (1958) to Sandholtz/Zysman (1989). My intention rather is to draw the attention of the reader to the limits of the present debate. Mixing domestic politics with international cooperation produces effects that go in two

* For critical remarks I want to thank my collaborators in the Mannheim team: Thomas Conzelmann, Rainer Eising, Markus Jachtenfuchs, Thomas Schaber, Martin Schmidberger and Cornelia Ulbert.

¹ Hallstein was the first and long-term president of the EEC-Commission who published his work on the Community under the title "Der unvollendete Bundesstaat".

different dimensions and not just one: It does not only affect the distribution of power between different levels of government and between the public and the private, but it changes the nature of governance which prevails in the polity at the makro as well as the meso-level.

To develop my argument I will sketch the state of the management of interdependence which has brought about a very particular combination of losing and pooling of sovereignty in the European Union. The ensuing loss of control by member-state governments, however, did not curtail their capacity to act. Evidence is presented which puts into question the conventional assumption that the redistribution of authority between states and the Community is a zero-sum game. A similar lesson may be drawn from analyzing the development of the public-private relationship. It will be argued that the very specific properties of the European polity as a multi-tier negotiating system allow national administrations as well as the Community institutions to turn their weakness into strength.

To conceptualize "governing" as an exchange relationship between distinct and independent actors determined by their relative bargaining power provides, however, only a limited understanding of the effects the political practise of the Community has on the transformation of governance in Europe. There are new forms of public-private interactions which have developed at the national and sub-national levels, and which run parallel to strategies of governing in the EC. Elements of a new mode of governance have evolved. These disseminate through system boundaries. Developments in the EC tend to promote a broader trend and give it direction not in the sense of implementing a preconceived masterplan, but by inducing actors of different kinds and at different levels to take advantage of opportunities offered. By taking it up in bits and pieces, actors contribute to a new "practise" and a new understanding of governance.

1. Integration Today: The Management of Interdependence

1.1. From peaceful co-existence to common problem solving

The impetus of the post-war years which started the adventure of West-European integration certainly has been lost. It faded away not only due to changing external conditions but just because it has been so successful. Still it has to be remembered what it was about, because it entailed a concept that shaped material relations as well as our way of thinking about the organization of the "political". It was more than a technocratic enterprise in economics. It was aimed at the transformation of that anarchical system of states which had led the neighbouring states of Europe to get trapped by their security dilemma. The anarchy that had provoked the ruinous power struggle between self-assertive nation-states was to be transformed into a "society of states" (Bull 1977) bound together by common norms and rules of behaviour. From the very beginning, integration was more than an economic

strategy to open up markets by dismantling all the different types of trade barriers which had been built up during the depression and the war. It was a political programme to strengthen peace by ensuring cooperation which was supposed to increase welfare. "A Working Peace System" (Mitrany 1943) was to be established which would build on parallel interests to be transformed into common expectations and efforts. The effectiveness of joint problem-solving was expected to lead from competition to cooperation and to ensure peaceful conflict-resolution in the long run.

The threat of the cold war has certainly strengthened West-European cooperation. Communism was a challenge to the concept of democracy and civil liberties prominent in the societies of the West. The pooling of resources to meet the diplomatic and military threat supported the belief that the "West" had many things in common: A common political history that had brought about a specific civic culture and congenial political and economic systems. The "imagined community" (Anderson 1991) of the West thrived on the contrasting image it produced from its adversary. As soon as the adversary vanished, the integrating force of drawing and defending the boundary against the external threat weakened. But the Western Community did not fall into disarray because it is tied together through institutions. The common belief in the overarching principles and norms of joint problem-solving is firmly embedded in numerous international regimes and regional organizations. Both channel political behaviour, establish firm practices and consolidate mutual expectations.

The transformation process induced by the European Communities was slow, incremental, but effective. The policy of "negative integration" opened up markets and steadily increased the interconnectedness and mutual dependence of the formerly independent "national economies"² More important, interdependence was not just considered a fact of life, but has been welcomed as a beneficial state of affair. The image of the world one lives in has changed from a system of competing sovereign nation-states to that of a regional "Community" and a "Common Market". This holds true for elite as well as for public opinion; surveys show a declining but still overwhelming "diffuse" support for the European Community.³

The member-states of the Community have moved well beyond the stage of open markets and peaceful coexistence. They have established an organisation for joint problem-solving and have agreed on strategies of "positive integration". When talking about governing in the European context, it is first of all the institutional system of the EU, and especially that of the EC, which comes into mind. But the institutional framing of political cooperation is

² For the distinction between "positive" and "negative" integration see Tinbergen 1965. Economic exchange and interdependence grew considerably with reference to the previous years. If, however, the level of interdependence was any higher than 100 years ago, is highly disputed.

³ A thorough political science analysis of Euro-Barometer Data is presented in Niedermayer/Sinnott 1995.

only part of the picture. The substantial changes in economic exchange, and material interconnectedness, as well as shared conventional wisdoms and outlooks, are important context variables for supra-national governance.

1.2. Losing and pooling of sovereignty

This is not the place to enter into the multifaceted debate about the nature of the European polity⁴ nor to tell the long story of the successive inroads into the regulatory and allocative powers of the member-states in detail. The following chapter will briefly sketch the four different aspects that should be taken into account when trying to judge what integration has done to the autonomy and capacity of states to act. First, some evidence is presented to indicate in what respect member-states have lost sovereignty. The second point is that there are mechanisms at work which further restrict their autonomy despite the fact that the states still retain a high level of formal authority over many policy issues. The third aspect is the role member-states play in the institutional system of the Community and the fourth is about the relevance of market integration. A particular feature of European integration is that states have indeed lost formal authority over many policy issues, but only some has been transferred to the Community as a new decision-making authority, while other competences fell prey to the supremacy of market allocation.

Sovereignty is the supreme power over a body of politic, the freedom from external control, the right to discriminate in favour of one own's citizens. Being part of the European Community implies a loss of sovereignty in terms of being "independent of legal control by any other community". Member-states accepted the supremacy of EC-law, they have lost their right of autonomous decision-making and jurisdiction. Supranational law is executed by lower courts and EC regulations are implemented on the sub-national level without the expressed agreement or even the right to interfere by the central government of the state.⁵ No member-state can limit benefits to its own citizens or insist that these are to be consumed within the state's own territory. National policy-makers are bound by law to give equal treatment to the citizens of other member-countries when residing within the borders of the state and even give them protection abroad. Most spectacular in terms of sovereign rights is that states have lost their right to close their borders to "foreigners" as long as they come from within the European Union. (Leibfried 1995)

⁴ Recent contributions to the state of the debate see Keohane/Hoffmann 1990; Weiler 1991; Sbragia 1992; Bogdandy 1993a; 1993b.

⁵ In the case of "directives" which are only framework regulations, the national legislature will vote on the more detailed legal provisions; nevertheless, the directive itself is binding law irrespective of any national legislative decision. In addition, experience shows that Community law is implemented about as effectively as national law. (Siedentopf/Ziller 1988)

From a legal point of view the member-states still have control over any further loss of sovereignty. The signatories to the treaties are "Herren der Verträge", which means that any formal transfer of competence has to be agreed upon by the governments and ratified according to the constitutional procedures of the member-states. The formal barriers against any shift of authority from the state to the Community level are high, but an expansive logic of integration has been written into the EEC-Treaty: The fundamental principle is that the Community may intervene whenever it is necessary to further the development of the Common Market. To control the ensuing tendencies towards a centralization of powers at Community level, the principle of subsidiarity has been inserted into the Treaty of Maastricht. This, however, is open to varied interpretations and the phrasing chosen rather sounds like an invitation for Community intervention. ⁶ (Dehousse 1994)

There are numerous other factors which push and pull into the direction of an even closer integration. The "acquis communautaire", that is the extensive array of secondary EC-law which any state wanting to join the Union has to subscribe to, is de jure and de facto an entangling commitment. EC regulations will persist even if a national legislature will later decide otherwise; any alteration has to be agreed upon in the Community framework. As each follow-up decision will be path-dependent, the policy options may not be to the liking of a particular government. With the deepening of integration, however, the costs of non-decisions increase to such an amount that most actors rather accommodate with a second to best solution than with no decision taken at all. The logic of "spill-over" already described in early investigations of the European integration process (E. Haas 1958) may not work in such an automatic way as later authors may have assumed, but it has a visible effect.

Those authors that call the period prior to the Single Market initiative the "dark ages" of integration history (Keohane/Hoffmann 1991: 8) are quite mistaken. It is undisputed that in the 70s and early 80s no formal transfer of authority took place. It was rather a time in which a gradual adjustment to the two enlargements of the Community and to the turbulence in international economic affairs took place. This, however, was done in close cooperation between member states and by deepening supra-national policy collaboration. There was an incremental expansion of the scope of integration, as more and more policy areas became directly or indirectly connected to the Community. It was not just the persuasive strategy of the Commission derived from its institutional self-interest or the pro-integrative rulings of the European Court of Justice that contributed to deepening the integration, but the member states themselves, that considered joint problem-solving more attractive than preserving their national autonomy.

The dynamic of integration is bound to become even more salient due to the broadening of Community responsibilities agreed upon in the Maastricht Treaty. In the past, national

⁶ According to Art. 3b "the Community shall take action, in accordance with the principle of subsidiarity, only if and in so far as the objectives of the proposed action cannot be sufficiently achieved by the Member States and can therefore, by reason of the scale or effects of the proposed action, be better achieved by the Community".

policies were a viable alternative to an agreement at Community level. In the meantime "...the increasing reach of Community law makes it evermore difficult for Member States to conduct their own regulatory policies separately." (Dehousse 1992: 397) As a consequence, governments may accept a further transfer of authority to the Community if it supports the policies they want to pursue.

The most obvious feature of the European Community is that it is not just an international regime embodied in a regional organisation, but a political system with an institutional core which serves for the "joint exercise of pooled sovereignty"⁷. It is widely acknowledged that governments play an eminent role in the policy-making of this system, even after Maastricht. Nevertheless, it is the collective weight of member-states that counts. Unanimity is required for decisions on key issues. The same is true if the Council wants to override the opinion of the European Parliament and the Commission.⁸ Both institutions as well as the European Court of Justice are beyond the direct control of member-states and endowed by the treaties with special rights to give the "Community interest" a voice in EC policy-making. On many occasions, the Commission has effectively used its right of initiative to give the integration process new momentum, and the European Parliament has already used its new rights of co-operation and of co-decision to build "advocacy coalitions" (Sabatier) between Parliament, Commission and a Council majority.⁹ The Court has proved to be a "motor of integration", ruling many times in favour of an expansive interpretation of the Community's authority as well as non-interference with the functioning of the common market. (Everling 1993; Zuleeg 1994)

The Community institutions are not strong in the sense that they are insulated from the reach of member-state governments. They rather gain strength from being so closely integrated in the whole process of exchange of information, negotiating and bargaining which finally leads to a Council decision. State governments seek to reign the European Community, but they have accepted that they have to share power with one another and with the Community institutions as well. Above all, they have acknowledged that the Community will not function without a joint commitment to a "shared exercise" of authority.

The limits of joint decision-making are quite obvious. Rules of unanimity preserve sovereignty rights, but these rights can only be used as a power to obstruct, and not as a capacity to shape a policy. Majority rule lowers the costs of cooperation which stem from

⁷ The Commission called for the development of an institutional structure that, taking into account the acceptability of the public and the Member States should serve the "gemeinsame Ausübung der geteilten Souveränität". (Kommission 1990: 3)

⁸ The Council, however, can override the EP by unanimity when a policy is based on Art. 189c, which gives the European Parliament the right of cooperation or concerning amendments made by the Parliament based on Art. 189b when the EP is given the right of co-determination. In the latter case the Council has no power to redress a negative vote of the Parliament.

⁹ In many instances, however, trans-institutional advocacy coalitions were inhibited by inter-institutional conflicts about legal prerogatives and procedural matters. (Miller 1995)

the danger of non-decision; but for the opposing minority it means to be subdued to foreign will. Decisions taken by "consensus", that is coming to an agreement without taking a vote, have been introduced a long time before majority rule was expanded by the Single European Act bridging the demand for control and for efficiency in policy-making. From a legal point of view, decisions taken by consensus do not encroach on state-sovereignty. In practice, however, norms of behaviour ensue which in an international setting that is characterized by institutionalized cooperation become binding, too.

Talking about sovereignty in terms of joint-decision-making only, would miss a major point, because integration has advanced in recent years especially through market integration. It went parallel to strengthening the collective decision-making authority of the Community. In total, however, the policy making capacity of the Community has not been strengthened as much as the capabilities of the member governments have declined. Partly this has been done on purpose because it was propagated over and over again and finally became conventional wisdom that building up an economic community is above all a matter of deregulation and strengthening the market as a central institution of allocation.

2. The persistent strength of the state

2.1. Shifting targets and flexible adaptation

The statement that "in the European Union, both member state sovereignty and autonomy have diminished in tandem" (Leibfried/Pierson 1994:22) expresses very well the conventional wisdom concerning the state of the state in European integration. But there is some irritating evidence which gives proof of an unrestricted vitality of national governments in shaping the social and economic environment according to their own individual preferences.

It should be recalled that the single market initiative was launched just because member-states had been so successful in undermining the Common Market rules with a multitude of non-tariff barriers (Kommission 1985:5). Following the completion of the customs union at the end of the 60's, the history of the Common Market is a fascinating story of how ingeniously governments have invented new instruments to protect markets and keep off unwanted competition.

Decentralization of economic policies was one way to circumvent EC rules without obstructing openly the functioning of the Common Market. It was a response to the EC's increased control of state aids to implement conditions of equal competition throughout the Community.¹⁰ By shifting state intervention from the national to the sub-national level EC

¹⁰ Though already in 1977 the European Court ruled that, just as national state aids, state aids by local and regional authorities are subject to Commission review under the scope of art. 92 of the EEC-Treaty, a growing portion of such state aid was accorded to the regional and even sub-regional level. By law such aids had to be notified to the Commission in the same way as national subsidies, in practice, however, the operation of subnational state aids was beyond the Commission's control. The Commission was overburdened with such a

interference could be avoided. Another strategy was to change policy concepts. This took place in particular in the field of industrial policy, especially with respect to research and development. Instead of supporting the innovative capacity of industry by subsidizing its research activities, state interventions took more subtle forms like those of public-private partnership in technology transfer. It was geared in particular to promote the innovative capacities of small and medium enterprises.¹¹

The conclusions to be drawn from this kind of evidence are compelling: State interference did not vanish away. It changed its outer appearance, different instruments were applied, and other actors at different levels became responsible. Being member of the European Community did above all not curtail the spending for public activities at state level. It was widely assumed that the Common Market would cut public spending because state aid to private firms and other forms of state support run counter to EC law. Cross country comparisons, however, tell a different story.¹² State expenditures for industrial policies stayed as high in member-countries of the Community as in other OECD-countries. Some of the better off EC-countries like the (old) Federal Republic of Germany and the Netherlands which were comparatively less plagued with declining industries and underdeveloped regions, high rates of unemployment or other structural problems even increased their spending. State aid was not channeled any longer to firms directly, and public attention notably shifted from declining sectors and firms in need towards other targets. Industrial policy became more future oriented and by this more in line with the strategy propagated by the Commission.

The level of expenditure as such tells little about the autonomy of a government to design the economic policy which suits its own national preferences. In a cross-country comparison (Corbey 1993) the broad economic policy orientation of the core EC-member countries looked more or less the same. A closer analysis of particular policy areas like social policies, regional policies, and state subsidies, however, revealed that each member-state follows a particular path. On the one hand there was a variation in policy instruments, on the other hand quite diverging policy objectives had been pursued: export-promotion in the Irish case, strengthening regional infrastructure in the Federal Republic of Germany, support to small and medium sized firms given by the Dutch government.¹³ Kurzer (1995: 1) comes to the conclusion that there is a surprising "... lack of evidence of direct

task and unable de facto to fulfill its role of supervisor in face of an increased fragmentation of state aid policies. (Kohler-Koch 1994b)

¹¹ For a detailed description of the German case see Bruder 1986.

¹² For a more detailed account see Corbey 1993.

¹³ Corbey 1993 compared the economic policies of five member-states. Comparative research on social policies, Leibfried/Pierson 1994, and environmental policies, Héritier et al. 1994, supports these findings

immediate constraints flowing from the structural changes wrought by the Single European Act and the Maastricht Treaty".¹⁴

The conclusions to be drawn from these empirical findings are twofold. First, losing formal authority is not synonymous with losing the actual capacity to act and to pursue individual political preferences. Therefore, it is not so much the transfer of regulatory competences and the loss of legislative prerogatives that should be taken as an indicator for the change in power of member-states.

Second, integration is not a zero-sum redistribution of actual political power. Member states have managed to pool their sovereignty for joint problem-solving and strived to adapt in a flexible manner to new context conditions. However, further empirical research would be needed to draw general conclusions about the kind of learning process that has been brought about by the restrictions imposed by Community law. Governments have been induced to redefine their policies and to open up new rooms for manoeuvre. They have done so "in the shadow of the market"; in other words after a period of competitive protectionism they shifted away from non-productive policy competition.

Taken together, the establishment of the Single Market and the treaty revisions of Maastricht certainly have curtailed the competence of member-governments to regulate markets and frame social conditions on their own territory. This weakness, however, may be turned into a source of strength. By agreeing on a particular path to be followed in EC policies, member governments can set the course for their own national policy.¹⁵ They are able to commit external actors in order to mobilize internal support. It is a process of "institutionalized learning": governments are forced to stay flexible, to adapt instruments and strategies, and to shift targets in constant exchange with their internal and external environment. There is some evidence that living under such conditions of institutionalized interdependence has turned out to benefit particularly the smaller states. They have a long experience in adapting to external dependence, the public is more aware of having to live up to external challenges than in the larger member states. The joint management of interdependence is to them rather a gain than loss of autonomy: Furthermore, they enjoy the advantage of having well established practices of mobilizing internal forces in order to live well under changing external conditions and vice versa to make use of international or European restrictions to pursue a strategy of "flexible adaption" even against vested interests at home.

2.2. Escaping capture

¹⁴ She, however, points out that the policy elite of Belgium and the Netherlands - the two countries she has been investigating - do not contemplate policies that are at odds with the Community's preferences. (Ibid)

¹⁵ Anderson 1995 presents some interesting cases for Germany.

Another argument deploring the gradual loss of state power follows a different notion of the "state". Not the fate of the nation-state - that is the discussion among international relations specialists - is what they are worrying about, but the changed relationship between the proponents of public and private interests. The authors are not so much concerned with a possible shift of power from one level of public policy-making to another than with an undue influence of private interests. Their concern is that the state as advocate of public interests is pushed back by well organized groups representing only partial interests.

There has been, indeed, an explosive growth of interest representation at the European level in recent years. New European federations of interest organizations have been established. In addition, a multitude of national associations, firm representatives, public interest representations etc. from inside and outside the Community have established liaison offices; professional lobbyists, i.e. private consultants specialized on European affairs have joined the crowd (Kohler-Koch 1992; 1994a; Tiedemann 1994). To draw the conclusion, however, that the mushrooming of interest representations may be equivalent to an undue influence of private interests on EC affairs seems to be premature. The growth of European interest representation may as well be interpreted as a consequence of the accelerated speed of integration that state governments have brought about since the launching of the Single Market Programme¹⁶. In trying to evaluate their political relevance, European interest groups have to be seen in relation to the power organized interest used to exercise within the individual member states. Neo-corporatist entrenchment rather than countervailing pluralist pressures, intricate clientelistic dependencies or even a situation of capture characterize the reality of public-private relationship at the national level. Shifting competences to the EC in many cases was welcomed by national administrations, because it liberated them from the suffocating embrace exercised by well organized interest groups like agricultural associations or by the uncontested demands of privileged "national champions" in industry.

Another argument which is less easily refuted is that the very properties of the EC political system invite partial interests to gain access and voice. Its most outstanding characteristics are the complexity of the political issues and the segmentation of the policy process as well as the fragmentation of the policy outcome produced.¹⁷ If partial interests are able to take advantage of this state of affairs, "capture" would not fade away. Instead, a European dimension would be added to the existing dependence of policy makers on guidance given by interest groups.

Policy-making in the Community is at its heart a multilateral inter-bureaucratic negotiation marathon. Complexity results not so much from the material content of a problem to be regulated. Rather it is due to the fact that any problem that has to be dealt with also is a

¹⁶ Contrary to neo-functional reasoning private interest organizations did not take the lead but rather followed political initiatives. (Kohler-Koch 1992)

¹⁷ For a more detailed account in relation with the effects on interest intermediation in the EC see Eising/Kohler-Koch 1994.

political issue. It is embedded in a particular economic and legal setting, benefits and preferences are attached to it. To get a deeper insight into the setting of the problem, to assess the rationality and acceptability of a policy pursued, the administration has to call in external advice. This is already true for any national administration. It is indispensable for the European administration which has to cope with 15 different types of legal regulations being part of different systems of law and legal practises, quite divergent economic situations and political preferences. There are good reasons to assume that in such a situation the exchange relations between public and private interests become unbalanced.

It seems to be a paradox that the administration should gain independence when it is to such a degree dependent on societal actors and in a setting where it has to share decision-making power with Community institutions and other member-states. That it can, however, recover autonomy and get a better chance to ward off unwanted demands has its roots in the very same institutional structure of policy-making in the EC, which is by nature a multi-tier negotiating system. Throughout the different phases of agenda-setting, policy formulation, implementation and evaluation, issues are dealt with sometimes even simultaneously at the national, subnational and supranational level. Depending on the issue and the respective Community procedure of decision-making which has to be applied, the arena shifts from the national to the European level and back again. At the European level representatives of the national administrations are omni-present during the preparation of a Commission proposal as well as during the deliberations of the Council. Both national and Community representatives work together closely.¹⁸ Private actors that want to take account of what is going on and make their voice heard have to be present at both the European and the national level. Arenas develop at both levels and change in importance in the course of the policy-making process. Rather than being neatly separated, these arenas are linked through transnational networks. These networks break up established national policy communities and form new transnational clusters. Private interest representatives are in a less advantageous situation than members of the administration. First, there is no longer "the" point of access for efficient lobbying. Instead multiple channels of contact have to be used at once in a most complicated two-level strategy. Second, it is in particular the Commission that enjoys a competitive advantage compared to any European coalition of interests. It is constituted as a Community body, whereas European interest associations are mostly federations. Even when they have been working together for more than thirty years up to this day they are still divided in clearly discernible subgroups.¹⁹ Last but not least the Commission enjoys a privileged position as the "process manager" (Eichener 1995).

¹⁸ An empirical insight into the intensity of cooperation in quantitative terms is presented by Wessels 1995 on the basis of the number of committee meetings attended by national experts from the member-governments and Commission representatives.

¹⁹ A very telling empirical study on UNICE, the European federation of industry and employers and ETU, the European Trade Union Federation is presented by Sadowski/Timmesfeld 1994.

But it is not only the Commission which profits from the particular characteristics of the European policy-making system. National administrators frequently make strategic use of the paradoxical logic of self-commitment in a "two-level game" (Putnam 1988): At the European level a government may turn its weakness in terms of being dependent on domestic pressures into strength in terms of an improved position vis à vis its national negotiating partners. Having lost its autonomy as being part of the European policy-making system, it will turn this weakness into strength when dealing with domestic interests. It is the centrality of the administration in interlinked, multi-tier systems that makes them a central player.²⁰

Once and again, the EC has been used as a plausible excuse for denying favours asked for or for giving up long established practices that in the course of events were no longer in line with political preferences, but hard to change against protected resistance by formerly privileged and still strong partners. Just because the national government was no longer exclusively in control, a change of policy was possible. In addition, the dynamics of multilateral negotiations in a multi-tier system force policy-makers to follow a strategy of temporary closure in terms of cutting off information to and consultation with external actors. In his empirical investigations on the European research and technology policy, Grande (1994) discovered a consistent pattern of sequential phases of closure and aperture. Such an alteration seems to be necessary in order to come to an agreement in a joint decision-making situation which involves a multitude of actors each of which is embedded in dense political networks (Grande 1995): In a first preliminary phase the administration is open to external advice and demands. It is getting engaged in an issue network which supplies information, and channels demand and support. In a second phase of intra- and interadministrative negotiation, external actors are excluded and even have difficulties to follow the development of an issue. In a consecutive third phase, the administration again gets engaged in external consultations to improve its own proposal, test and assure its acceptability. At this stage it will be difficult to achieve any substantive changes, however, because the proposed policy is the product of a long and complicated process of internal agreements.

Such a proceeding is accepted because it is deemed necessary to avoid the "joint decision trap" (Scharpf 1985) and because a non-decision at Community level is many times equivalent to no decision taken at all, with the consequence of the prolongation of an undesired situation. Grande has summarized his findings in what he calls "the paradox of weakness": it is not the strong state, but rather the state that has lost part of its autonomy to a supranational decision-making system, which has gained the power to pursue its own (public) interest against strong pressures from societal actors.

²⁰ That these mechanisms are at work in national federal systems as well has been documented in a thorough investigation of policy coordination between German Länder. (Benz et al. 1992)

Another argument has to do with the role governments play in the fragmented system of EC policy-making. The functional segmentation of the system allows for a strong representation of sector specific interests. Narrow interests find it easier to form transnational coalitions, than more encompassing interest associations. If such a coalition is matched by the command of superior expert knowledge they might find it easy to influence the way in which a problem is defined and what is considered to be the apt problem-solving strategy. As soon, however, as matters become highly disputed, the debate is bound to move up from the level of inter-bureaucratic negotiations to higher levels within the administrative hierarchy. Controversial issues tend to get politicized, and political decisions then will be taken on political grounds. Actors involved will have to take a broader view because of their more encompassing responsibility and because the logic of politics will prevail as soon as an issue is drawn into the public debate. This still is the original domain of the national political systems, whereas the Community still is a "polity without politics" in the sense that partisan political battles are not fought transnationally by Europe wide political parties. In such a moment even interests that may be highly influential in their own limited domain have to step back.²¹

To draw a preliminary conclusion it can be said that some analytical approaches are less promising than others. It certainly is misleading just to look for quantitative aspects, such as the number of interest groups, their growth rate over the years in terms of number as well as resources (Tiedemann 1994). It is equally misleading to draw conclusions from just taking stock of policy processes at one level of the multi-tier European policy making system as was the case with many EC-policy studies. A close analysis of the interwoven multi-level and multilateral negotiating system gives a more pertinent view of those mechanisms which allow member state governments and administrations to gain autonomy and allow the Commission to play a central role as broker, enjoying a considerable room of manoeuvre to pursue interests of its own. In particular, if a controversial issue turns into a matter of politics and decisions have to be taken on political grounds, it becomes an affair of responsive and responsible governance, which still is the "domain réservé" of member state governments.

3. The Transformation of Governance

3.1. A changing view of governance

The preceding chapters leave us with a puzzle. The general assumption about states losing sovereignty and autonomy in the course of the integration process is confronted with empirical evidence and plausible arguments which tell a different story. In addition it became apparent that the question of whether states lose their autonomy will find a different

²¹ For a more detailed presentation of the argument see Kohler-Koch 1994c

answer depending on whether it is raised from an international relations scholar's point of view, whose main concern is with the future of the international state system or from a policy analysis perspective, which rather looks at the respective power of public and private actors. In the following chapter, I will take yet another approach which will focus neither on the state as "actor" in international affairs nor on the capacity of the state to keep private and public interests "in balance". I will rather discard those two approaches because I consider them as attached to an outmoded conception of governing centered on the "state" and of its role in politics. My argument will be that in order to gain a better understanding about the changes that take place in the European polity as a whole - that is the European Union and its member-states - one should rather look at the transformations that take place in the nature of and conceptions about governance. They certainly cannot be attributed only to the dynamics of the integration process and the properties of the EC system alone. Both, however, contribute to a large extent to that transformation of governance and in this respect to the role of the state in Europe.

The still prominent discussion about the supranational "rescue" or "decline" of the nation state (Wildenmann 1991; Milward 1992; Moravcsik 1994) certainly no longer starts from the presumption that the state can be modelled as "unitary actor", as the "one and indivisible" body of unitary policy making based on parliamentary majorities and the undisputed right and capability of the executive to implement whatever decision is taken thanks to the "monopoly of the legitimate use of physical force" (Max Weber). This concept of the modern state has always been an ideal type with limited descriptive accuracy even in the second half of the last century when it was developed (Ellwein 1992). But dividing political actors into national and European executives on the one hand and societal groups on the other, attributing to them "distinct and independent sets of preferences" and modelling their relationship as an "ongoing set of bargains between principals and agents" (Moravcsik 1994:4) means to uphold a concept of governing which is synonymous with political control and in this way still is very much in line with the traditional model of the state: Governing is what governments do, and the effectiveness of their activities derives from the resources they command because those will define their relative bargaining power vis à vis the societal actors.

This concept was prominent in the "Steuerungsdebatte" of the 60s and 70s. It changed when research began to focus on the "implementation deficit". A different analytical perspective slowly emerged: The problems of "governability" were no longer perceived in terms of "insufficient intelligence of the bureaucracy, in the lack of the government's ability to make decisions or in a choice of wrong instruments, but in the particular character of the objects of governing attempts" (Mayntz 1993a: 14). These "objects of governing" were now conceived of as complex "societal subsystems". They have their own internal dynamics that

make them "impenetrable for outsiders in a double sense, both cognitively as well as in terms of the possibility to be purposefully influenced." (Ibid)

Policy analysis provided additional empirical evidence that governing has little to do with the popular notion of centralized direction within an encompassing organization. It rather reproduced the picture of networks of highly interdependent but autonomous actors willing to join in corporate actions agreed upon in negotiations rather as in response to authoritative decree.

Therefore, consecutive research centered on the question of how to conceptualize the "problematique" of governance as it became obvious that political guidance through command and control over "target-group behaviour" cannot be achieved. Interestingly enough, this new perception of the problems of governing was shared by economists who started to ponder about the declining efficiency of hierarchical patterns of regulation.

Different schools of thought have tried to come to grips with the "new economic landscape" brought about by structural change in the advanced economies in the last decade. "Flexible specialization" is one of the key words (Piore/Sabel 1984; Sabel 1989) to characterize the strategic reaction of industry to the challenges of market fragmentation and volatility, to the dynamic and extensive deployment of new technologies, and the dramatic reductions in the life cycles of products. The enthusiasm that by dividing tasks and transferring responsibilities to loosely inter-connected units will make sure that production and distribution will be best geared to "ever-changing markets" (Amin/Dietrich 1991:5f) has given way to a more sober and differentiated evaluation. Nevertheless, there is agreement that adaption can only be brought about by institutional change. A recurrent theme of recent years in economics as well as in political science has been the effective organization of social-political and economic relations between "markets and hierarchies" (Williamson 1975). As exchange has become one of the central concepts, the reduction of "transaction costs" has been one of the main foci in economic as well as in political science analysis. Research about industrial structures, business relationship and industrial marketing, in particular, has in recent years devoted much attention to the social "embeddedness" (Grabher 1993) of exchange relations but also looked at the industrial functions of business networks.²²

In international relations, a parallel debate evolved relating to problems of international interdependence and the globalization of problems like in the environment. Analysing the chances of cooperation between independent actors in order to avoid sub-optimal outcome of autonomous action stimulated the discussion on international governance. The broad discussion about the management of interdependence, international regimes and the purposeful organization of international order went along with deliberations about

²² I want to thank Hakan Hakansson for drawing my attention to this rich and for a political scientist very stimulating research on Industrial Networks. (1993)

"governing beyond the state", which by definition was about "governance without government" (Rosenau/Czempiel 1992; Kohler-Koch 1993).

In all these writings there is a common understanding that governance is about coordinating multiple players in a complex setting of mutual dependence. "Governing" then is not just what governments do by themselves but "... all those activities of social, political and administrative actors that can be seen as purposeful efforts to guide, steer, control or manage (sectors or facets of) societies... Social-political forms of governing are forms in which public or private actors do not act separately but in conjunction, together, in combination, that is to say in 'co'arrangements...'governance' (is) the patterns that emerge from governing activities..."(Kooiman 1993:2).

The proliferation of networks is a condition as well as a consequence of the growing differentiation of functional subsystems, the political emancipation of big corporate actors able to take strategic actions by themselves, and the increasing complexity of interdependence (Mayntz 1993b: 43). At the same time it is an expression of the progressing recognition on the part of social and political actors that a new mode of governance has to develop that rests on the continuous process of interaction. In business relations, too, network structures are by now not only considered to be a passing phenomenon in times of "market failure" but a persistent trait of exchange relations. They thrive thanks to their productive features. Taking the assumption that resources and products exchanged between economic actors are not homogeneous and given but have different values depending on how they are combined with other resources, then the exchange of this knowledge and its further development through cooperation becomes most important: "... collective learning is identified as a key issue in dealing with heterogeneous resources on the firm level" (Hakansson 1993: 209).

There is not yet an established "conceptual hegemony", but it looks as if some kind of "epistemic community" (P. Haas 1992) had developed around the notion of a new mode of governance. The central message is that governing has to take into account the specific rationality of highly organized social subsystems, and that it can only unleash the productive forces within its constituency if it succeeds to mobilize "indigenous resources". This has a lot to do with setting free innovative capabilities and the willingness to get engaged which will hardly be brought about by authoritative regulation. From a political system's point of view governing has to be organized in a way "to enhance the independent adaptive, reactive, and problem-solving capacities of societal actors, which means to motivate and to enable them to react purposefully at any moment to changing conditions." (Mayntz 1993a: 15) In industrial relations network structures are identified as the most promising "governance form" because they ensure in a relationship the necessary stability and variety in a relationship which is a prerequisite for productive learning (Hakansson 1993; 1994). "Joint learning" is considered to be most productive as it is based on the knowledge and experience of more than one actor and results in a double - or mutual -

specialization. To make joint learning possible it is necessary to develop stable relationships with a variety of suppliers and customers of resources (Hakansson 1993: 215)

This new notion of governance respects the autonomy of societal actors and contrary to conventional thinking does not consider the successful reduction of complexity a prerequisite to effective government. "Difficult complex relations and strategic drastic changes are no longer considered as problems and difficulties which have to be mastered, but rather as sources of innovation...Management of complex networks is then not the maintenance of sensitive intricate balances, but the deliberate use of imbalances for the sake of renewal." (Kickert 1993:202) "Good governing" then would contribute to a "decrease in the unilateral steering by government, and hence an increase in the self-governance of the networks."(Ibid: 204)

March and Olsen have expressed this change in governance by saying that "governance becomes less a matter of engineering than of gardening" (March/Olsen 1983: 292). This change entails a transformation in four respects: namely in the *role of the state*, the *rules of behaviour*, the *patterns of interaction* and the *level of action*.

The state is no longer an actor in its own rights. Its *role* has changed from authoritative allocation and regulation into the role of partner and mediator. It has abandoned its ambition to direct the economy and to steer research and technology into the right direction. Instead, the state executive transmuted into a broker bringing together the relevant actors of society. Networking is the main task, which means to offer the institutional framework within which transaction costs can be reduced and successful self-regulation can be supported. Instead of providing economic incentives through the transfer of own resources, state agencies act as consultants enabling societal actors to find the right access to external funds like those of the EC. This change "from actor to arena" takes different forms. That it reflects diverging policy styles varying between and even within individual countries should be less surprising than the rapid spread of this new phenomenon.

"Partners" will behave in a different manner than "rulers" and "subjects" did. *Rules of behaviour* and the norms prevailing within a "negotiating state" (Scharpf) will differ from those prevalent in a hierarchical state or those in an anarchical "self-help system". Actors are still profit oriented, but bargaining is more about the distribution of benefits in joint problem-solving rather than enhancing one's own position in relation to others. The upgrading of common interests, the commitment to a collective good is as well part of the game as the pursuit of particular interests.

Distinct *patterns of interaction* evolve. Hierarchy and subordination give way to an interchange on a more equal footing. The formerly clear cut borderlines between the private and the public become blurred. Multiple, overlapping negotiating arenas emerge. The state is divided into functionally differentiated substructures, each of which is part of particular

"policy communities" that depending on the problems to be solved, will engage in specific "issue networks".²³

Accordingly, the *level of political action* is brought down to those that are effected by the policy and whose active support is needed for implementation. Network relations that are based on mutual trust necessitates that partners will have to meet in face-to-face contact; joint problem-solving will be functionally more specific and will therefore take place in smaller units. "Authoritative allocation" could be executed at higher levels, and would even function in a mass society spreaded over a vast territory. It responds to the demands aggregated and articulated by intermediary organizations representing existing preference structures and cleavages. Support depends on performance and may be gained by efficient administration. Not so a policy that is geared to the "mobilization of indigenous resources" and "joint learning". This has to be decentralized and carried out at lower levels.

3.2. The transformation of governance - a European "leading idea"

The emergence of this new type of governance²⁴ is in general related to changes taking place in the "real world": The evolution of our societies, the globalization of the economy, the dynamic progress of science and technology. And there is a growing body of literature that finds elements of this new mode of governance nearly everywhere and relates it to the transformation in the empirical environment. I will not deny the importance in material changes²⁵. The point I want to make is that actor strategies and changes in the general perception are about as important as changes in the material world. The same holds true for the relation between actual practise and the interpretation of that practise. The assertion I want to prove is that the proliferation of the concept is as relevant as are the actual changes in roles, structures and procedures. Change is brought about not so much by what political actors and their social and economic counterparts do, but by the common understanding that what they are doing constitutes a "new mode of governance". I should like to contest the familiar argument that "...the growing complexity, dynamics and diversity of our societies, as 'caused by social, technological and scientific developments', puts governing systems under such new challenges that new conceptions of governance are needed" (Kooiman 1993: 6). Structural conditions do not bring about new patterns of behaviour by the sheer force of necessity. Even "the growing recognition on the part of social and political actors of the complexity, dynamics and diversity of social-political systems" (ibid) will not be sufficient. There has to be a leading idea, a concept that gives a clear image of the logic of

²³ The terminology follows Marsh/Rhodes 1992.

²⁴ It comes close to what Jørgensen 1993 has called the "responsive state".

²⁵ A cynical interpretation would be that the social sciences are just about to catch up with the complex pattern of reality, and that the reality never conformed to the ideal type of the state and of governance as presented in our textbooks. (Beyme 1991) In the context of my argument, however, it is not particularly relevant whether social life and academic reasoning are finally brought into line or if we are confronted with a new phenomenon.

one's own dealings.²⁶ A new "belief system" in the sense of providing shared assumptions about causal facts and legitimate reasons has to be produced in order to orient collective action. "Framing" (Rein 1991) is a necessary prerequisite for collective agreements upon the setting of a problem and the adequate way of dealing with it.

My hypothesis is that European integration is closely linked with the dissemination of that concept of a new mode of governance. The reasons for this are threefold: 1. The Community brings together actors that take the greatest interest in and are open to the idea of a change of governance. 2. It is most active in those policy areas in which governing by coordination seems most plausible. 3. It follows a strategy that allows to minimize opposition.

European research and technology policy as well as European regional policy can be taken as good reference points to illustrate the mechanisms at work. Research and technology is the policy area which already at the national level was an early testing ground for "public-private partnership". It thrived on the mutually shared assumption that the problem structure was such that only by close cooperation promising strategies could be developed. Uncertainty and risk, long turnout effects, extensive resources needed made it - at least from an actor's perspective - imperative to work together in order to come to a common understanding of ways and means to tackle the problem.²⁷

The history of the EC-research and technology programmes, especially in the field of information technology gives ample evidence that those actors joined that hoped to profit most from a concerted action. The story of the "Round Table" is often told in a way that implies that it was the coalition of big business that brought about the first spectacular programmes in information technology (Sharp 1991). Others point to the fact that it was the Commission that forged that coalition together and used it for its own purpose, namely to gain the Council's unanimous vote for its proposal (Grande 1995). In my reading it was less a case of instrumentalizing one partner by the other, but an exercise in joint cooperative governance. The Round Table was a success story because a technocratic consensus supported the legitimacy of business and the Commission acting together. It is well established conventional wisdom in Western Europe that the Community is about competitiveness: The ensuing argument is that competitiveness depends on the capability for technical innovation, and that scientific knowledge and insight into the requirements of the economy is what is most needed in order to design a good policy. Furthermore, it was a new policy and fixed patterns for choosing policy options were yet not set. This made it easy to form a transnational/supranational coalition based on a common understanding of the nature of the problem. To interpret it in terms of an transnational "advocacy coalition" that just influenced the decision-making of the Council would miss the point. All relevant

²⁶ There is a growing interest in the role of ideas in social and political life in international relations as well as in policy analysis. For a recent summary see Jachtenfuchs 1995.

²⁷ Hofmann 1993 gives a very instructive account of the change in philosophy of governance in technology, particularly with respect to regional technology policy.

actors became part of the policy network and joined in to come to a common understanding of the nature of the problem, the options and measures to be taken.

Regional policy is another case which gives even better proof of the argument. The story in conventional terms is generally told along the following lines²⁸ : The increase in structural funds, the reforms in objectives and procedures of EC-regional policy at the end of the 80s, the informal and formal²⁹ channels of regional representation all have contributed to an upgrading of the European regions. It is a highly disputed issue in the meantime whether and to what extent this has increased their political weight to the detriment of the states.

From my point of view neither comparative studies on the influence that regional representatives have on the process of policy formulation and implementation nor a thorough investigation of the role of the Committee of the Regions will provide a satisfactory answer. The regional policy of the EC supports a change in governance to the extent that it offers a new concept of governing and provides procedures and resources that induce actors at the sub-national level to become part of the new game. The EC does not try to impose or a concept. Instead, it opens a "window of opportunity" for regional actors to use the resources offered. These are threefold: funds, strategic concepts and legitimacy.

Financial assistance is attractive and regional actors have employed different strategies to get hold of it. The Community does not only offer money, but also a philosophy about the right use and the overarching objective of regional structural policy. The idea centres around the principle of "partnership". But apart from this principle, the whole "framing" sells the message of cooperative governing. It is remarkable to see to what extent this philosophy is shared by regional actors. They have started talking about the new role of the "regional state": "It should moderate and organize the ongoing dialogue between employers and employees, between the world of science and of business. Without such a bringing together and networking of regional forces the structural problems will not be solved and the development potential of the region will not be used" (Lafontaine 1994: 10)³⁰. Ministers talk about a "new model of governance"³¹ (Spöri 1994: 66), the necessity to organize a "dialogorientierte Wirtschaftspolitik" (dialogue oriented economic policy), and have institutionalized cooperation in collective bodies like the "Gemeinschaftsinitiative Wirtschaft und Politik", an expert-based body for joint problem-solving. Municipalities have jumped on the band-waggon (Hennerkes 1994).

In addition, the Community programmes in regional affairs, especially the "Community initiatives" provide a full-fledged regime for cooperative governing. It entails principles,

²⁸ The literature on European regional policy and the role of regions in the EC politics has expanded dramatically in recent years. A condensed account is presented by Benz 1993.

²⁹ In particular through the establishment of the Committee of the Regions.

³⁰ The German original reads as follows: "Der Staat kann nicht alles....Er kann den kontinuierlichen Dialog von Unternehmern und Arbeitnehmern, von Wissenschaft und Verbänden moderieren und organisieren. Ohne eine solche Bündelung und Vernetzung der regionalen Kräfte können die strukturellen Probleme nicht gelöst und das Entwicklungspotential nicht ausgeschöpft werden." Lafontaine is Prime Minister of the Saarland.

³¹ in German: "ein neues Politikmodell"; Spöri is Minister of Economics and Deputy Prime Minister of Baden-Württemberg.

devises norms, rules and procedures that support or even bring about the institutionalization of networks. Regional and sub-regional actors quite often consider the implementation of this regime to be time-consuming, expensive and not particularly efficient.³² Nevertheless, the same actors may well be in favour of that principle and its application in regional development programmes. They expect that it is bound to strengthen their own position perhaps less with regard to that specific programme than in general terms.

3.3. Governing in networks

The most fascinating result of empirical research on the effects of Europeanization of regions is the growing importance of network building. Most authors tend to discard this aspect as being of secondary importance. They are looking for "decisive institutional shifts" or at least hard evidence for a more influential role of regions as compared to municipalities, nations and the EC (Hooghe 1995). When looking for more "subtle changes", recourse is taken to causal explanations such as "rising expectations", "a mobilization of demands" or "concerted attempts" (Marks 1995). Instead of recalling the metaphors of the "Third World" discourse, one should rather take a closer look at the effects the emergence of sub-national networks brings about.

Although there are great variations in all different aspects of network characteristics (Conzelmann 1995), they have some particular properties in common. They are built on voluntary participation and on acknowledged mutual self-interest. Trust, so central to their functioning, is supposed to be based on close personal relations. But trust does not only arise from interaction. It is supported by a "common understanding". Networks as "patterned relations" are embedded in overarching institutions, in sets of principles, norms and rules of a higher order which are internalized by actors in common beliefs systems. From a "reflective institutionalist" approach the concept of "cooperative governing" is about to become such a point of reference.

If one agrees with the notion that "... action is taken on the basis of a logic of appropriateness associated with roles, routines, rights, obligations, standard operating procedures and practices" (March/Olsen 1994: 5), the active propagation of the network-model of governing is of the highest relevance. There are good reasons to believe that the European Commission and regional public actors will join to do so. Regions have a comparative advantage in building networks that rest on proximity, mutual experience and sometimes even a feeling of political community. The Commission looks for procedures and partners which will help to improve its performance and bring it closer to the citizens. Governing through network coordination has its in-built limits. But in a situation where regional public actors have little options to govern their environment by other means, the positive effects of network-governingscore high. From this point of view, the evidence that

³² These are the preliminary results of a comparative empirical study on the role of regions as political actors in EC politics I am engaged in at present.

"policy networks are more likely to emerge and play a significant role in a unitary state such as the UK than in more federal or decentralised countries ..." is not a "paradox" (Burton/Smith 1994: 47) but rather supports the logic of the argument.

The functional advantage of networks is that they can compensate for the rigidities of institutions. There is evidence abound that networks emerge in a situation when existing institutions due to their immobility can no longer cope with a situation and despite their inefficiency resist institutional adaptation. Networks can bring together different actors in a rather flexible manner and bridge the gap between institutions. Because they are built on voluntary participation, they have a higher elasticity with respect to changing demands. Their effectiveness, however, is limited just because the exit-option is always open. This explains the obvious tendencies of many networks to become institutionalized. They are in constant danger to lose their most attractive property - voluntary commitment to joint problem-solving in shifting alliances - because they have the tendency to get institutionalized in order to become more effective and on the other hand they are constantly threatened to get subdued by existing institutions that strive for control (Benz 1994; Fürst 1993).

Wherever more encompassing issue networks like in EC regional policy produce narrower "subnetworks", those tend to develop a high stability despite a low degree of institutionalization (Staeck 1994: 50). The main reasons are the limited number of participants, the longterm perspective of cooperation spreading the "shadow of the future", and the reflex of higher institutions.

So far, European integration has not contributed to endow regions with stronger constitutional prerequisites or political power. The "sandwich model", which projects that in the coming future the state will be squeezed between two dominant political actors - the Community and the regions - lacks descriptive accuracy and explanatory power. Changes in the role of the nation-state will come about through the transformation of governance.

At first sight, the role of the "state" will be less dominant. It is weak in terms of being reduced to a partner and broker. It has lost its capacity to regulate by decree and orient the action of societal actors by coercive measures. Apart from the intricate question, whether this perception of the state was ever close to reality, public administration gains strength from its weakness. The mushrooming of "joint initiatives" and similar network activities has enabled the executive - in particular at sub-national level - to penetrate society even more. The "centrality" (Benz 1992) of state actors is even more important. It is not by chance that thus far they have played the role of "political entrepreneurs". They decide to whom they want to become partners, on what issue it is worthwhile to engage in cooperative effort. Above all, they are close to politics. It is in the context of the political process that new governing concepts are validated.

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