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Analyzing Policy Learning in European Union Policy Formulation: The Advocacy Coalition Framework Meets New-Institutional Theory

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Analyzing Policy Learning in European Union Policy Formulation: The Advocacy Coalition
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By Filip Engel

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This article reflects the personal views of the author. It is dedicated to Madalena Lucas: For your love, your support, and all our good times throughout that special year in Bruges.

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Abstract

The paper applies a policy learning perspective on policy change in the European Union. Based on the idea that complex empirical phenomena require complex analytical tools, the paper argues that the Advocacy Coalition Framework (ACF) is a suitable approach to the analysis of policy learning when rational choice institutionalism and sociological institutionalism are incorporated into the approach so as to address some analytical weak points of the ACF. The paper then asks if any conditions can be identified under which one of the two institutionalisms hold more explanatory power than the other institutionalism. By applying the revised ACF to the analysis of an empirical case of policy learning, consisting of the energy-companies Shell, BP and Exxon Mobile, it is shown that the incorporation of the institutionalisms in the ACF produces some valuable insights and that the time-span included in the empirical analysis constitutes an important factor as to the explanatory power of each of the institutionalisms.

This article is developed on the basis of the master's thesis, *A Changing Policy Climate – An Analysis of Policy Learning and Change in Renewable Energy Policy*, Department of European Political and Administrative Studies, College of Europe, 2006/07. Please consult this document for an elaboration of the discussions below.

At the summit of the European Council 8-9 March 2007 it was decided that 20% of the energy consumption of the European Union is to be produced from renewable energy sources (RES) in 2020.¹ It is not more than a decade ago that RES emerged as a comprehensive policy field with the 1997 White Paper on RES,² and it was not until 2001 that legislation on the promotion of RES was adopted (though it was limited to RES-E, electricity produced from RES).³ Against this background it is clear that the Council-decision⁴ constitutes a major policy change in European RES-policy.⁵

When explaining policy change one obvious explanation is that the change came about because it was in the interest of central actors. This superficial answer is not satisfactory as it only displaces the explanation from a level of political action to a level of political interests. Correspondingly the question simply changes to how this change in preferences then came about.⁶

One interesting way of studying changes in political preferences is a learning perspective.⁷ Learning is here understood as “a relatively enduring alteration in behavior that results from experience.”⁸ A learning perspective seeks to capture the processes of policy learning that the actors have undergone that have led to the change in preferences.

A learning perspective on policy change in the European Union is, however, a demanding

¹ Council of the European Union, *Presidency Conclusion 8/9 March*, 72224/07, 9 March 2007.

² Commission of the European Communities, *Energy for the Future: Renewable Sources of Energy*, COM(97)599 final, 26 November 1997.

³ European Parliament and Council of the European Union, Directive 2001/77/EC, on the promotion of electricity produced from renewable energy sources in the internal electricity market, 27 September 2001.

⁴ The decision is only politically binding. The overall target is to be converted into specific targets for the member states and at the time of writing the Commission expects to present its legislative proposal in the autumn of 2007.

⁵ The decision is ambitious due to the great challenges that it raises for the RES-E industry to deliver the technical development that is needed to fulfill the target and due to the economical costs in terms of different direct or indirect subsidies to RES-E that is being put on electricity-consumers. Furthermore it challenges the long standing right of the member states to choose their own energy-mix by effectively imposing certain quotas of RES-E on these.

⁶ Peter A. Hall, ‘Policy Paradigms, Social Learning, and the State: The Case of Economic Policymaking in Britain’, *Comparative Politics*, Vol. 25, No. 3, April 1993, p. 275.

⁷ Elizabeth Bomberg, ‘Policy learning in an enlarged European Union: environmental NGOs and new policy instruments’, *Journal of European Public Policy*, Vol. 14, No. 2, March 2007, p. 257.

⁸ Hugh Hecllo, *Modern Social Politics in Britain and Sweden: From Relief to Income Maintenance*, Yale University Press, New Haven, 1974, p. 306. Learning does, though, not have to be expressed as an alteration of behaviour. Learning can also be defined as learning what *not* to do and thus staying on the same course. The definition above is, however, adequate for the discussion of this paper.

approach. Policy processes of the EU are, first of all, a complex phenomenon and an equally complex model of policy learning is needed to capture this complexity. Second of all is the question of how learning should be understood analytically in the first place.

Rational choice institutionalism and sociological neo-institutionalism are two of the most common ways that modern political science understands agency such as learning. At the same time, the two new institutionalisms represent two opposed camps in one of the most polarized debates of modern political science.⁹ Scholars differ widely on which new institutionalism that is more appropriate one when analyzing EU policies. This paper asks two methodological questions.

First, with the debate between the two new institutionalisms in mind, the paper asks how policy learning should be studied. The paper argues that complex phenomena, such as learning in EU policy processes, require complex analytical tools and suggests the Advocacy Coalition Framework (ACF) as a model of policy learning that captures this complexity. There are, though, certain flaws in the ACF that limits the analytical potential of the approach. With the debate between the two new institutionalisms in mind, the paper therefore argues that *both* institutionalisms, rational choice institutionalism and sociological institutionalism, should be applied to the analysis of learning and correspondingly integrates them into the ACF.¹⁰

Secondly, the paper asks if any empirical conditions can be specified under which either of the two institutionalisms holds greater explanatory power. It is argued that time can constitute a crucial factor that influences the explanatory power of the institutionalisms. If the analysis focuses on actors that are embedded in short-term interactions, rational choice institutionalism can constitute an adequate perspective to analyzing policy learning. But if the actors are embedded in

⁹ Martin Van Hess, 'Explaining Institutions: A defence of reductionism', *European Journal of Political Research*, No. 32, 1997, p. 51. The third institutionalism, historical institutionalism, is not included in the discussion due to the limited scope of the thesis. Furthermore it can be argued that historical institutionalism draws on rational choice assumptions, although in an institutionally constrained version, wherefore the historical institutionalism to some extent is covered by the discussion between rational choice and sociological institutionalism.

¹⁰ Paul A. Sabatier, 'The need for Better Theories', in Paul A. Sabatier (ed.) *Theories of the Policy Process*, Westview Press, Boulder, 1999, p. 6.

more long-term interactions, the analysis should be complemented with sociological institutionalism.

The paper proceeds in five parts. First the paper presents the ACF. Secondly, the paper points to some analytical flaws of the ACF and addresses these by including the two institutionalisms in the model of policy learning. The paper goes on to develop the idea that, whereas both institutionalisms could potentially be applied to the analysis of policy learning, there might be different empirical conditions under which the two institutionalisms differ in explanatory power. Fourthly, the above outlined policy change in EU RES-E policy between 1997 and 2007 is included as an empirical case to test a.) the analytical usefulness of the revised ACF; and b.) to identify under which empirical conditions the two institutionalisms hold the most explanatory power. Fifthly a conclusion answers the two questions of this paper on the basis of the empirical case.

1. The Advocacy Coalition Framework

EU-policy processes include a variety of actors,¹¹ and the notion of a *subsystem* captures this pluralism. A subsystem encompasses a variety of actors from different organizations, which are actively involved in a policy-issue.¹² For a subsystem to exist, the participants have to: 1.) regard themselves as a community; 2.) share a domain of expertise that they have sought to influence over a period of time; 3.) there have to be specialized units within government agencies that deal with the problem; and 4.) there has to exist interest groups that deal with the topic. Thus, the ACF maintains an open ontology to the question of which actors are important in a policy area and how these position themselves in relation to the policy.

¹¹ Irina Michalowitz, 'Beyond Corporatism and Pluralism: Towards a New Theoretical Framework', in Alex Warleigh and Jenny Fairbrass (eds), *Influence and Interests in the European Union: The New Politics of Persuasion and Advocacy*, Europa Publications, London, 2002, p. 42.

¹² Paul A. Sabatier & Hank C. Jenkins-Smith, 'The Advocacy Coalition Framework', in Paul A. Sabatier (ed.) *Theories of the Policy Process*, Westview Press, Boulder, 1999, p. 124.

The ACF is quite all-embracing in its scope when it comes to the number of actors in a subsystem.¹³ To begin with, the approach includes the traditional political actors in the policy process such as institutions, member states and interests groups.

A subsystem is, however, composed of other actors than the traditional political actors. The ACF argues that technical policy analyses, such as a report on the viability of a renewable energy support scheme, is used to advocate specific interests in the policy process.¹⁴ For this reason, experts, who are often the sources of authority when it comes to technical issues of a policy, should also be included in the sub-system. In this way the ACF does more than simply stating that expert knowledge matters. The approach goes all the way by including the expert organizations as fully fledged political actors.

The sensitivity towards the role of experts renders the ACF very relevant to the analysis of EU-policies, where the level of technicality of the policy process is very high.¹⁵ This is, for instance, so when it comes to RES-E policy, where debates take place over the importance of externalities from electricity production from fossil fuels, the soundness of market correcting mechanisms, and the potential of wind-technology.¹⁶

The ACF groups the variety of interests in each subsystem into a number of advocacy coalitions. Hence, for actors in a subsystem to adhere to the same coalition they have to: a.) share a set of normative and causal beliefs; and b.) undertake a more or less coordinated interaction over time.¹⁷ The coalitions constitute the conflictual element of the ACF as they seek to realize their policy preferences in competition with each other by influencing policy.

¹³ Michael Minstrom & Sandra Vergari, 'Advocacy Coalitions, Policy Entrepreneurs and Policy Change', *Policy Studies Journal*, Vol. 24, No. 3, 1996, p. 424.

¹⁴ Sabatier & Jenkins-Smith, *The Advocacy Coalition Framework*, *op. cit.*, p. 118.

¹⁵ Paul A. Sabatier, 'Relevance for Europe', *Journal of European Public Policy*, Vol. 5, No. 1., p. 121.

¹⁶ Joseph Szarka, "Wind Power, Discourse Coalition and Climate Change: Breaking the Stalemate", *European Environment*, Vol. 14, 2004, p. 327.

¹⁷ Sabatier & Jenkins-Smith, *The Advocacy Coalition Framework*, *op. cit.*, p. 120.

1.1 The Belief System

In the ACF learning takes place through a modification of the *belief systems* of the actors. Belief systems are divided into a tripartite and hierarchical structure.¹⁸ The most fundamental level of the three levels is the *deep core* level which is composed of normative beliefs such as man's relationships with nature or individual freedom versus social equity. These beliefs are so fundamental that they are almost impossible to change and so abstract that they do not serve as efficient guides to behavior for the actors.¹⁹ Consequently, this level of analysis is rarely evoked by the actors. Correspondingly this paper will not touch upon the deep core beliefs.

The second level is composed of *policy core* beliefs representing the causal perceptions of an actor and a coalition such as the level of government that is adequate when addressing a policy issue, the magnitude of a political problem, e.g. climate change, or the importance of economic development vs. environmental protection. Policy core beliefs are somewhat difficult to change and learning mainly takes place due to external shocks or learning over long periods of time.²⁰

The third level, that of the *secondary aspects*, deals with more narrow beliefs such as policy preferences for regulation instruments, e.g. how a support scheme for RES should be elaborated or how specific institutions should be designed.²¹ Secondary aspects are therefore less resistant to change because they involve empirical elements that can be challenged with new data or experiences more easily. Learning therefore takes place as an instrumental assessment of means to achieve an end.²² Thus actors prefer to make concessions on the secondary aspects before altering their policy core values.²³ Consequently, the ACF argues that learning mainly takes place on the

¹⁸ Sabatier & Jenkins-Smith, *The Advocacy Coalition Framework*, *op. cit.*, p. 121.

¹⁹ Sabatier & Jenkins-Smith, *The Advocacy Coalition Framework*, *op. cit.*, p. 131.

²⁰ *Ibid*

²¹ Sabatier & Jenkins-Smith, *The Advocacy Coalition Framework*, *op. cit.*, p. 122.

²² *Ibid*

²³ Matthew Zafonte & Paul A. Sabatier, 'Short-Term Versus Long-Term Coalitions in the Policy Process: Automotive

level of secondary aspects.

Thus, when it comes to understanding policy change, what matters is to understand the policy learning of the actors in the subsystem. The learning changes the preferences of the actors, thus altering the relative importance of the coalitions of the subsystem.²⁴ Thus, in politics the actors matter; actors learn and actors convert learning into policy change. Yet the theory of action of the ACF is not fully adequate when it comes to conceptualizing the learning that takes place.

2. Agency in the ACF – A Critique

The ACF argues that “actors’ goals normally are complex and should be ascertained empirically.”²⁵ Thus, interestingly enough, the ACF is a theory of the policy process without a theory of agency. The ACF has been criticized for this unwillingness to develop an explicit theory of agency, and several scholars have sought to incorporate the “missing theory of action” into the ACF.²⁶ Such attempts, however, have often resulted in the introduction of a rational and self-interested actor into the ACF, which obviously is incompatible with the claim that actor’s preferences should be ascertained empirically.²⁷

Yet, at the same time the critique and the attempts to complement the ACF with a model of agency seems reasonable.²⁸ Without a theory of agency the researcher is left without a coherent analytical framework. Consequently, the researcher is left with an analytical approach that Sabatier himself, paradoxically enough, has criticized for being an approach in which “the analyst

Pollution Control, 1963-1989’, *Policy Studies Journal*, 2004, p. 79.

²⁴ The ACF presents three types of policy learning that can lead to policy learning with the actors in the coalitions; learning within the coalitions, learning across the coalitions and external shocks. The limited space does not permit me to develop these three types of learning any further wherefore no differentiation is made below between the three types of learning. In any case, this does not have any consequences for the overall argument of the paper.

²⁵ Sabatier & Jenkins-Smith, *The Advocacy Coalition Framework*, *op. cit.*, p. 131.

²⁶ E.g. Edella Schlager, ‘Policy making and collective action: defining coalitions within the advocacy coalition framework’, *Policy Sciences*, Vol. 2, No. p. 249.

²⁷ Sabatier & Jenkins-Smith, *The Advocacy Coalition Framework*, *op. cit.*, p. 139.

²⁸ Daniel Kübler, ‘Understanding Policy Change with the Advocacy Coalition Framework: An Application to Swiss Drug Policy’, *Journal of European Public Policy*, Vol. 8, No. 4, August 2001, p. 626.

approaches the world in an implicit, ad hoc fashion, using whatever categories and assumptions have arisen from his or her experience. This is essentially the method of common sense.”²⁹ The lack of a clear model of agency inhibits a clear understanding of how learning comes about.

2.1 Agency in the New Institutionalisms

In order to develop a more clear understanding of learning, this paper turns to the two most common ways of understanding agency in political science: rational choice institutionalism and sociological neo-institutionalism. Despite the fact that the two institutionalisms are clearly opposed in the political science debate, they have a lot in common. They share an emphasis on three central concepts; institutions, preferences and actors. The difference between the two institutionalisms consists in the way that these three concepts are combined.³⁰

In rational choice institutionalism, preferences are material and given. Correspondingly, the institutional context does not change the preferences of the actors, as they are exogenous to the institutions. The institutional environment influences the behavior of the actors, but only by acting as constraints on the actors and in this way forcing them to alter their strategies and behavior when they seek to realize their preferences.³¹ Hence, given the emphasis on this approach on how actors calculate the consequences of their actions out of an ambition to achieve their goals, this way of understanding learning is called the *logic of consequentiality*.³² Learning takes place when actors realize that they need to alter their strategy in order to obtain a certain goal.

Contrary to rational choice institutionalism, sociological institutionalism views preferences as variable and as a function of the institutional context. Preferences are endogenous to the

²⁹ Sabatier, *The Need for Better Theories...*, *op. cit.*, p. 5.

³⁰ The two streams of institutionalism should not be regarded as homogenous as there are many divergent interpretations of each stream of institutionalism and correspondingly the two logics of action come in different variations. Thus, the two logics should be regarded as analytical ideal types.

³¹ Ben Rosamond, 'New Theories of European Integration', in M. Cini, *European Union Politics*, Oxford University Press, Oxford, 2003, p. 110.

³² James G. March & Johan P. Olsen, 'The Institutional Dynamics of International Political Order', *International Organization*, Vol. 52, No. 4, 1998, p. 949.

