INTRODUCTION

Internationally, there is increasing practical political concern with EC-matters as well as growing scientific interest. On the one hand, since the declaration of the SINGLE EUROPEAN ACT (SEA) in 1986 non-member states are facing the emergence of a harmonized European internal market of 340 Mio. consumers by the end of 1992 and have to consider their relationship to this economic power. On the other hand, we all are scientific observers of the formation of a European State, which is attracting more competences from member states and is increasingly acting as a political entity in international affairs. My perspective on the EC will, nevertheless, be from a national point of view. I want to address the question, how the German politico-administrative system is responding to the increasing functional importance of the supra-national decision-making centre in Brussels. By adopting this perspective, I neglect the fact that, last not least, the German federal government was and is pressing for further European integration. For, whether a government takes a positive or a defensive attitude to European integration, it is bound to influence the course of the ship and bring to bear national interests.

For the existing national policy-making system, which is constitutionally guaranteed, adaptation stress is generated in three respects:

— Although the European Parliament is being directly elected since 1979, it has little policy-making authority; it has merely a consultative function in EC policy development and the power to vote resolutions.1 But EC recommendations, decisions, directives and regulations constitute international law enacted by executive bodies: the council of ministers and the European Commission — the latter's functions residing basically with developing policy and drafting directives and regulations as well as supervising implementation in the member states.2

— The more urgent becomes the question of political legitimation of EC decisions. Due to this discrepancy between executive and parliamentary functions on the EC level, one should assume that legitimation needs are more strongly felt on the national level and that parliaments are responding to this challenge.

— My primary concern, though, is less with executive-legislative relations, but with coordination in the national executive branch. The second dimension of analysis, therefore, is how EC policy, be it German initiatives, be it the German response to initiatives from other member states or from the Commission, is being developed on the level of national government in Bonn. As EC matters rarely fall in the jurisdiction of a single government department, the question arises how German policy is coordinated. Are there specific structures and procedures which have evolved since the Treaties of Rome in 1957?

— Horizontal coordination is not a specific German problem, but has to be achieved in all capitals of the member states. The third dimension I want to address is, however, uniquely German: the problem of vertical coordination between Bonn and the sub-governments in the Länder. West Germany is the only federal state in the EC; other member states may have regions, but these lack the state-quality the Länder have in German constitutional law. After all, the federation has only derived stateness according to the principle of subsidiarity, whereas regions in other member states came into existence by way of de-volution from the national state.

The more matters of genuine Länder jurisdiction are affected by EC rulings, the more urgent the Länder feel the need to partici-
pate in EC decisions, last not least to pre-
vent erosion of their functions and to pre-
sure the federal structure.

Again I shall point out, which mechan-
isms have developed to safeguard Länder
influence on EC matters and how federal
and Länder level are coordinated.

The kind of responses we can expect on all
three dimensions: legitimation, horizontal and
vertical coordination are basically consisting of
two kinds of adaptations

* procedural as to involvement in the policy-mak-
ing and implementation processes
* and structural, i.e. the differentiation of existing
institutions or the creation of new institutions
to cope with the increased complexity of the
decision-making process.

1. Horizontal Co-ordination in Bonn

Coordination of government policy is not a
new imperative; in fact, with departmental
specialization coordination is almost tautolog-
ic and respective mechanisms to overcome
suboptimal and selective problem solutions
emerge. Nor is the coordination of EC policy
a particular necessity that was realized only af-
after 1986; it has existed since 1957. However, af-
after 1986 the number of policy areas affected by
and impinging on EC policy has broadened. Ac-
cording to the 3 treaties of 1952 and 1957, the
traditional policy areas were

- Coal and steel policy, being basically under
  jurisdiction of the Ministry of Economics
  and the Ministry of Labour (concerning
  workers' co-determination in these indus-
  tries)
- Euroatom affecting the Ministry of
  Technology
- Economic community affairs spreading
  from Agriculture and Economics to Traffic
  and Health, e.g. in harmonizing trade
- regulations concerning meat products as to
  quality requirements or labelling (beer bottles)
  concern the ministries of Agriculture and of
  Economics;
- with tobacco regulation Health and Finance
  is involved, too;
- driving hours and tachographs have been regu-
  lated affecting Economics, Traffic and Labour
  Affairs;
- merely Agricultural production and income
  policy resided almost exclusively in one minis-
  try in Bonn.
- As all these directives and regulations are ju-
  ridically international law and are negotiated
  on the principles of international law, the For-
  eign Office has to have a say, too.

Although even under the Single European
Act of 1986 the EC will be primarily an econo-
ic union, EC jurisdiction has considerably been
broadened.

- Foreign policy of the member states is to be
  coordinated (Art. 30 SEA);
- so will be environmental policy.
- In order to bring about the single European
  Market by 1993, monetary policy is to be in-
 tegrated with the prospects of a European
  central bank; so are regional policy and
  technology policy as well as measures to
  bring about social unification. Furthermore,
educational and labour policies have to be
  harmonized in order to enable free migration
  in Europe.

Thus, there is hardly a policy area not affect-
ed by the EC. Jacques Delors has been talking of
»a silent revolution«, as after 1992 80% of all
economic, fiscal and social legislation will take
place on the EC level. At the same time the EC
has to rely on national administrative structures
for implementing directives.

Effective policy coordination would fulfill a
dual requirement

* integrating various departmental perspectives
  in a comprehensive way to avoid internal con-
  tradictions and subsequent implementation
  problems
* concertation of the various policy goals to
  enable bargaining with other member states
  and to push through the national interests
  (Wallace 1973, 19) — an aspect certainly more
  visible in London than in Bonn.

1.1 Traditional Coordination Mechanisms

Traditionally coordination would be achieved
by cabinet and the chancellor's office as the
staff of cabinet and chancellor. In fact, in the
office there is a division supervising EC poli-
cy; but it is, though, not an active policy cen-
ter, except in preparing EC summits (Regels-
berger/Wessels 1984, 481). Furthermore, cabi-
inet as a whole comes into the game only after
EC directives have been issued and must be
submitted to parliament for national legislation.

Secondly, bilateral horizontal coordination
between departments is institutionalized in all
government affairs. A lead ministry is in charge
of coordination, which has the broadest juris-
diction of those concerned. Occasionally, how-
ever, it is not at all clear, whose jurisdiction is
affected most by the respective EC matter.
Then the chancellor will have to take an or-
granizational decision.
1.2 Concentration of EC-Affairs

This pattern of horizontal self-coordination of departments has immediately after 1957 become unsatisfactory, because with shifting responsibilities and varying «lead ministries» the power-political goal would not be effectively accomplished in Brussels. Therefore, a centralized solution was considered. Theoretically, there would have been three structural solutions: a Ministry for European Affairs or some other special institution, options applied in France, Italy, and Greece. Second, centralization onto the Foreign Office or, third, centralization onto another of the traditional departments.

All three of these pure models have been discussed in Bonn, but a compromise solution was finally reached. A Ministry for European Affairs was rejected by foreign minister and economics minister (Erhard), who did not want to give up competences. Another reason was that European affairs should not be symbolized as something special, but were to be regarded as part of home policy. This line of reasoning excluded also the Foreign Office solution, against which Erhard protested, too, on the ground that the EEC were an economic union (Koerfer 1988). On the other hand, the foreign ministry objected to centralization on the Economics department, as diplomatic channels would have to be employed including the EC-embassy in Brussels.

After months of negotiations between the two departments, a compromise was reached in 1958, which basically is still in existence: the Foreign Office is responsible for EC treaties and institutional questions of the EC, e.g. enlargement of EC, association of other states and political aspects in general, like relations vis à vis the GDR. The ministry of Economics is responsible for technical matters with a right to give direct orders to the Brussels embassy. Consequently, both ministries have built up divisions for European affairs.

1.3 Departmentalization

Besides these semi-centralized arrangements, bilateral contacts between departments and Brussels have been existing, where policy areas were congruent with subcommittees of the council or directorates general of the commission, e.g. in agricultural policy.

Today there is a tendency toward departmentalized contacts between technocrats in Bonn and Brussels on the civil servants' level (Siedentopf/Hauschild 1988, 32) eroding the competences of foreign office and economics department. A »vertical brotherhood of experts« has developed between Brussels and Bonn similar to mechanisms of vertical integration between central and Länder governments on a personnel basis. Factors that might have contributed to this departmentalization during the last 30 years, are cases of joint policy-making between experts in Bonn and Brussels, departments and general directorates, because often there is legislation going on in Bonn parallel to EC initiatives or Bonn Initiatives are communicated to the Brussels technocrats5. The short travel distance between Bonn and Brussels (2.5 hours by car6) invites informal procedures. Last not least, the constitutionally strong position (Art. 65 GG) of German ministers vis-à-vis chancellor and cabinet legitimate a certain degree of departmental autonomy.

1.4 Coordination by Committees

In coalition governments typical for Bonn, a structural solution is insufficient for dealing with conflicting party-political viewpoints; also normal interministerial conflicts have to be solved somehow, unless one refers to cabinet. Therefore, a multi-layer committee system has developed.

1.4.1 Committee for Briefing the Embassy

Under the chairmanship of the foreign office, every Tuesday a committee of up to 30 civil servants of the various departments concerned meets to prepare the »permanent German Representative in Brussels«, an extension of the foreign office, which for simplicity's sake is called here the embassy to the EC.

Its function is that of a postman, passing up and down documents and coordinating German representation in the numerous Brussels committees, in particular in COREPER7, which assembles the suggestions produced in the 200 odd committees and working groups of the Council (Pag 1987). 30 per cent of the embassy are diplomats; the others come from various ministries receiving directives from Bonn and work in the specialized EC committee structure.

It is even arguable that technical coordination of German EC policy is ultimately achieved in the Brussels embassy.
The committee meetings in Bonn are to exercise control over the embassy, and 90% of its business is settled on the civil service level (Wallace 1973, 30) in weekly meetings of section heads or in monthly division head meetings.

1.4.2 Committee of State Secretaries

Unresolved problems are passed on to the next hierarchical level; in general the more political as opposed to technical aspects are dealt with on the level of State Secretaries since 1963, involving the most important departments (foreign office, economics, agriculture and finance) and since 1969 the SIS of the chancellor's office. The standing Brussels representative takes part in the SIS-meetings, too.

The chairmanship is with the foreign office, while the technical bureau of the committee is in the Economics department. Meetings are taking place in 3-5 week intervals enabling a broad overview on all of the activities going on on the operative level of the ministerial sections.

1.4.3 Cabinet Committee for European Affairs

The state secretaries meet to filter unimportant matters before reaching cabinet level. This «management by exception» works so well, that the cabinet committee established in 1973 is of no practical significance today. The respective ministers prefer to meet ad hoc if necessary (Siedentopf/Hauschild 1988, p. 34).

Compared to the French system, the coordination machinery in Bonn is characterized by a high degree of decentralization with a hierarchically arranged committee structure. In Paris, an EC secretariat is under direct purview of the Prime Minister, the secretary general being not seldom member of the cabinet of the French president. All coordination is done in this secretariat with 100 staff in 8 divisions. Apart from this hierarchical mode of coordination, the secretary also gives orders to the French embassy at the EC. However, political matters are dealt with at the Quai d'Orsay (Wallace 1973, 19 ff.).

In Paris as in Bonn, though, it might be equally difficult to differentiate between technical and political matters. Maybe, in this respect the filtering process through the committee structure in Bonn is even more effective.

Elegant as centralized models of coordination may look at a first glance, decentralized, even fragmented systems could have some advantages. After all, decision processes usually take a couple of years as the case studies by Siedentopf and Ziller (1988) demonstrate. Therefore, there is hardly a need for quick national policy decisions.

Second, departmentalized systems allow for extensive contacts with interest groups. According to the procedural code of the federal ministries, interest groups organized on the national level are to be heard before legislative proposals pass cabinet and are submitted to parliament. This also applies to EC matters. Participation is obviously easier in decentralized than in centralized systems. This aspect is also of normative importance, as EC policy suffers a legitimization deficit due to the embryonic competences of the European Parliament.

1.5 Involvement of Federal Parliament

The involvement of national parliament, the Bundestag, would be of interest during the policy-making phase, while coordination goes on between the executive departments prior to rule making in Brussels. However, from the EC perspective, the Bundestag is practically rather an implementing agent when EC directives are transformed into national legislation.

The Bundestag responded to the growing importance of EC-policy by attempts of structural differentiation (Leonardy 1989).

— In 1983 a commission (not a committee) for European affairs was created, but not re-institutionalized in the 1987 legislative period.

— Instead in 1987 a subcommittee of the Foreign Affairs Committee was created.8

— Furthermore, subcommittees have been established in the budget committee and the committee for legal affairs.

This means, there is no specialized parliamentary European Affairs Committee. The reason is, that BT-committees follow departmental jurisdictions; as there is no respective ministry there is no expert committee of parliament.

However, there are two problematic aspects of the way the Bundestag is organizing itself — problems that do not apply to government. First of all, the Bundestag has no comparable coordination machinery. In addition the information processing capacity of the 3 subcom-
committees is too small to cope with the flood of papers coming in from Brussels.

To give an idea of the quantity of work to be done: in the 6 years between July 1980 and July 1986

2506 EC bills were on the agenda, of which only
256 (10%) were dealt with in plenary meetings and
167 had already been published by the EC when dealt with in Bundestag (Leonardy 1989).

Consequently, the Bundestag has a growing fear to loose influence on EC policy-making to the second chamber, the federal chamber (Bundesrat). To understand why this is the case, we have to turn to the problem of vertical coordination in the federation.

2. Vertical Coordination of EC-Policy

To understand why coordination between federal and state level is an issue in the FRG, we have briefly to consider the constitutional situation. During the policy-formation stage in EC matters, Brussels is in official contact only with Bonn. Länder participation in Brussels, from a legal-formal point of view, is not a direct one, but Länder interests — according to the foreign policy monopoly of the federal government — is assumed to be mediated through the Bonn government. National vertical conflicts within the federation are of merely theoretical interest to Brussels.

As Brussels has gained new competences, these affect genuine Länder jurisdictions in a twofold way

— directives (and more dramatic: directly binding regulations; Pieper 1990) are extending even into classical Länder competences like school and university affairs, as for instance in harmonizing educational certificates.
— The administration capacity of the Länder is needed for implementing EC policy, as the federal government as a rule has no field offices, but has national law executed by the Länder.

Thus, in transforming EC directives into national legislation either the Länder would be exclusively responsible for legislation under the German constitution or would participate in federal legislation through the Bundesrat, where they can even veto federal legislation if Länder administration is affected.

In both cases the Länder have a severe interest to influence law-making in Brussels, and in the second case the federal government has an interest that the Länder do not block national transformation of EC directives requiring implementation through Länder offices.

As I said before, neither subsystem participation nor subsequent implementation problems are of interest to the EC. The European Court of Justice has repeatedly emphasized that a member state cannot refer to regulations, practices or circumstances in its internal state law in order to justify its failure to fulfill community obligations (Siedentopf/Hauschild 1988, 45).

This means that Germany has to comply with the Brussels legislation (here: directives) to meet fixed time limits, and to administer the directive after transformation into national law in a way that does not alter its contents. This is so, because the declared goal or effect of the Brussels ruling is nationally binding anyway.

A blockage of national legislation in the Bundesrat, therefore, has to be politically avoided. Consequently a pattern of vertical cooperation was and still is developing to secure Länder interests in the policy-making stage and avoid Länder trouble during the implementation stage.

Concomitantly the Länder pursued the structural goal to preserve the decentralized system as such against centralizing tendencies from Brussels, in particular in anticipation of what will happen after 1992.

2.1 Extended Bundesrat Involvement

The basic problem had been recognized by the Länder as early as in 1957. Therefore, the Länder pressed for Art. 2 of the German Ratification Law for the European Economic Community of 1957, which obliges the federal government to inform the Länder on community proposals. Structurally, this resulted in the creation of a special committee of the Länder chamber, the Bundesrat (BR) (Oschatz/Risse 1989, FN 13).

As the EEC got momentum, the information about mature proposals was felt to be too late and the term »information« too unspecific to secure Länder influence. Thence, in 1979 then chancellor Helmut Schmidt and the North-Rhine-Westphalian Ministerpräsident Rau reached an agreement in an exchange of letters to strengthen Länder participation by
— consulting Bundesrat more extensively and as early as possible, when Länder jurisdiction is affected.

— Second, the federal government would deviate from the Länder standpoint only if unavoidable and would justify its deviation before the federal chamber.

— Third, two Bundesrat representatives should be included in the German EC delegation, if Länder affairs were affected and the BR wished to take part. (I shall return to this point further down).

This agreement was partly reaffirmed in the German Ratification Law of the Single European Act in 1986. Art. 21, though, still spoke of information on proposals that could be of interest to the Länder, thus putting the Federal Government in a position to decide about Länder interests and to act as a filter; in addition, deviation was allowed now for "undeniable" reasons instead of the stronger wording "unavoidable reasons". Also, this procedure was judged unsatisfactory by the Länder, since they spent a lot of time in coordinating their policy among each other, while the decision process in Brussels often went on faster.

Consequently, federal and Länder governments negotiated again and reached the agreement of 17-12-1987 (Oschatz/Risse 1989), which states that the federal government will inform Bundesrat on all matters of potential interest in a comprehensive way and at an early stage. This formulation includes all EC documents, i.e. besides official proposals in particular informal notes and protocols; in addition, Bonn is obliged to give notice also of its own position towards EC decisions.9

This resulted, however, in a flood of documents: 10,000 proceedings per year of which 2,500 are of a substantive nature (Oschatz/Risse 1989, 511).

2.2 Establishment of an EC-Chamber

Of course, a selection of important issues was necessary10. Nevertheless, the BR between 1987 and 1989 had to deal with 495 EC matters, of which 388 required a response, while 102 were formally taken notice of (Leonardy 1989, 528). This presupposes that the relevant material was circulated to the 11 Länder bureaucracies before being dealt with in the EC committee of Bundesrat.

The problem again was that the drafts from Brussels often were still open for negotiation there so that a second resolution by the Bundesrat would be required. This, however, would put the federal government under uncertainty. Also, the time lag turned out to be too long, as BR sits in 3 to 6 week intervals according to the timing of the normal legislative procedure in Bonn. In order to cope with this situation, the BR decided to upgrade its EC committee into a chamber with decision authority delegated from the plenum. This structural response took place in 198811. It enables the BR to meet more frequently in the chamber and to decide quickly on "urgent and confidential matters".

Members of the Bundesrat chamber have to be Länder ministers; matters cannot be delegated to civil servants, although experts are, of course, present in the capacity of permanent representatives with the right to speak. As the BR and its EC chamber meet in Bonn, the technical problem of ministerial presence is solved by utilizing another institution of federalism: the Länder Representatives ("ambassadors") or BR-ministers who reside in Bonn. They convene ad hoc, if necessary12. This flexibility is so important, because the political proportions in the BR have to be reflected in the Chamber, and the Länder governments backing the federal government on party political grounds normally have only a close majority of votes in the BR.

This EC chamber has greatly increased the efficiency of the BR. For instance, the consideration of the EC regional fund in September 1988 lasted only one week.

Another indicator might be the relation between number of identical EC matters dealt with in Bundesrat and in Bundestag: of the 495 topics dealt with by BR between 1987 and 1989, the BT managed only 79 (Leonardy 1989, 528).

2.3 Länder Representation in German Delegation

As was mentioned above, the Länder may send representatives of the BR into the German EC delegation when it comes to the final stage of the decision-making process in Brussels.13 This is important, because the Länder are not represented in the various committees of EC council and EC commission; they would not have enough qualified civil servants to send there, anyway. Again the strength of the Länder representation is carefully dosed:

— 1 representative, if Länder interests are afflicted14
— 2 representatives, if the EC decision is falling exclusively under Länder jurisdiction — this number may be exceeded, if there is room enough in the delegation. For instance, when the mutual recognition of university examinations was negotiated, 3 Länder representatives took part in the German delegation.

The problem with this mechanism of interest representation is, however, that the representatives have to stick to the negotiating line of the federal government. On the other hand they are bound by previous Bundesrat decision. Thus, conflicts can ultimately only be avoided, if BR and Federal Government reach an agreement before the delegation heads for Brussels.

2.4 Permanent Representation in Brussels

In addition to the mechanisms described so far, there are two structural solutions enabling permanent representation in Brussels. While the one is a novel response, the other is as old as the EEC.

2.4.1 Permanent Observer in Brussels

Since 1958 there has been one »permanent observer« of the Länder in Brussels. But this official is not integrated in the German EC embassy and is lacking information processing capacity to follow all the various meetings and committee sessions. Nevertheless, the institution was re-emphasized in the 1987 agreement. Thereafter the observer may contact EC offices, receive all documents of the EC council, and be invited to preparatory meetings in the federal ministry of Economics, one of the semi-central horizontal coordinators in Bonn. He is informed about orders to the German member of the EC committee of permanent representatives in COREPER, who is normally the German EC ambassador; finally, the permanent observer takes part in the German delegation, if nobody else is nominated by Bundesrat (Fastenrath 1990).

Altogether his function is basically re-active and receptive. This cannot be said of the second Brussels based Länder institution.

2.4.2 Bureaus of Individual Länder

Between 1985 and 1988 all of the Länder have established »Bureaus« in Brussels, among these the HanseOffice for Hamburg, Niedersachsen and Schleswig-Holstein. Despite the EC treaty that leaves regional representation of interests to national governments, these bureaus have emerged.

Initially the federal government had objected to this sort of »illegal foreign policy« (»Neben-Außenpolitik«) and the Länder bureaus were run as private law organizations and staffed with employees only. In 1987, though, the federal government gave up its resistance following the philosophy that EC matters are home affairs — and the Bureaus were one by one turned into public law offices and staffed with civil servants, between 3 and 10 people each.

Legally they are conceived as extensions of the Länder »embassies« to the federal government in Bonn. Thus, diplomatically they have no embassy status. In fact, some Länder (BY, NS, BW) have expressed their EC concern and the link to their embassy in Bonn by giving the Länder minister to the Bundesrat and head of the Bonn embassy the title of »Bundesrat and Europe minister«.

What are the functions of the bureaus (Knigge 1988; Strohmeier 1988)?
— Contacts to the committees of the European Parliament, which regularly meet in Brussels;
— influence on the distribution of the regional fund;
— economic lobbying for the regions and advice to the local economy;
— information to the commission as to potential implementation problems;
— serving as a staff to Länder visitors in Brussels.

The bureaus have no formal decision-making power, but rather serve as postman in the downward direction and lobbyists in the upward direction.

3. Conclusion

Let me conclude with two observations as to each level in the policy-making structure inspected.

While on the national level coordination mechanisms have been adopted since 1956 and tend towards decentralized, segmented Bonn-EC patterns, in the vertical dimension new mechanisms and structures for giving input into the policy-making fabric have developed.
On the national level the coordination need does not seem urgent today, while in the vertical dimension we face a strong pressure from the Länder on the federal government.

Most important, though, is the recent trend in the Länder to be represented in Brussels directly in what legal capacity soever. After all, Delors in a meeting with the Ministerspräsidenten of the Länder in 1988 expressly acknowledged the model character of the federal structure for linking the regions to Europe. Also, the European Parliament issued its Regionalism Charta on 18-11-1988, and the EC Commission on June 24th 1988 decided to establish an advisory committee of local and regional corporations with 42 members (Fastenrath 1990, 136).

Establishing bureaus in Brussels is, however, merely one mosaic of a more general pattern, the zooming up of all input structures, in particular of interest groups, which form even international associations for lobbying in Brussels.

This trend, in the last resort, hints to the still unsolved legitimation problem: the European Parliament in Strassburg is not powerful enough to be worth lobbying.

REFERENCES


