Engaging with Europe: 
the Welsh Assembly Government 
and EU policy-making
DECLARATIONS

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Abstract\textsuperscript{1}

This study is an empirical investigation of the activities undertaken by the Welsh Assembly Government (WAG) in its attempts to promote its policy interests within EU policy-making processes. It argues that working with the UK Government in the formulation and promotion of UK-EU policy forms the centrepiece of WAG’s strategy, but that it also explores other channels through the work of its representatives in Brussels. As the mechanisms which enable WAG to participate in UK-EU policy processes are informal, maintaining good relationships with central government officials is necessary for ensuring quality engagement with these processes. WAG therefore makes a conscious effort to refrain from acting in ways which might jeopardize its relationship with Whitehall, displaying caution both in its engagement with the UK Government, and in its interest-promotion activity in Brussels. WAG’s strategy is also characterized by creativity. It explores various channels to promote its interests, working with actors such as the Commission, Welsh MEPs, regional networks, and other European regions. The nature of its relationship with many of these actors is highly informal. WAG needs to target other actors because of the lack of formal mechanisms at WAG’s disposal, because of the distribution of power between EU institutions, and because WAG is able to use other actors to promote interests which diverge from those of the UK Government. In conclusion, it is argued that the high degree of dependency on the UK Government which characterizes WAG’s engagement in EU affairs support the claims made by Moravcsik’s theory of liberal intergovernmentalism rather than those made by multi-level governance scholars.

\textsuperscript{1} This work has been proofread for grammatical errors and minor changes have been made to the text.
Introduction

One of the most significant developments in European governance over the past half-century has been the rise in supranational policy-making. The European Union (EU) has the authority to legislate in ‘virtually all areas of public policy’ and scholars estimate that over 80 per cent of laws regulating ‘the production, distribution and exchange of goods, services and capital’ emanate from Brussels (Hix, 2005: 3). Another notable trend has seen the decentralization of legislative authority to regional legislatures in many countries, including Spain, Belgium, and the UK (Keating and Wilson, 2009; Hooghe, 1993; Sorens, 2009). On 1 July 1999 powers to enact secondary legislation in a range of policy fields were transferred to the National Assembly for Wales (NAfW) (Bulmer et al., 2002: viii; Richard, 2004: 85-6). However, many of the fields for which the devolved legislature is responsible also come under the purview of the EU. As the supremacy of EU law limits the Welsh Assembly Government’s (WAG) ability to use its powers, WAG engages in European affairs on behalf of NAfW in an attempt to influence EU policy.

This study is an empirical investigation of the activities undertaken by WAG in its attempts to promote its policy interests within EU policy-making processes. It argues that working with the UK Government in the formulation and promotion of UK-EU policy forms the centrepiece of WAG’s strategy, but that it also explores other channels through the work of its representatives in Brussels. As the mechanisms that enable WAG to participate in UK-EU policy processes are informal, maintaining good relationships with central government officials is necessary for ensuring quality engagement with these processes. Therefore WAG makes a conscious effort to refrain from acting in ways which might jeopardize its relationship with Whitehall, displaying caution both in its engagement with the UK Government, and in its interest-promotion activity in Brussels. WAG’s strategy is also characterized by creativity. It explores multifarious channels to promote its interests, working with actors such as the Commission, Welsh MEPs, regional networks, and other European regions, even though the nature of its relationship with many of these actors is highly informal. The need to target other actors arises because of the lack of formal mechanisms at WAG’s disposal, because of the distribution of power between EU institutions, and because WAG is able to use other actors to promote interests which diverge from those of the UK Government.
A Review of the Literature

The literature on the regional aspect of European governance is a recent development, one which has coincided with the growing assertiveness of regions and their increasing importance to policy-making processes since the mid-1980s. The extent to which regions conduct lobbying activities in Brussels has grown exponentially during this period (Christiansen, 1996: 94; Marks et al., 1996a), a trend reflected in the increasing number of international regional associations. Furthermore, the ceaseless demands of regions for a ‘greater role in EU decision-making’ has led to ‘changes in the EU’s institutional architecture’, most notably in the creation of the Committee of the Regions (CoR) (Bourne, 2007: 289–90). This led to a change of discourse in Brussels regarding the role that regions would play in the future of European governance (Tömmel, 1998; Loughlin, 1996). These developments have stimulated scholars to investigate the role that regions play in contemporary governance.

This literature can broadly be divided into two parts. The first body of work focuses on the growing role that regions play within their domestic political systems (Keating, 2005; Keating and Wilson, 2009; Hooghe, 1993; Rawlings, 2003; Thoenig, 2005). This development, in most part a result of decentralization but also a consequence of the demands placed by EU Structural Funding requirements (Marks, 1993), led some scholars to argue that a new tier of governance has emerged. The emergence of the ‘third level’ gave rise to the language of multi-level governance (MLG) and new conceptual accounts of governance in Europe (Christiansen, 1996; Marks et al., 1996; Hooghe and Marks, 2001; Hooghe and Marks, 2003; Jeffery, 1997; Kohler-Koch, 1996; Peters and Pierre, 2004; Smith and Ray, 1993). MLG is considered to be ‘an organizing metaphor’ rather than a theory (Rosamond, 2007: 129) because ‘it requires other theoretical and analytical approaches in order to explain the dynamics of political decision-making in the EU’ (Elia, 2008: 486; Benz and Eberlein, 1999: 330; Jordan, 2001: 201). Its main claim is that ‘decision-making authority is not monopolized by the governments of the member states but is diffused to different levels of decision-making, the sub-national, national and supranational levels’, and that this leads to interdependence between actors on different levels (Kohler-Koch and Rittberger, 2009: 7–8; Peters and Pierre, 2004: 79). Early accounts conceptualised the structure of governance as ‘a system of continuous negotiation among nested
governments at several territorial tiers’ (Marks, 1993: 392), but later accounts did not portray sub-state actors as being nested exclusively within national governments but rather as actors who ‘operate in both national and supranational arenas’ (Hooghe and Marks, 2001: 4; Marks et al., 1996a). The focus of many of these conceptual accounts is on the distribution of authority between the levels of governance rather than on interaction between actors on different levels, with a recent contribution aiming to quantify the distribution of authority between actors on different levels in 42 countries (Hooghe et al., 2010).

The second body of work addresses the dynamic underlying interaction between European regions and actors on different levels, domestically and internationally. Scholarly understanding of the role of sub-state actors in EU policy-making has increased considerably recently due to the steady stream of accounts of sub-state mobilization on the supranational level (examples include Kettunen and Kull, 2009; Marks et al., 2002; Moore, 2006a, 2007; Tatham, 2008; for a more thorough review of this literature see Elias, 2008: 485). Evaluations of the extent to which regions and local authorities are able to use their Brussels-based representatives to promote their interests successfully are almost without exception pessimistic (Christiansen, 1996; Jeffery, 2000). Most scholars assert that only the larger and most well-resourced regions have exerted any significant degree of substantive influence on EU policy outcomes (Hooghe and Marks, 1996; Marks et al., 2002; Kettunen and Kull, 2009; see also Goldsmith and Klausen, 1997), and that ‘even then it was extremely difficult to identify policy influence given the overload of lobbying by different actors in Brussels’ (Elias, 2008: 485; Greenwood, 2003: 231). Bomberg and Peterson argue that sub-state actors must ‘inevitably’ work with their central governments and build coalitions with other regional actors if they are to have any influence on EU decision-making (2002: 219).

The literature on the relationship between the UK’s devolved nations and EU governance is in the process of maturing. Gomez et al. (2003) outline the dynamics underlying UK-EU policy-making processes in the pre-devolution era in an account which stresses the role of central government in defining and promoting UK-EU policy. In their comprehensive account of UK-EU policy-making in the early years of devolution the same authors present a contrasting picture, one in which devolved
administrations engage to a far greater extent in EU affairs (Bulmer et al., 2002). However, they argue that the input of devolved administrations into UK-EU policy-making processes is based on informal practices and stress that their position in the system is not guaranteed (ibid.: 65). Parry has highlighted the efforts of devolved administrations to lobby for ‘more formalized mechanisms of intergovernmental relations with the UK’ since the ascent of nationalist parties to power in the three devolved territories (2008: 114). The importance of UK-EU policy-processes for devolved governments means that studies of domestic intergovernmental relations contribute to the literature on sub-state engagement in EU policy-making. Summaries of the dynamics underlying intergovernmental relations and analyses of the practices used for the resolution of disputes argue that the lack of formal mechanisms available means that most disputes are resolved at the official level rather than at the ministerial (Trench 2007: 173), or, in cases of governmental congruence, within the parties (Keating, 2005: 126–7). The situation until 2007, whereby Labour was in power in Westminster, Scotland, and Wales, enabled politicians to limit the emergence of disputes by resolving them in private (Laffin et al., 2007). Keating has highlighted problems in intergovernmental relations from a Scottish perspective, but they apply to all devolved administrations. Whitehall officials are reluctant to circulate information ‘unless there is a specific reason to do so, especially across party lines’ (2005: 124) and ‘there is a recurrent tendency in Whitehall … to neglect to consult the devolved administrations’ (ibid.: 125). This has increased the need for Scottish officials to develop contacts with their Whitehall counterparts, and this has been done by holding meetings between departments of devolved and central government outside formal mechanisms (ibid.: 124). The potential for diverging interests between administrations and the informality of dispute resolution procedures has led some scholars to argue that devolution has introduced ‘new points of tension and conflict’ (Bulmer et al., 2002: 166). An early account predicted that ‘changes in party control at any one of Westminster, Holyrood or Cardiff’ or ‘the emergence of new policy issues with distinctly different implications for each of the territories of the UK’ would turn ‘these points of tension … into explicit conflicts’ (ibid.: 167). Palmer predicts that:

the overlap between European and devolved domestic competences is likely to create (or exacerbate) sources of tension in the relationship between the devolved executives and UK central government over the degree and nature of
She argues further that the UK’s need ‘to establish collective positions’ on EU policy presents an additional source of tension (idem: 36). These predictions, however, are based on an analysis of the legal frameworks employed to manage disagreements, rather than on analysis of the devolved administrations’ experiences of managing relations with central government. Scholars have not used empirical evidence to establish whether ‘tension’ does emerge between administrations or considered what form this tension takes if it does emerge. What effect tension (or even the potential for tension) has on the relationships between devolved administrations and central government remains unknown, and scholars have not examined the effect tension has on the strategies employed by the devolved administrations to promote their EU interests. Jeffery and Palmer attempt to measure the influence Scottish and Welsh administrations have on EU policy formulation by considering the nature of the intergovernmental relations in the UK, and by analyzing empirical evidence of direct European lobbying by the devolved administrations. While unable to offer a quantified measure of influence, they argue that the Scottish Government ‘has demonstrated a capacity to make a difference in EU policy’ while WAG has struggled (Jeffery and Palmer, 2007: 237). Studies which evaluate the activities of devolved administrations are rare; most tend to discuss the mechanisms available for devolved administrations as set out by the constitutional settlement (see Bulmer et al., 2002; Palmer, 2008; Smith, 2010) or the institutional structures of the devolved administrations’ offices in Brussels (see Haf, 2003; Moore, 2006b, 2007).

The literature on Welsh external mobilization is underdeveloped. While there are no definitive accounts of the international activities of Welsh actors, a limited number of studies have been conducted on aspects of Welsh engagement with foreign actors. In a recent work, Royles examines the ‘extensive’ international activity of WAG ‘beyond the EU’ (2010: 142–3), mainly in the fields of trade and international development. Stressing WAG’s dependency on the UK Government for permission to mobilize in this way, she argues that the main motives for such activities include economic interests and ‘nation-building’ (ibid.: 160–1). While this work is primarily an empirical study, it is embedded in the paradiplomatic tradition, focusing on the
international activities of sub-state actors and their motives for mobilizing externally (see Keating, 1999; Paquin and Lachapelle, 2005; Kaiser, 2005). The majority of works deal with Welsh activity in the context of EU governance; evaluating Welsh experiences of managing EU Structural Funding (Boland, 2005; Morgan, 2003; Williams, 2003) and analyzing engagement by Welsh actors in EU policy-making processes. In his study of Welsh informal paradiplomatic efforts in the pre-devolution era, Jones charts the progress made by the Welsh Office and the Welsh Development Agency to develop a ‘complex network of consultative relationships between Wales and the EU’ in the 1970s and ’80s (2003: 121). Focusing on the motives behind this activity rather than on its consequences, he argues that the goal was primarily to gain access to EU Structural Funding.

In their comprehensive studies of the formulation and promotion of UK-EU policy Bulmer et al. (2002) and Palmer (2008) outline the role that WAG and NAfW play in UK-EU policy-making. Efforts to formulate and to promote Welsh policy preferences are led by WAG, and it is argued that NAfW is unable to scrutinize the work of WAG satisfactorily as it is not privy to the confidential information that WAG receives from Whitehall (Palmer, 2008: 126; Bulmer et al., 2002: 62). The extent to which WAG engages in EU policy-making varies between departments. Palmer attributes this variation to the informal nature of relations between Cardiff and Whitehall. This ‘means that the level of engagement between the divisions of the devolved administrations can be dependent upon the attitude adopted by their central government departmental counterparts’ (2008: 164). In contrast, Carter reasons that this variance reflects the differing levels of expertise between WAG departments (2002, unpag. [9]). Further work needs to be undertaken to establish the extent of sectoral variation and its causes. Rawlings also offers a valuable overview of the relationship between Wales and Europe (2003: 425–457). His analysis of WAG’s role in implementing EU law is exemplary, as is his broader contextualisation of Wales in European affairs. However, the fieldwork for the three studies discussed above was conducted during the Assembly’s first term; intergovernmental working practices have developed considerably since this period, as has the capacity of WAG to engage with EU affairs. Scholars were not in a position to take more recent developments into account, such as the new dynamics that underlie intergovernmental relations since the 2007 devolved elections and 2010 general election. In addition, the claims made by
these scholars are largely based on an analysis of legal frameworks rather than on WAG’s experiences of conducting EU affairs, and there is little analysis of policy-outcomes.

The main focus of studies on Welsh paradiplomatic activity in Brussels has been on the organizational structure of the representation offices of Welsh actors (Lewis, 1998; Moore, 2006, 2007). The institutional architecture of this representation has changed considerably since the establishment of the Wales European Centre (WEC) in 1992, a lobbying outfit representing at its peak over 70 Welsh organizations (Haf, 2003: 66). The Assembly joined the organization but also established an office of its own. However, the Assembly, together with the other substantial financial contributor, the Welsh Local Government Association (WLGA), issued their withdrawal notices in March 2002, signalling the end for WEC (Moore, 2006: 797). Subsequently, WAG established ‘Ty Cymru’, a representational office with two sections: the first being a limited-access area, housing WAG officials and their confidential documentation, and the second section open to other Welsh interests (idem; Haf, 2003). While such accounts are enlightening, the focus on organizational structures means that other, potentially more fruitful avenues have been ignored, such as evaluating the activity and experiences of Welsh actors based in Brussels and the impact of this activity on policy. Another neglected area is the role Welsh MEPs play in promoting Welsh interests. Loughlin (1997) argues that Welsh interests were more actively promoted by MEPs than through the formal channels available via the Welsh Office and UKRep before devolution. It is currently unknown whether this still holds true, but it is unlikely. Regions without legislative powers tend to depend on their MEPs more than legislative regions (Interview, 29/6/10), therefore it is likely that the role of MEPs has changed since 1999.

There is a dearth of ‘theoretically focused work drawing on the Welsh case’ (Royles, 2010: 143), and current efforts to relate empirical findings to theoretical accounts are unsatisfactory. Palmer’s claim, that she has developed a new analytical framework which ‘increase[s] the explanatory potential of the [MLG] approach’ for understanding sub-state mobilisation by devolved administrations, is unfounded (2008: 163; 28–33). This new framework is based on using the concepts of ‘European Domestic Policy’ (EDP) and ‘paradiplomacy’ as ‘complements’ to the multi-level
governance framework (ibid.: 28). However, she eliminates the need to use the concept of paradiplomacy by paying little attention to external mobilisation, focusing instead on domestic EU policy-making, and little value is added by drawing on the concept of EDP. Its main premise is that sub-state actors are likely to engage in domestic EU policy-making processes where there is an overlap between the jurisdictions of the sub-state actor and of EU institutions. As a result, EU policy effectively becomes domestic policy. Since Palmer notes that MLG ‘recognises that the EU policy process is no longer separate from the domestic political system’ (ibid.: 28), it is unclear how EDP can ‘complement’ the multi-level governance framework.

In conclusion, the literature on Welsh engagement in EU policy-making is lacking on many counts. The most grievous shortcoming is that there are no systematic accounts of the strategies pursued by WAG to promote its EU interests. Scholars have examined different forms of mobilization in isolation, without considering the interplay between different types of activity, such as domestic and external lobbying. Understanding this interplay is vital to understanding the role of sub-state actors in multi-level governance systems, and the failure to do so partly explains the underdeveloped state of theoretical accounts of Welsh paradiplomacy. Understanding of WAG’s conduct of EU affairs is further limited by the lack of recent studies on its participation in UK-EU policy-formulation, by the fact that the relationship between WAG and other sub-state actors and regional networks has not been investigated, and because there are no accounts of the role of Welsh MEPs in the devolved era.

The pressing need for a contemporary account of Welsh engagement in EU affairs means that this study will have an empirical focus. It will identify the strategies pursued by WAG in its attempts to promote its policy interests within EU policy-making processes, and it will evaluate WAG’s experiences of conducting such activity. The central research question is formulated as follows: ‘What strategies does WAG employ to promote its EU interests and what reasons underlie the decision to mobilize in this way?’ Addressing these questions requires close examination of understudied issues, including the relationship between devolved administrations and the European Commission, their territories’ MEPs, and other European regions. It also entails re-examining the nature of intergovernmental relations in the UK, and the role of tension in intergovernmental affairs.
Methodology
This study employs an interview-based research strategy. Fifteen semi-structured interviews were conducted between 29 April 2010 and 16 July 2010, with interviewees including one current and one former WAG Minister, EU specialist WAG civil servants, an official from the UK Permanent Representation to the EU (UKRep), two Commission officials, an official from the representation offices of both the Scottish Government and the Northern Ireland Executive in Brussels, and Brussels-based representatives of non-UK regions including Baden-Württemberg and Brittany (for a full list of interviewees see Appendix A). Many of these officials headed their organizations, the others holding senior positions.

Fourteen interviews were conducted face-to-face, ten in Brussels, two in Aberystwyth and two in Cardiff. One interview was conducted by telephone and one structured interview was conducted via e-mail. Twelve interviews were recorded and eight were transcribed in full. The average duration of interviews was approximately 50 minutes. Twelve interviews were held in English, two in Welsh, and one in French and English. The use of different languages is unlikely to have presented a source of bias as most participants were interviewed in their native tongue, and all appeared comfortable during the interviews.

The questions put to the interviewees varied according to the role of their organization and the relationship between their organization and WAG. Interviews dealt with: the strategies pursued by WAG and the other devolved administrations in the formulation and promotion of UK-EU policy; the nature of UK-EU and EU policy-making processes; the relationship between Whitehall departments and devolved administrations; the types of activities conducted by WAG and other devolved administrations in Brussels; the relationship between the Commission and sub-state administrations; and the relationship between regions. The exchanges were characterized by a high degree of candidness and the interview data appears very strong. The choice of interviewees was appropriate, especially in the case of devolved officials, as they all possessed a thorough understanding of all aspects of their administration’s engagement in EU affairs, even aspects of which they have little or no first-hand experience, such as the interaction between Wales-based WAG officials.
and their counterparts in Whitehall. Interviewing officials from the other devolved administrations, from UKRep and from non-UK regions served as a very effective triangulation method, as they were able to confirm accounts given by WAG officials, even when noting that their organization acted differently. The consistency of interviews was very high with the same themes resurfacing often without prompting. It was clear that the high level of professional and social interaction between Brussels-based officials (especially those from UKRep and the devolved administrations) means that most officials have a high degree of awareness of the activity conducted by other organizations and of the challenges that other organizations face. However, conducting interviews with Cardiff-based officials from WAG’s European and External Affairs Department, with Wales-based WAG officials who are not exclusively EU-experts and with Whitehall officials, would have provided a useful means of further triangulation, consequently increasing the reliability of the findings. In addition, interviewing Welsh MEPs would have strengthened the study, as the different perspective would have offered an insight into the ways in which Welsh MEPs work with WAG to promote Welsh interests, providing a means of further triangulation.

The informal arrangements underlying the relationship between the devolved administrations and the UK Government means that the views of the representatives of these organizations needs to be treated with sensitivity. Care has been taken to ensure that sources remain anonymous, but since a snowballing strategy was used some interviewees are aware that other individuals were interviewed. Because some of the organizations whose officials were interviewed have relatively few members of staff (the Northern Ireland Executive Office in Brussels has a total of four staff members) the positions of interviewees are not disclosed. This holds an important consequence: it should not be assumed that information relayed in this study concerning WAG’s strategies was divulged by WAG officials as in many instances the information stems directly from comments made by non-Welsh sources. There were instances where WAG representatives were unwilling to discuss issues, and some of the conclusions reached are based on an analysis of this reluctance in conjunction with data gathered from other respondents.
Other primary sources analyzed included original data gathered from WAG and the Wales Office under the Freedom of Information Act, publicly available WAG documents (such as the Memorandum of Understanding between itself and the UK Government (Crown, 2010)) and statements, and news reports.

The use of a single case study means that it is difficult to establish the extent to which these findings apply to other cases. European regions vary greatly regarding their level of competences, the extent to which they play a meaningful role in domestic EU policy-making processes, and the extent to which they mobilize outside their states’ borders. The UK’s unique constitutional structure means that much of the discussion does not reflect the experiences of non-UK regions. Some issues raised relate to all three devolved administrations, but unless this is explicitly stated readers should not assume this to be the case. Further research is required to establish the extent to which there are similarities in the three devolved administrations’ experiences of conducting EU affairs.
The student has requested that this electronic version of the thesis does not include the main body of the work - i.e. the chapters and conclusion. The other sections of the thesis are available as a research resource.
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