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LEGISLATIVE PROCEDURES IN THE EUROPEAN UNION: AN EMPIRICAL ANALYSIS

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LEGISLATIVE PROCEDURES IN THE EUROPEAN UNION: AN EMPIRICAL ANALYSIS (ABSTRACT)

The article uses the legislative history of some 5,000 Parliamentary amendments (see http://www.sscnet.ucla.edu/tsebelis) to analyze the role of the Commission, the Parliament, and the Council in the two main legislative procedures in the European Union: cooperation and codecision (I). These procedures have been the subject of theoretical controversies, because according to conventional wisdom codecision increases the powers of the European Parliament, but according to revisionist approaches, the conditional agenda setting powers accorded to the Parliament by cooperation are more important than the veto powers ascribed by codecision.

Our analysis demonstrates not only that both claims are correct, but also why: 1. On the aggregate there is a higher success rate of parliamentary amendments under codecision (I) than under cooperation just as the data published by the EP indicate. 2. However, when one controls for one of the conditions of conditional agenda setting (agreement by the Commission under cooperation), conditional agenda setting empowers the EP more than veto powers (the rate of acceptance of EP amendments is more than 20 percentage points higher than acceptance under the threat of veto power). 3. Control of Commission behavior in both procedures indicates no difference in acceptance rates between cooperation and codecision.

Our analysis explains why all three points above are true. The answer hinges on the activity of the Commission, which was more hostile to parliamentary amendments during the 1989-94 period (more amendments were rejected during this period than during any other period under both cooperation and codecision). In addition, the power of the Commission has declined under codecision (it can and is more frequently overruled by the other two players whether its opinion is positive or negative).

LEGISLATIVE PROCEDURES IN THE EUROPEAN UNION: AN EMPIRICAL ANALYSIS

Over the last fifteen years the European Union (EU) has completed the unification of its internal market, expanded to include five additional countries, and is on the verge of achieving monetary union. Over the same period it has undergone three major constitutional revisions: the Single European Act in 1987 which introduced the cooperation procedure; the Maastricht Treaty in 1991 which introduced the codecision (I) procedure; and the Amsterdam Treaty in 1997 which significantly altered this procedure (codecision II). During this period the European Parliament (EP) evolved from an almost insignificant and purely consultative assembly to a potentially powerful player in the legislative process with significant independent powers and resources. The legislative process of Europe is significant, because European legislation supersedes the national laws of the Members States. Consequently, through the legislative process in the EU we observe a steady transfer of national sovereignty from the Member States to the Union itself.

The outcomes of the EU legislative process can be very different depending on who holds the primary decision-making power. In other words, one would expect quite different results if the European bureaucracies (like the Commission) dominated the legislative process than if power resided firmly in the hands of national governments (who participate in the process in the form of the Council of Ministers). Finally, a third possibility would be for the elected representatives of the people of Europe (the EP) to control the legislative process. Two out of these three claims have already been made. According to intergovernmentalist approaches (Moravsick, 1991, 1993) countries control the process of integration, while according to neofunctionalists it is the European elite as expressed mainly by the Commission that promote integration (Ross, 1995).

While nobody has claimed that the EP is the dominant force of integration, its role has been discussed increasingly frequently in the literature. In addition, most of the debates preceding constitutional revisions of the EU revolved to some extent around the issue of the "democratic

deficit" which itself is linked to the role of the EP (Lodge, 1994; Baun, 1996). Despite these numerous discussions, empirical analyses of the role of the different institutions, and the EP in particular, have been extremely limited. There have been a number of specific case studies of EP power (Earnshaw and Judge, 1993; Judge and Earnshaw, 1994; Hubschmid and Moser, 1996). As well as frequent repetition of the aggregate data that the EP itself collected over time concerning the adoption rate of its amendments (Westlake, 1994; Corbett et al, 1995; Hayes-Renshaw and Wallace, 1997). Finally, there have been a series of formal models analyzing the role of different institutions in the legislative process (Tsebelis (1994), (1996), Crombez (1996), Steunenberg (1994), Moser (1996)). However, attempts to understand the legislative role of the EP based on both a broad and detailed analysis of EP amendment success have been notably absent.

This lacuna is made more problematic by the fact that despite a general agreement that the introduction of the Single European Act was a landmark for the increase of the legislative role of the European Parliament, the assessments of this role range from pessimistic to overly optimistic. In the first category one can include statements like the EP "remained largely powerless as a decision-making institution" (Baun, 1996:86), or that its roles were essentially "advisory and supervisory" (Bright, 1995:34). The second category is exemplified by a Commission press release of 15 December 1994 stating that "since the Single European Act came into force on July 1 1987, over 50 per cent of Parliament's amendments have been accepted by the Commission and carried by the Council. No national parliament has a comparable success rate in bending the executive to its will" (quoted in Earnshaw and Judge (1996: 96).

As regards the significance of the two new legislative procedures (cooperation and codecision (I)), the conflicts become more pronounced: The majority of the literature attributes more significance in the legislative role of the Parliament under codecision (Bright, 1995:33; Archer and Butler, 1996:47). This literature cites the empirical findings of the EP itself, which are reproduced in different studies (Corrbett et al, 1995:199; Hayes-Renshaw and Wallace, 1997:201). On the other hand Tsebelis (1997), Garrett (1995), and Tsebelis and Garrett (1997) have argued that in cooperation the EP plays the role of conditional agenda-setter, while in codecision agenda-

setting reverts to the Council and the EP is endowed with veto power. Their argument is that conditional agenda setting is more important than veto because the agenda setter selects among many possible outcomes the one that he prefers the most. On the basis of this argument Tsebelis (1997) distinguishes between policy issues where the members of the Council are expected to have differences in opinion, and institutional issues when the Council is expected to be unanimous. In institutional issues the agenda setting power of the EP disappears (because the unanimous Council can reject any Parliamentary amendment). As a result, Tsebelis and Garrett (1997) present a model of integration where the Commission and the EP have similar positions and expect the EP to be more influential on policy issues under cooperation than under codecision (while veto is more important on institutional issues). They present an analysis of the data collected by the EP that is consistent with their argument. They demonstrate that the acceptance rate of EP amendments under cooperation and codecision is not different for the same period of application of the procedures, and since the EP has no power to impose institutional amendments under the cooperation procedure, the data indicate higher policy significance of conditional agenda setting. We will present this debate in first section of our paper, and revisit it with our analysis in the third section.

Our study is designed to analyze empirically the role played by the three major institutions in the legislative process. We analyzed 231 legislative proposals (152 adopted under the cooperation procedure from 1988-1996, and 79 adopted under codecision from 1994-1997) which involve some 5,000 EP amendments. For each amendment we coded what happened in the different stages of the legislative process as well as in the final document. We consider these amendments as a form of bargaining between the EP (who introduces them in both the cooperation and the codecision procedures) and the Council (who ultimately accepts or rejects them). We report the ability of the EP to affect European legislation under both the cooperation and the codecision procedures. This is accomplished through an analysis of the willingness (or lack thereof) of the Council of Ministers to adopt the suggestions made by the EP, and the role of the Commission as an intermediary actor in the bargaining of the two.

Our analysis shows that both the conventional wisdom and the revisionist arguments have merit: The EP has -- overall -- more amendments accepted under codecision than under cooperation. This result is not new: it merely replicates the aggregate statistics published so far, which do not address the role of the Commission, a factor on which the revisionist approach premises many of its conclusions. However, conditional (i.e. not rejected by the Commission) agenda setting empowers the EP more than veto power. Our data cannot address the Tsebelis and Garrett (1997) expectation that on policy -- as opposed to institutional issues-- the EP will be more influential under cooperation than under codecision.[1] Finally, our findings indicate that any difference appearing in the acceptance rate of EP between the two procedures is due to the influence and the behavior of the Commission. The influence of the Commission is significantly higher under cooperation than under codecision, as for its behavior, the Commission plays a more energetic role in rejecting EP amendments during the 1990-94 period when the single European market is put in place.

The article is organized in four sections. In section one we review the literature with special emphasis on the disagreements and the issues where confusion is likely. In section two we describe the data set we use. In the third section we present the results of our analysis. Finally, in section four we present our conclusions and discuss the problems with current understandings of European institutions revealed by our study, which emphasize the need for further theoretical and empirical analyses.

I. THE LITERATURE ON EUROPEAN INSTITUTIONS.

The Single European Act (1987) introduced the cooperation procedure into the legislative arsenal of the European Union. According to this procedure a legislative proposal is introduced by the Commission to the EP, which can amend it. The EP amendments are send back to the Commission which can then incorporate them into its own proposal, modify them and incorporate them, or reject them. The new Commission proposal goes to the Council, which can accept it by

[1] The reason is that we did not divide amendments into policy and institutional.

qualified majority or modify it by unanimity. The Council's "common position" is forwarded to the EP which can accept it as is, or modify it insisting on its previous amendments or introducing some compromising language. In this second stage the EP cannot introduce new amendments, unless the Council has modified the initial proposal by introducing new elements to it. EP amendments in the second round have to be adopted by an absolute majority of its members (which given the low attendance rates of the EP is equivalent to a qualified majority - see Kreppel and Tsebelis forthcoming and Tsebelis 1998, and Tsebelis and Garrett, 1999). The EP's amendments are once again forwarded to the Commission who can incorporate them into its proposal or reject them. The new Commission proposal can be accepted by qualified majority of the Council or modified by unanimity.[2]

Initially, the EP itself was "disappointed with its new powers," (Westlake, 1994:138) which it believed were of "limited scope" (Dinan, 1994:289). This pessimistic view of the new cooperation procedure was seconded by many who studied the institutions of the EU. In the beginning, "there were doubts as to whether the Parliament would have sufficient self discipline to operate it effectively" (Welsh, 1996:58). Even after the EP had demonstrated its ability to effectively handle the increased legislative load (and responsibility) connected to the cooperation procedure there were many who believed that the EP "remained largely powerless as a decision-making institution" (Baun, 1996:86), and that its roles were essentially "advisory and supervisory" (Bright, 1995:34).

In part this pessimistic view of the EP's new powers under the cooperation procedure came from the fact that the support of the Commission was essential. Because EP "amendments not accepted by the Commission need unanimity in the Council, which against the will of the Commission is unlikely" (Corbett et al. 1995:202). Those amendments which fail to garner the support of the Commission "are effectively dead" (Ibid.). In addition, many believed that "the cooperation procedure did not produce the results that the Parliament's supporters had expected [because] parliamentarians proved extremely reluctant to reject proposals" (Welsh, 1996:58,

[2] For a detailed analysis of the cooperation procedure see Corbett et al, 1995; Tsebelis, 1994, 1996; Steunenberg,

emphasis added). Noting that "in most cases, rejection is an unattractive option for the Parliament, since Parliament more usually finds itself persuading a reluctant Council to act" (Westlake, 1994:139). Finally, it was believed that the "Parliament's power was greatly undermined by the Council's ingrained, consensual instinct to decide unanimously where at all possible" (Westlake, 1994:139; see also Welsh: 1996:58). Thus, for some, the Parliament's reluctance to reject proposals, together with its dependence on the Commission for support of its amendments and the Council's predilection to act unanimously, resulted in the belief that the EP's "power to influence the legislative process, in fact, was not very strong" after the institution of the cooperation procedure (Bright, 1995:34). Although widespread, this was not the only interpretation of the impact of the new procedure.

There were many that believed that the introduction of the cooperation procedure represented an important increase in the legislative power of the EP, though just how important varied significantly. At the low end of the scale were those who believed that "the cooperation procedure increased the role of the European Parliament and closely associated it in the decision-making process, but without conferring on it any legislative powers" (Guèguen, 1992:64). At the other end were those who felt that "as a result of the Single European Act the European Parliament became a significant legislative body," a "player to be reckoned with in almost all policy decisions" (Peters, 1992:101, 118). And that the SEA was "as much of a watershed as the first direct election in 1979 or the gaining of budgetary powers in 1970" (Westlake, 1994:137).

Tsebelis (1994) identified the mechanism by which the European Parliament exercised its powers under the cooperation procedure. He argued that because European Parliament amendments (if accepted by the Commission) require unanimity to be modified or rejected by the Council, but qualified majority to be accepted, the Parliament and the Commission had significant leverage inside the European institutional setting. Tsebelis called this power "Conditional Agenda Setting" and investigated the conditions under which it occurs. According to his 1994 article, there were four such conditions: *1. Existence of an absolute majority in EP, 2. Acceptance by*

1994; Moser, 1996; Crombez 1995.

Commission, 3. Position of the status quo, and *4. dimensionality [of the underlying space].* In a later article (Tsebelis 1997) he added an additional condition (implied in the previous work): *5. The lack of a unanimous position of the Council.*[3]

Those who believed that the introduction of the cooperation procedure turned the EP into a true legislative actor pointed to the fact that between 1987 and 1993 "over 50% of Parliament's amendments were accepted by the Commission and carried by the Council" (Earnshaw and Judge, 1996:101-102). Although most were quick to point out that aggregate numbers alone could not accurately describe the true legislative influence of the EP, they noted that "no national Parliament has a comparable success rate in bending the executive to its will" (ISEC/23/94 Commission Press release, 15 December 1994).

Many of those who believed that the cooperation procedure marked a turning point for the EP also noted that the EP's ability to effectively use its new powers was crucial (Westlake, 1994: 27-28;). This was particularly true during the first reading "when there was no majority requirement, no deadline and, if the Council 'played the game' by awaiting the Parliament's opinion before reaching a political agreement, the Parliament could still hope to have some influence on its deliberations" (Westlake, 1994:141; see also Earnshaw and Judge, 1996:98-99).

Debate over the influence and power of the EP continued even after the Maastricht Treaty added the codecision procedure to the EU's legislative arsenal. According to this procedure, a third round of bargaining between the EP and the Council is added to the provisions of the Cooperation procedure. If the Council does not accept the EP's amendments, a Conciliation Committee is convened to try to reach a mutually acceptable compromise between the Council and EP. If this Committee fails to reach compromise the initiative reverts to the Council which can make a "take it or leave it" offer to the Parliament. In this last stage of codecision, there is no requirement for agreement by the Commission.

There is unanimous agreement that overall the Maastricht Treaty increased the powers of the EP. For example, the EP gains unconditional veto power for the first time under codecision. In

[3] Because as he argues: "Whenever unanimity in the Council exists, the EP or the Commission do not have

addition, agreement by the EP is sought after in the appointment of the Commission President. However, the direction of change is not completely clear with respect to legislation on policy as opposed to institutions.

A substantial, if not overwhelming, majority of scholars believe that the codecision procedure enhances the powers of the European Parliament (Welsh, 1996; Archer and Butler, 1996; Westlake, 1994; Corbett et al, 1995; Nugent, 1994; Dinan, 1994; Scully, 1997). In contrast, Tsebelis and Garrett independently (Garrett 1995, Tsebelis 1997) and jointly (Tsebelis and Garrett 1997, Garrett and Tsebelis 1996) argue that the conditional agenda setting power provided by the cooperation procedure is more important for Parliamentary influence on policymaking than the absolute veto power provided to the Parliament by the codecision procedure. The argument is that among the many possible compromises between the Parliament and the Council in cooperation, the Parliament selects the one closest to its ideal point, while in codecision selection is delegated to the Council.

Some scholars (Jacobs 1997, Corbett et al. 1995) responded to the Tsebelis and Garrett argument by referring to the data collected by the European Parliament itself which states that the rejection rate for parliamentary amendments is higher under cooperation than under codecision. Indeed, here is the analysis presented by the Parliament on its Internet web-site (http://www.europarl.eu.int):

INSERT TABLE 1 HERE

> "A comparison of the proportions of amendments accepted between the codecision procedures and the cooperation procedures may also illustrate the degree of influence exerted by Parliament. The proportions for the second (and third) readings under the codecision procedure are much higher by comparison with the first readings, whereas they are substantially lower in the case of the cooperation procedures, as regards acceptance both by the Commission and the Council. As the following table shows, under the codecision procedure this proportion doubles in the case of the Council (from 21% to 46.9%) and increases by more than a third in that of the Commission (from 43% to 61%)."

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conditional agenda setting powers." Tsebelis (1997: 38)

According to Jacobs (1997) the reasons that the Parliament gains power under codecision are twofold: first, it does not require approval by the Commission in the final stage and second, a unanimous Council cannot overrule it. These arguments echo the arguments made by other scholars (see above) but do not address the conditional agenda setting argument because, according to Tsebelis, conditions for the existence of agenda setting by the Parliament are (among other things) agreement by the Commission and absence of unanimity in the Council (Tsebelis and Kalandrakis 1999). Consequently, what Jacobs is arguing, is that conditional agenda setting is not exercised very frequently because of lack of agreement between EP and Commission or because of unanimity in the Council. In other words, his is an argument about the frequency of conditional agenda setting, not about its significance.

Roger Scully presents a more opaque argument (Scully, 1997). He points to several empirical indicators (like attendance rates in the EP, statements by MEPs etc.) which in his opinion suggest an increase in the power of the Parliament. Tsebelis and Garrett (1997) have responded to Scully's argument by compiling data from the application of both cooperation and codecision procedures *for the same length of time*, and pointing out that the rejection statistics are essentially identical. They make the argument that in cooperation only policy amendments are accepted (since institutional amendments will find a unanimous opposition in the Council), while in codecision institutional amendments *may* be accepted. Tsebelis and Garrett conclude that these numbers corroborate their analysis. We re-evaluate these arguments in the empirical part of this paper.

Finally, Corbett et al (1995: 204) argue that the increased power of the EP in the second round is "illustrated by those cases where the Council has accepted all of the Parliament's amendments-even against the views of the Commission, therefore requiring unanimity in Council-in order to avoid the need for a conciliation committee" and the threat of an EP veto (Corbett et al., 1995:204). These scholars also note that "whereas under the cooperation procedure amendments were incorporated into the text automatically [after adoption by the Commission], requiring the Council to use unanimity to remove them, "under the codecision procedure the onus will be on obtaining a qualified majority to support each and every one of them" (Corbett et al., 1995:202).

The gamble implicit in the new procedure is thus clear. The Parliament wants to get as many concessions as possible from the Council. The Council wants to give as little as possible, and both want to avoid both conciliation and the threat of a parliamentary veto. In a sense, therefore, the new conciliation procedure "could be reduced to a systematic 'bluff-calling'" between the EP and the Council as they both attempt to force the other to concede to avoid conciliation and a possible veto."(Westlake, 1994:150).

Whether conditional agenda setting attributes more policy weight to the EP or not, there are still those who believe that "notwithstanding all its efforts and the increased influence it has achieved, the EP is still...a rather special sort of advisory body rather than a proper parliament" (Nugent, 1994:206). Less dismissive is the belief that the codecision procedure represents forward movement and "brings the Parliament a step closer to its goal of equal co-legislator status with the Council" (Westlake, 1994:37). Others gave a normative spin to pessimism stating that there "were some Members who felt that the EP's powers should have been more substantially enhanced" (Baun, 1996:103). They believed that "the Member-States extension of the cooperation procedure and the introduction of the codecision procedure under the Maastricht Treaty did not go far enough" (Dinan, 1994:289).

At the other extreme are observers who believe that the codecision procedure includes "new powers [which] appear to provide the Parliament the basis for becoming a real force in decision-making within the EU" (Peters, 1992:92). The Parliament itself claims that it "and the Council share the power of decision in a large number of areas" (EP-DG I, 1996:1).

Taken as a whole, the literature offers no clear picture of the changing role of the EP in the legislative process of the European Union. While there is a general agreement that the addition of both the cooperation and codecision procedures represented increases in the potential influence of the EP, the extent of that influence remains a matter of controversy. Despite aggregate statistics on the number of EP amendments adopted by the other EU institutions little has been said about the importance of these amendments, or their broader significance. Differences between the two

procedures have been identified, but no clear conclusion exists as to which provides more power to the EP and why, or under what conditions.

Strange as it may seem, the existing data are even more inadequate than the theories. The data we reported above from the Parliament's web page are all there is! The latest version of these cumulative acceptance rates under cooperation and codecision are reprinted in successive editions of EU textbooks without attention paid to the fact that since they are cumulated over a decade, they can exhibit little change, and therefore offer little new information. Our paper responds to this desperate need for systematic data collection, and to the use of these data to address the questions generated by the literature. First we analyze the data collection procedures, and then we analyze the data.

II. DATA COLLECTION AND TREATMENT

The data set is constructed by tracking 4904 EP amendments through the cooperation and codecision procedures (2866 amendments under cooperation and 2038 under codecision). Each amendment generates a "profile," indicating the degree of acceptance in the successive stages of the legislative process.

At each stage a judgment is made as to either the degree to which the amendment had been adopted, in the case of Commission and Council versions, or as to the status of the amendment in the EP's second reading. Degree of adoption is measured with a five-point scale ranging from "Not Adopted" to "Adopted." The status of an amendment in the EP's second reading is judged to be new, reintroduced or reintroduced with modifications. Additionally, many amendments that are submitted in the first round were not pursued in the second round, these are classified as "No Further Action." After each amendment had been assessed for degree of adoption and status in the second round, numerical codes are assigned for each round. The coding generates 5 digit profiles, which can then be used to test the hypotheses discussed in the third section.

For each examined piece of legislation under both cooperation and codecision procedures, an Excel spread sheet was created in which each row refers to a different amendment with

amendments reintroduced in the second round being placed in the same row as their first round counterpart. Each column represents a stage in the legislative procedure. The degree of adoption was assessed by comparing the Commission and Council versions to the most recent EP amendment in that row. The degree of adoption refers only to the comparison between one stage in the process to the most recent EP reading. Reading the numerical degree of adoption codes for each column for a given row generates 4 numbers: a Commission and Council response to the first round amendment in that row and a Commission and Council response to the second round amendment in that row.

INSERT TABLE 2a HERE

Amendments were coded as "Adopted" if 100% of the substantive meaning of the EP amendment was included in the version being assessed. If more than half but less than all of the amendment was included, the amendment was said to be "Largely Adopted." If the amendment was incorporated in part but less than half of the EP changes were accepted, then the amendment was coded as "Partially Adopted." If the response to the amendment was to make changes to the text which were both substantively relevant to the EP amendment but could not be said to be moving in the direction of either the amended or the original version, then the amendment was assessed as "Modified." Amendments, which were judged to be not accepted at all, were classified as "Not Adopted."

The 43rd amendment to 89/391/EEC (SYN 123) provides an typical example of the "Modified" category. The original proposal read

> **Article 5 (3)(g)** when several undertakings share a workplace, the employers shall coordinate their measures for the prevention of occupational risks, and shall inform one another and their workers and/or workers' representatives of these risks (OJC 326 19/12/88:102).

The EP deleted the underline text above and added the italicized text below.

> **#43 Article 5 (3g)** when several undertakings share a workplace, the employers shall *cooperate in the application of provisions concerning safety, health protection and hygiene*, shall coordinate their measures for the prevention of *accidents and health hazards*

and shall inform their workers and workers' representatives of these risks in *good time* (OJC 326 19/12/88:102).

The Council's response was to delete the entire passage (OJL 183 29/6/89:1). In this situation it cannot be said that the Council's intent was to take a position closer to either of the otl two institutions with regard to this amendment. The coder therefore assessed the Council respon to this amendment to be in the "Modified" category.

Assessment of the degree of adoption requires a subjective judgment on the part of the coder. Reasonable people will naturally disagree about fine distinctions of meaning and the substantive significance of changes in wording. Furthermore, the amendments often refer to highly technical subjects which no coder could reasonably be expected to understand completely. For these reasons, most of the coding was checked by two coders and any disagreements went tc tiebreaker. In this context, the simplicity of the scale is actually an advantage. By requiring only broad judgments the scale reduces disagreements among coders to a minimum while preserving useful distinctions among the responses to the EP amendments.

The EP, subject to certain restrictions, may introduce amendments in either of the two rounds. The type of amendment is assessed in the column corresponding to the EP second reading. Second round amendments can either be new, reintroduced or reintroduced with modifications. If the amendment was not pursued in the second round, it was coded as "No Further Action." The assessments were made and a number assigned to each second round amendment.

INSERT TABLE 2b HERE

After the degree of adoption for an amendment in each stage of the legislative procedure and the second round status have been coded, a 5-digit profile results. The digits refer to the numerical scores for each column after the EP's first reading column. So the profiles have the following meaning from left to right: Commission First Revision, Council Common Position, Second Round Amendment Type, Commission Second Revision, and Council Final Directive. For example, the 46th amendment to directive 89/391/EEC (SYN 123) has the profile 23333.

Amendment 46 to SYN 123 consisted of a completely new entry inserted in the first round. The EP amendment was to add,

> **#46 Article 6(la)(new)** Such designation shall be made following agreement with the workers' representatives at the plant. The designated workers shall be freed from all normal work in to carry out this task or given sufficient time in which to fulfill their duties without hindrance. The workers involved must be neither financially nor socially penalized as a result. This shall also apply to their career within the undertaking (OJC 326 19/12/88:102).

The Commission's response to the amendment was to insert

> **Article 6(2)** In order to carry out this task, the designated workers shall be freed from all other work or be given sufficient time in which to fulfill their duties without hindrance. The workers involved must be neither financially nor socially penalized as a result. This shall also apply to their career within the undertaking (OJC 30 6/2/89:19).

The reference to a prior agreement with the workers representatives is missing from the Commission response. The Commission adopted more than half of the EP addition but not all of it, therefore the response is coded as a "Largely Adopted."

The Council's response in its common position was somewhat less favorable to the EP than was the Commission's. The Council version,

> **Article 7(2)** Designated workers may not be placed at any disadvantage because of their activities related to the protection and prevention of occupational risks. Designated workers shall be allowed adequate time and the necessary means to enable them to fulfill their obligations arising from this Directive (OJC 158 26/6/89).

does not include the broad ranging references to freedom from other work and also the prohibition of social and financial penalties. This constitutes adoption of roughly half of the EP additions in the opinion of the coder. So as to err on the side of conservatism, the Council response was coded as "Partially Adopted."

We believe that our measurement of degree of adoption is superior to those used by the EP and Council. Consider the case of Council Regulation 2236/95 (SYN 94/0065) in which the EP and Council assessments of rate of adoption are incorrect by our measurement technique. Both the Council and EP state that the Council's common position accepted 20 of the EP's first round

amendments (OJC 130 29/5/95: 9 -10; EP Doc A4-0145/95). While the EP rapporteur does not specify which amendments were accepted and which were rejected in his summary, the Council gives both the identifying number of the amendments and the reasons for their acceptance or rejection.

Of particular interest, is amendment 10 of the EP 1st reading.

> **#10 Recital 10** Whereas the Commission must assess the financial arrangements of the projects with the help of data provided by the applicants and the respective analyses so as to ensure the financial viability of the projects; *whereas the European Investment Bank should use its know-how to play an advisory role in the financial structuring of the projects;* (emphasis added; OJC 363 19/12/94:23).

The EP added the italicized text to recital 10 (shown above). In their reasons for accepting amendment #10, the Council stated, "The idea of involving the European Investment Bank in the assessment and supervision of projects is incorporated in the enacting terms of the Regulation in Article 9(3) and in Article 15(2) and (3)" (OJC 130 29/5/95: 10). An examination of the different versions of these entries shows that the Council did not change any part of the legislation to adopt the amendment.[4] Therefore, their explanation of why they "accepted" the amendment is, in fact, an explanation of why the amendment was included in the initial Commission proposal, and therefore was redundant.The Council and the EP obviously disagree as to whether the amendment is redundant or not. The Council is probably right in its position, but this is besides the point. The point is that as a result, they REJECTED the amendment.

Our method of distinguishing between different degrees of adoption based on a comprehensive review of all the versions of the legislation is superior to the EP and Council reports of acceptance rates for the three reasons. First, both the EP, in their session documents

[4] The Commission's original proposal for Article 12(4) reads, "The Commission may seek any specialist advice it requires in order to assess the application, including the opinion of the EIB" (OJC 89 1994: 11). The Council's common position version of Article 9(3) reads, "The Commission may seek any specialist advice it requires in order to assess an application, including the opinion of the European Investment Bank" (OJC 130 1995: 4). The Council claims that their version of Article 9(3) (which is identical to the Commission's Article 12(4)) was a positive response to the EP's amendment to recital 10. However, it was not a response at all. In truth, the Council did not have to take any vote at all for their Article 9(3) to be worded the way it is. Similar is the case of Article 15(2) and

and summary memoranda, and the Council, in their "reasons" annex at the end of their common position merely distinguish between adopted and not adopted. The examples from SYN 123, discussed above, clearly show that a dichotomous distinction glosses over real differences in policy. Accounting for these variations allows us to examine the give and take between the institutions in depth using the frequency of the five digit profiles. Furthermore, accounting for these variations in the degree of adoption, allows for more accurate comparison of directives based on their cumulative rejection rate.

Additionally, basing our method on comprehensive analysis of all the versions allows for more accurate assessments. In the example from SYN 94/0065 discussed above, the Council declares firmly and the EP implies that amendment 10 was accepted. However, this assessment can only be supported if the analysis ignores the original Commission proposal. The Council and EP judgment that amendment 10 was accepted does not accurately reflect the actions taken by the three institutions. In contrast our method presents an accurate picture of the actions taken by the Commission, the EP and the Council.

Finally, the transparency of our method allows for replication by other analysts. The fact that the EP does not always clearly identify which amendments were accepted and which were rejected, makes it impossible to check their reports against the actual text of the legislation as it progresses through the legislative procedure. The Council's reports in the "reasons" annexes are more useful however, they were not made public until relatively recently, making verification of older legislation impossible. Our methods are transparent enough to be subjected to scholarly replication and criticism and are consistently applied to the entire data set.

III. DATA ANALYSIS

We remind the reader that our analysis is based on legislative "profiles", that is, 5 digits for each amendment. Each one of these digits summarizes the fate of the amendment in different stages of the legislative process (the Commission first revision, the Council common position,

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15(3).

Parliament's second reading, the Commission's second revision, and the final text). This section is divided in four parts. In the first we present some summary statistics of our dataset, in order to generate some preliminary intuitions about the legislative process in the EU. In the second section we use the cumulative rejection rates generated by the dataset. This section is designed to replicate the data offered by the European parliament itself. In the third section we shift to the analysis of monthly data which enable us to introduce control variables like time of adoption, and legislature that adopted the amendments. Finally, in the fourth and last section we focus on the behavior of the Commission, which in the previous sections has been revealed to be the key player generating all the observed differences.

A. Summary Statistics.

How well do our data match the summary statistics presented by the EP? We have to remember that the EP divides amendments into accepted and rejected, while our division uses a thinner partition (in five categories). In addition, the EP uses presumably substantive criteria, which require judgment calls, while our basic criterion was replicability. For example, in our dataset if the final text is significantly different from the Parliamentary amendment the coding number is 4 (modified) while the EP services may have classified the same amendment as "accepted" or as "rejected" (and independent observers may or may not agree with this judgment call). Having said all that, let us compare our summary statistics with those provided by the EP.

In the first round the "essentially accepted amendments" (amendments that receive 1, 2, or 3 under our coding) in the first round were .40 under cooperation and .39 under codecision. In the second round the same percentages were .32 and .59. Focusing on rejected amendments (5 in our coding) the rates are .50 (cooperation) and .44 (codecision) in the first round, and .68 and .37 respectively in the second. These numbers bracket (as they should) the numbers presented by the EP.[5] One can think of 1, 2, and 3 in our coding as the clear-cut cases of acceptance, and the 5 as the clear cut cases of rejections, 4 require some substantive judgment, so our data do not deviate from what the EP presents. In addition, all the indicators point out to slight advantage of the

[5] The only exception is "accepted in the second round" of the cooperation procedure amendments where our count

codecision procedure for the Parliament in the first round (slightly more acceptances and less rejections in our data), and a significant advantage (double the percentage of acceptances and half the number of rejections) in our data in the second round.

The EP data cannot tell us in their current form the overall number of acceptances or rejections. In order to get to these numbers one would need to know how many times the Parliament reintroduces rejected or partially accepted amendments in the second round, and how many times it introduces new amendments (because the Council modified significantly the text in its common position). From our dataset we can compute these numbers: The rate of overall rejection for cooperation procedure is .52, while for codecision is .43. We see a difference of 9 percentage points in favor of the parliament in codecision. Moving from "rejection" to "non-acceptance" alters the picture a bit, but preserves the basic conclusion: non-acceptance is .61 under cooperation and .58 under codecision. So, the aggregate numbers confirm the conventional wisdom that parliamentary amendments are more frequently accepted under codecision than under cooperation.

In the remainder of this article we will use the rejection rates calculated from our dataset for several reasons. First our data are publicly available and other researchers can verify our coding. Second, we have used formal (i.e. easily replicable criteria) for our classifications as opposed to judgment calls. Third, we can produce a series of additional variables, like the overall rate of acceptance, time series of all variables, and variable controls with our data in order to scrutinize the aggregate patterns discovered so far.

One note on terminology. The word "rejection" will correspond to the number 5 (rejected) in our coding, while the word "acceptance" to the coding 1, 2, or 3 (accepted as is, accepted more than 50%, accepted less than 50%). We will use the terms "non-rejection" to include 4 with the "accepted" categories, and "non-acceptance" to refer to the combination of coding 4 and 5.

Let us now go to some more detail on the procedure by which these amendments are accepted or rejected. To do that, we have to examine the modal profiles in our dataset. There were

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gives 32%, while the EP's 24%.

3924 possible profiles, of which only 345 occur in our data. Table 3 presents the ten most frequent profiles (they are the only ones that occur more than 100 times out of our nearly 5,000 profiles). It is interesting to note that among these ten most frequent profiles only the tenth in frequency corresponds to amendments introduced in both the first and second round. The seven first frequencies are reserved for amendments introduced in the first round and dropped subsequently, and then next two for amendments introduced in the second round for the first time. Consequently, (and this is our first observation) amendments are not subjected to multiple readings usually. The reasons will become clear in the next paragraph.

INSERT TABLE 3 HERE

The most frequent profile by far is one in which the parliamentary amendment gets rejected by the Council in the first round without the Parliament reintroducing it in the second round. There are 1316 such amendments that "die" immediately. The Commission rejects them outright, and although sometimes the Council first response is not recorded (corresponding to the 0 or 5 in the second column of the Table), the fifth column indicates that they were ultimately rejected. The fact that the Parliament does not reintroduce these amendments in the second round means that they either understand they have no chance, or that they cannot produce the required votes in support of the amendment (in the second round an absolute majority of MEPs is required, which given the absenteeism in the EP is equivalent with a strong qualified majority vote).

The second most frequent profile (485 occurrences) refers to amendments immediately accepted by both the Commission and the Council (although information about Council action in the first round is sometimes missing). The third profile (221 occurrences) indicates acceptance by the Commission and rejection by the Council. The fourth profile (216 occurrences) refers to amendments largely accepted by the Commission and the Council. The fifth profile (167 cases) represents amendments rejected by the Commission, but modified by the Council. The Council is willing to modify the wording in the relevant paragraphs (presumably indicating a friendlier predisposition towards the EP than the outright rejection adopted by the Commission). The next two profiles refer to amendments largely or partially adopted (162 and 157 cases respectively). The

eight and ninth profiles in frequency (156 and 145 respectively) represent amendments introduced in the second round for the first time. The higher frequency reflects the fate of amendments rejected by both the Commission and the Council, while the lower frequency represents the amendments accepted by both actors. The last frequency (122 cases) represents highly conflictual amendments: both the Commission and the Council in both rounds rejected them, while the EP reintroduced them exactly as they were when it had the chance. Together these profiles account for over 60% of the amendments in our dataset.

In conclusion, these aggregate statistics indicate that there is a significant difference between acceptance rates of parliamentary amendments in favor of codecision, and that the second round of both procedures essentially generates this difference. So far, we have a complete confirmation of the inferences made by the literature on the basis of the data published by the EP. In addition, the most frequent course of events is amendments introduced once (either in the first round or in the second) with amendments debated in both rounds a very distant second (in fact, the first such profile is the tenth in frequency, representing only 2% of the overall number of amendments). Among the amendments debated in one round, by far the most frequent ones are the ones debated in the first round alone. Let us now move to an overtime analysis of these findings.

B. Cumulative rejection rates over time.

In this section we will present the cumulative rejection rates. Our enterprise parallels the publication of rejection data by the EP itself. Such data have been published regularly by the EP and appear periodically in successive editions of books on the EU (Corbett et al. 1995, Dinan 1994 etc.). The primary difference is that since we have the count of different kinds of amendments (the ones introduced exclusively in the first round, the ones introduced exclusively in the second, and the ones introduced in both) we can calculate overall rates of rejection. These are the data that we will present.

INSERT FIGURE 1

Figure 1 presents the cumulative rejection rate of amendments over time. Cooperation procedure data are represented by x marks, while codecision data by o marks. What we observe is

that the cumulative rejection rates of cooperation start low and constantly rise (although at diminishing rates). Conversely, codecision data indicate that rejection rates start at high levels, and fall over time. The flattening of both curves is to be expected, because the data are cumulative: It is easy to alter the initial observations which represent some months of data, but once the observations represent the average of several years of legislative activity further modifications become difficult.

Over time the EP has taken snapshots of this process, and presented the cumulative data which have become the undisputed basis for political inferences about the significance of different procedures and the role of EU institutions in legislative decisionmaking. The most recent observation from our data would correspond to a comparison between the last x and the last o in the Figure. We have already reported that these two points provide a difference of nine percentage points in favor of codecision.

Tsebelis and Garrett (1997) compared the acceptance rate of the two procedures by measuring time from the beginning of the application of each procedure and have found that in about two years form the beginning of the application of each procedure rejection rates were similar. They come to the conclusion that the data support their argument s. Here is the logic of their argument in three steps: First step: Amendments can be accepted when the Council is unanimously opposed in codecision (if the EP and the Council disagree they still have to find some common grounds otherwise the whole bill is rejected), but not in cooperation (the Council can reject amendments by unanimity). Second step: Accepted amendments are the sum of amendments accepted against a unanimous Council and amendments accepted against a non-unanimous Council (this is in fact a tautology). Third step: The overall acceptance rate is the same in cooperation and codecision controlling for time. Conclusion: the rate of acceptance when the Council is non-unanimous is higher under cooperation (conditional agenda setting) than under codecision (veto).

INSERT FIGURE 2

Figure 2 presents the rejection rates per procedure as a function of time that the procedure has been applied. The figure demonstrates that while the two procedures started very differently

(codecision with many rejections and cooperation with few) they reached similar rates of rejection two years (more precisely 20 months) into their application. The middle part of both procedures is quite flat and the differences are minor (the last point in codecision has .43 rejection rate, while the corresponding point in cooperation reads.44). If one speaks about non-acceptances instead of rejections, the numbers are reversed in favor of cooperation: .55 non-acceptance in cooperation, .58 in codecision, but again the differences are minor.

Our data address the arguments made by Tsebelis and Garret in two different ways. From Figure 2 we observe that the time paths of rejection rates are very different. While the one from codecision indicates a learning process (disagreements are reduced over time and proposed amendments are accepted more as time goes by), the opposite is true of cooperation: rejection rate starts from low levels and increases over time. In other words, Figure 2 indicates that a comparison between the two procedures at the same time "stage" of their application is not theoretically justified. Consequently Tsebelis and Garrett's argument ignores part of the evidence concerning the cooperation procedure without providing a theoretically valid justification. For the time being, we cannot tell why the rejection rates under cooperation increase, but it is certainly not learning.

On the other hand, the aggregate data generated by the two procedures presented in Figure 2 is not a fair test of the arguments made by Tsebelis (1994), (1997) Garrett and Tsebelis (1996), and Tsebelis and Garrett (1997). Tsebelis [1994: 131] identifies the conditions of conditional agenda setting as follows: "This procedure *may* enable the EP to offer a proposal that makes a qualified majority of the Council better off than any unanimous decision. *If* such a proposal exists, *if* the EP is able to make it (the reader is reminded that an absolute majority of MEPs is needed) and *if* the Commission adopts it, then the EP has agenda setting powers." [emphasis in the original].

Garrett and Tsebelis have argued that conditional agenda setting powers are more important than veto powers in policymaking. Of the three conditions of agenda setting mentioned above the first is assumed by all datasets on EP amendments: the amendments exist. Tsebelis and Garrett

(1997) tried to provide an indirect test controlling for lack of unanimity in the Council. They could not control for acceptance by the Commission. Our dataset enables such a comparison.

INSERT FIGURE 3

Figure 3 compares the rejection rate of amendments controlling for acceptance by the Commission under cooperation, but not under codecision. The reason is that acceptance by the Commission is a condition for conditional agenda setting but not for veto powers. Consequently, Figure 3 performs a test of conditional agenda setting vs. veto power. As the Figure demonstrates, there is a very significant difference in favor of conditional agenda setting. The EP is significantly more influential when it exercises conditional agenda setting (that is, when it has the Commission on its side under cooperation). The difference is of the order of 20 percentage points.

Closer inspection of Figure 3 suggests another conclusion. The acceptance rate curve under conditional agenda setting is significantly flatter than under codecision. This observation indicates that what we identified as differences between the two procedures may be due primarily to the behavior of the Commission.

INSERT FIGURE 4

Figure 4 controls for acceptance by the Commission in both procedures. The two procedures flatten very soon around practically the same values (.23 in cooperation, .21 or .22 in codecision). The most interesting feature of Figure 4 is not that the two procedures produce identical results once we control for time and the behavior of the Commission. The most interesting part is that the curves flatten out, indicating equilibrium (i.e. no change over time).

Given that the rejection rates assuming non-rejection by the Commission are the same (as Figure 4 indicates), it is logical to conclude that the apparent differences in rejection rates between the two procedures are due to either one or both of the following factors: 1. There is an over time difference in the frequency of Commission rejection of EP amendments. 2. There is an over time difference in rejection rates conditional upon rejection by the Commission. The next section investigates these conjectures using more sensitive spot time data instead of the aggregate data.

C. Rejection rates and their covariates.

INSERT FIGURE 5

Figure 5 presents the monthly rejection rate of amendments in cooperation (x) and codecision (I) procedures (o). The reader can verify that the flat cumulative graphics that we saw in the previous figures were masking a high degree of variation. In fact, both procedures present periods of very high and very low rejection rates. In addition, however, the overall pattern of rejections increases over time initially, and declines subsequently. This is why we will assume a parabolic time trend when we try to approximate the data. We focus on the examination of statistical significance of these patterns as well as the introduction of control variables.

INSERT TABLE 4

Table 4 presents a series of ordinary least squares (OLS) and generalized least squares (GLS) regressions with procedure and time as independent variables. The dependent variables are: rejection rates (first two columns entitled R5), rejection rates conditional upon rejection by the Commission (two columns entitled R5C5), frequency of rejection by the Commission (two columns entitled RRC5) and rejection conditional upon non-rejection by the Commission (four columns entitled R5C). The OLS models produce unbiased but inefficient coefficients, because the number of amendments per month varies and datapoints generated by a high number of observations should have lower variance (heteroskedasticity problem). Statistical theory prescribes correction of heteroskedasticity by weighing observations inversely to the number of amendments that generated each point. As a result we produce the GLS models to correct for heteroskedasticity and improve the estimates.

The first two models present the overall rate of rejection. We control for a parabolic time trend and find that the time trend is significant, and the coefficient for cooperation procedure (SYN) is positive and significant. The interpretation of these results is straightforward: There is an overall pattern of increasing rate of rejection of EP amendments during the early 1990s. In addition to that trend, the rejection rate of amendments under cooperation is higher by 14 percentage points over codecision (controlling for the time trend). This finding confirms the conventional wisdom

that the overall success rate of the EP under codecision is significantly higher than under cooperation.

INSERT FIGURE 6

The models of rejection conditional upon Commission rejection (R5C5) present a more clear time trend. Figure 6 indicates that during the early 1990s a rejection by the Commission practically guaranteed the failure of an amendment. Again, the rejection rate of cooperation (conditional upon Commission rejection) is significantly higher than codecision.

The same patterns appear in the next two models: they present the frequency of rejection by the Commission (rejection in both rounds if the amendment is presented in both rounds). Again, the rejection rate is significantly higher under cooperation and exhibits the same parabolic pattern.

As a conclusion, we can say that the overall patterns exhibited in the rejection rates (parabolic over time and higher under cooperation) are due to similar patterns observed in the behavior and the importance of the Commission: The two most significant patterns are higher rejection rates in the early 1990s, and higher conditional rejection rate (reaching 100%) when the Commission rejects. This leaves us with a question: Is the behavior of the Commission the only factor that accounts for all the observed differences of the data?

The last four columns of Table 4 investigate this question. The dependent variable is now the rejection rate conditional upon non-rejection by the Commission. The first two models use the same time trend and procedure as independent variables, and the other two introduce additional possible explanatory variables the legislature that introduced these amendments (dummy variables). It is interesting to see that only the Commission's behavior and influence appear to affect rejection rates. Once one controls for these two factors, the data look like random noise (no significance of coefficients, and negative adjusted R^2). In other words, all the action is in the behavior and the importance of the Commission.

INSERT TABLE 5

In what follows we investigate this finding further. Let us call p the rejection rate of amendments when the Commission rejects it, and q the rejection rate of amendments when the

Commission accepts it. If we call R5 the rate of rejection and RRC5 the rate of rejection by the Commission, by definition

$$R5= p*RRC5 + q*(1-RRC5) \quad (1)$$

by rearranging terms,

$$R5=q + (p-q)*RRC5 \quad (2)$$

The models of Table 5 estimate equation (2) for the two different procedures. Again, the first model presents the OLS estimate, while the second the more reliable GLS estimate. Again the coefficients are significant, and the goodness of fit is very high (60%).

INSERT TABLE 6

Table 6 translates the estimators from Table 5 in a readily interpretable format: The role of the Commission is significantly higher under cooperation than under codecision. Indeed, under cooperation, once the Commission rejects an amendment the probability that it will be rejected is .88, while if the Commission accepts the probability that it will be accepted is .83 (=1-.17). Under codecision, when the Commission rejects the probability of rejection is .67, while when the Commission accepts, the probability of acceptance is .73 (=1-.27). In other words, the Commission's behavior predicts the overall fate of an amendment 85% of the time under cooperation and 70% of the time under codecision.

INSERT FIGURE 7

The success rate of the Commission per procedure does not remain constant over time. Under the cooperation procedure the influence of the Commission increases over time, while under codecision it decreases. The reader can verify this statement by observing Figure 7. This figure presents the absolute value of the residuals of a GLS regression of overall rejections as a function of rejections by the Commission. The size of the residuals is larger at the two ends of the Figure, indicating that the behavior of the Commission explains less during these periods.

All the variance in the rejection rates (over time and by procedure) can be explained on the basis of three factors, all having to do with the Commission: 1. The Commission is more influential under cooperation than under codecision. 2. Within each procedure the influence is

highest towards the middle of the period our data cover (early 1990s). 3. The Commission rejects more EP amendments during the same period.

IV. CONCLUSIONS AND DISCUSSION

In this paper we tested empirically different expectations concerning the influence of European institutions on public policy. Most of these analyses expected the influence of the European Parliament to increase with the introduction of codecision. Data on rejection rates of parliamentary amendments published by the European Parliament itself were pointing in the same direction.

We used a new and much more detailed dataset (http://www.sscnet.ucla.edu/tsebelis) to analyze the patterns of acceptance and rejection of Parliamentary amendments. Our dataset produces the same aggregate results as the data published by the EP, indicating a higher rejection rate under cooperation than under codecision. However, we provide two additional results: First, by controlling for acceptance by the Commission under cooperation but not codecision, we can find out whether conditional agenda setting or veto powers are more important for the EP.[6] Our data indicate significantly lower rejection rate of Parliamentary amendments with conditional agenda setting than with veto power (Figure 3). Second, by controlling for acceptance by the Commission under both cooperation and codecision, we can test the expectation generated by the work of Tsebelis and Garrett (1997), that integration will proceed at higher pace under cooperation than under codecision. Their model presents a coalition between the EP and the Commission, and a Council, which is non-unanimous. Our data indicate that there is no difference in the acceptance rates of EP amendments once the Commission is on the side of the EP (last 4 models of Table 4). However, this test does not control for the absence of unanimity in the Council. Given that institutional amendments may be included in the codecision data but not in the cooperation data, controlling for absence of unanimity in the Council is going to push the data in the direction

[6] The appropriate test would be to control for lack of unanimity in the Council in order to include all the conditions for conditional agenda setting. However, our data do not permit such a control.

predicted by Tsebelis and Garrett, but we do not know whether such a result will have statistical significance.

Desegregating the data further, we discovered that all the differences in the rejection rates of EP amendments can be accounted for by two factors, both related to the Commission: its behavior and its influence. We found that the Commission increased it's rejection rate of EP amendments during the early 1990s, and that the role of the Commission as a legislator decreases with codecision. Our conclusion is that all differences in rejection rates are attributable to differences in the influence and the behavior of the Commission. This is a novel finding, never reported in the literature.[7] We present not only a positive corroboration of this finding (p and q in table 4 indicate significant differences between cooperation and codecision), but also a negative one: differences in rejection rates between the two procedures disappear when one conditions on non-rejection by the Commission. This finding persists despite the introduction of possible control variables.

Why would the Commission behave differently and reject more EP amendments (leading to their ultimate defeat) during the second parliament?[8] Given that this is a novel finding, there is no argument explaining it in the literature. Furthermore, the stylized fact (very frequently presented in the literature) that the Commission, the EP, and the Council are mainly fighting along a dimension of European integration, results into a frequent coalition between the EP and the Commission (the integrationist actors) against the Council. This set of assumptions would not lead us to expect an increase in conflict between the Commission and the EP.

However, an alternative argument presented by Kreppel and Tsebelis (forthcoming) is consistent with our findings. Kreppel and Tsebelis analyze coalition building inside the EP and find out that the winning proposals inside the Parliament are usually proposals supported by the Left (mainly the socialists), and that consequently, the conflict between the Council and the EP can be reported on the Left -Right axis instead of the axis of integration. According to their argument, the differences between Council and Parliament are not differences in desired levels of integration

[7] Although Garrett and Tsebelis (1996) and Tsebelis and Garrett (1997) have argued that the influence of the Commission declines under codecision.

[8] Not to mention increase of reported by the EP cumulative rejection rates under cooperation, leading most people to

per se, but in levels of regulation. These two axes are of course correlated, since more regulation necessarily leads to more integration (but not the vise versa).

Our finding is consistent with Kreppel and Tsebelis' conjecture: The period of 1989-94 is the period of legislation on the Single Market, that is, the introduction of a number of pieces of legislation that laid the basis for economic integration with effects throughout the Union. If the EP during this period introduces amendments increasing the level of regulation, it is plausible that the Commission rejects an increasing number of them. Given the high influence of the Commission under cooperation (which represents the predominant legislative procedure during that period) the rejection rate of EP amendments reaches its maximum levels.

There are several feasible extensions of this work. The first is analyze the actual bargaining between European institutions instead of the aggregate rate of rejections. Such an approach would require us to focus on the amendments introduced in both rounds, and examine whether the Parliament insists in the same wording or adopts a more conciliatory position, whether the other actors are more likely to accept amendments if the Parliament is intransigent or conciliatory. In other words, one would have to follow the shuttling of legislation from one actor to the other and study their conditional responses as strategies in a bargaining game (Tsebelis and Money 1997)

Finally, one would want to investigate the effects of a series of other variables like policy area of legislation, size of bills, density of amendments, political affiliation of rapporteurs of a bill on the policy influence of the EP. However, for such an analysis one would have to shift from amendments to pieces of legislation.

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believe that cooperation reduces the influence of the Parliament.

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FIGURE 1

Cumulative overall rejection rates of EP amendments under cooperation (x) and codecision (o) procedures in real time.

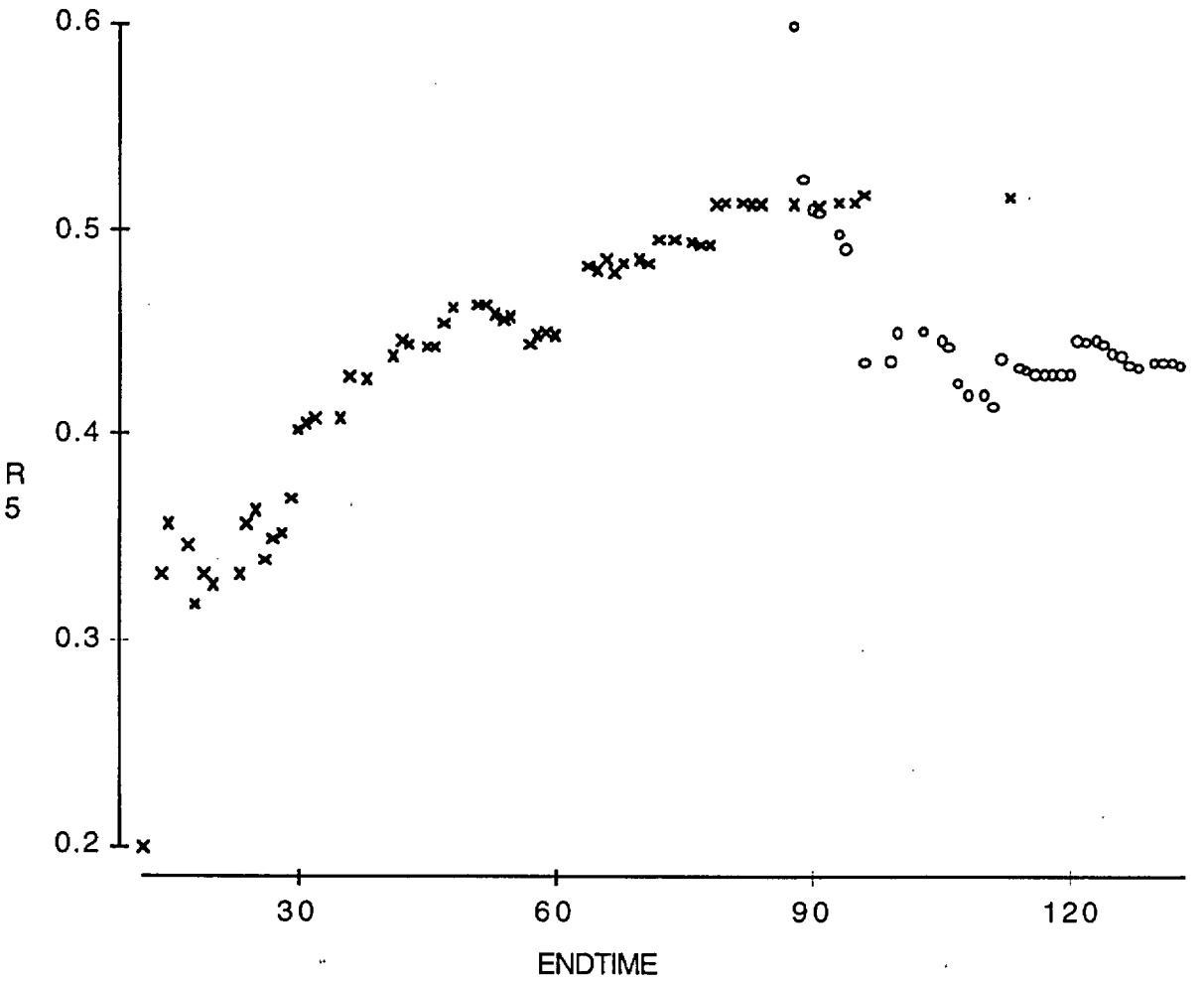

FIGURE 2

Cumulative overall rejection rates of EP amendments under cooperation (x) and codecision (o) procedures in overlapping time.

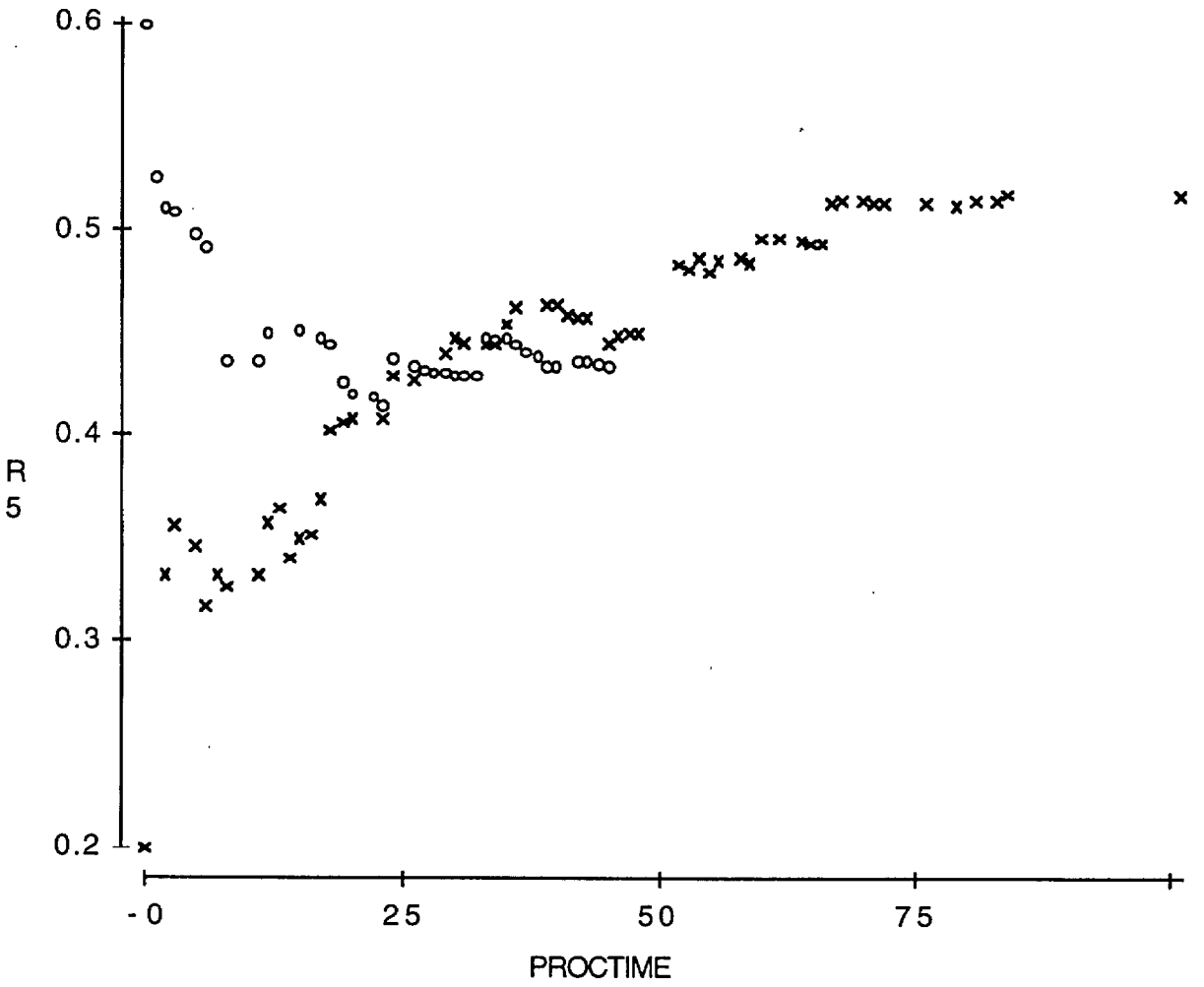

FIGURE 3

Cumulative rejection rates under conditional agenda setting (x), and veto power (o). (Rejection of EP. amendments under cooperation is conditional upon non-rejection by the Commission)

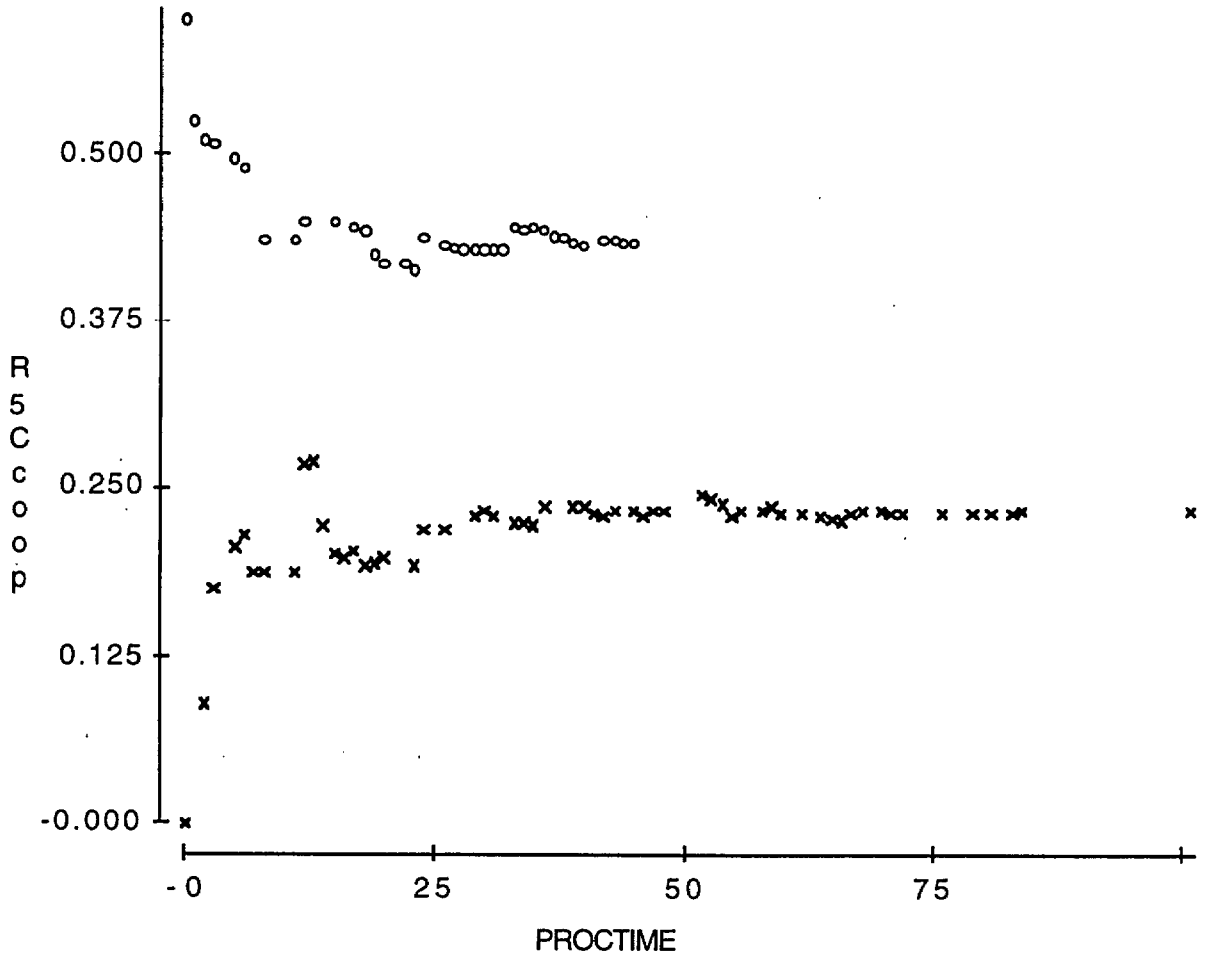

FIGURE 4

Cumulative rejection rate of EP amendments conditional upon non-rejection by the Commission under cooperation (x) and codecision (o)

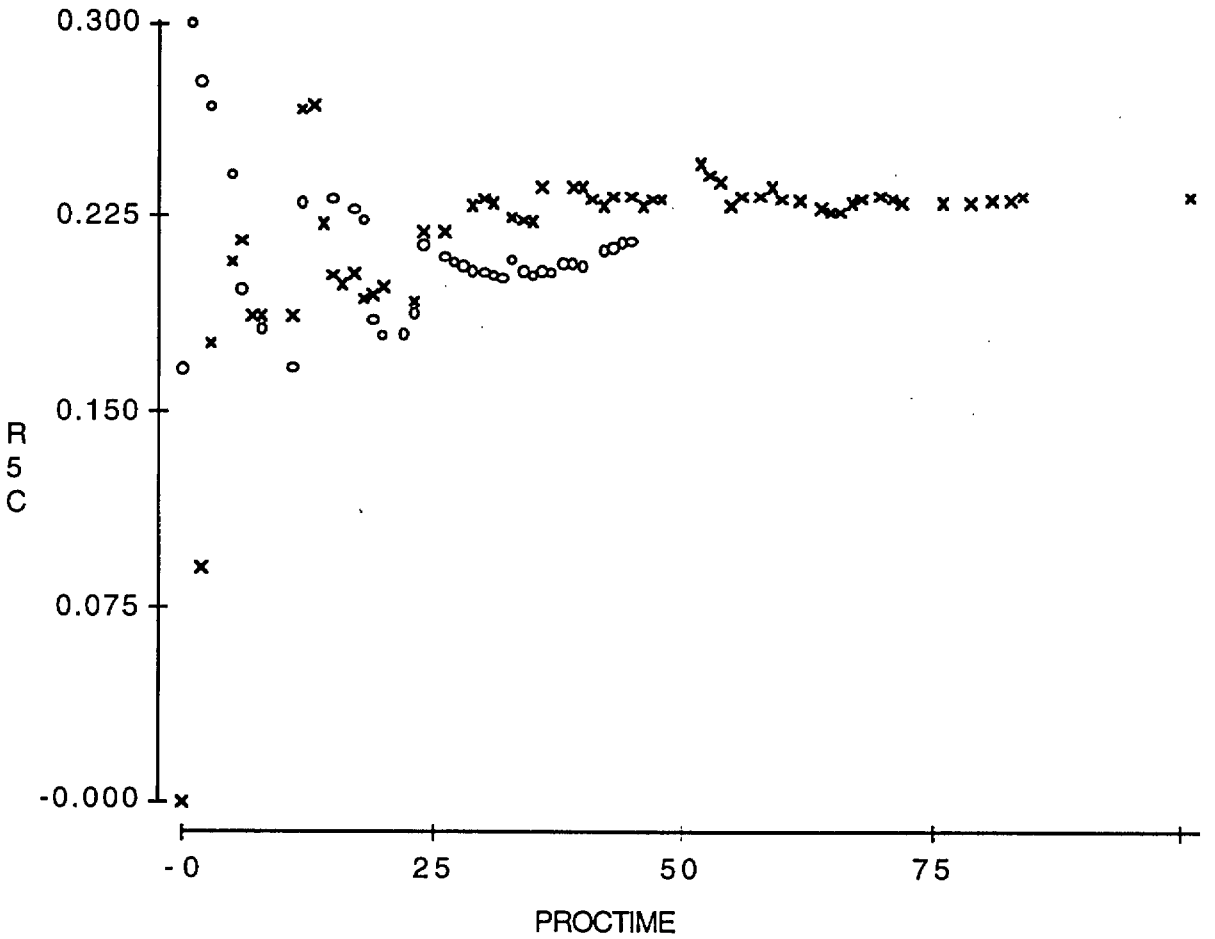

FIGURE 5

Monthly overall rejection rate of EP amendments under cooperation (x) and codecision (o) procedures.

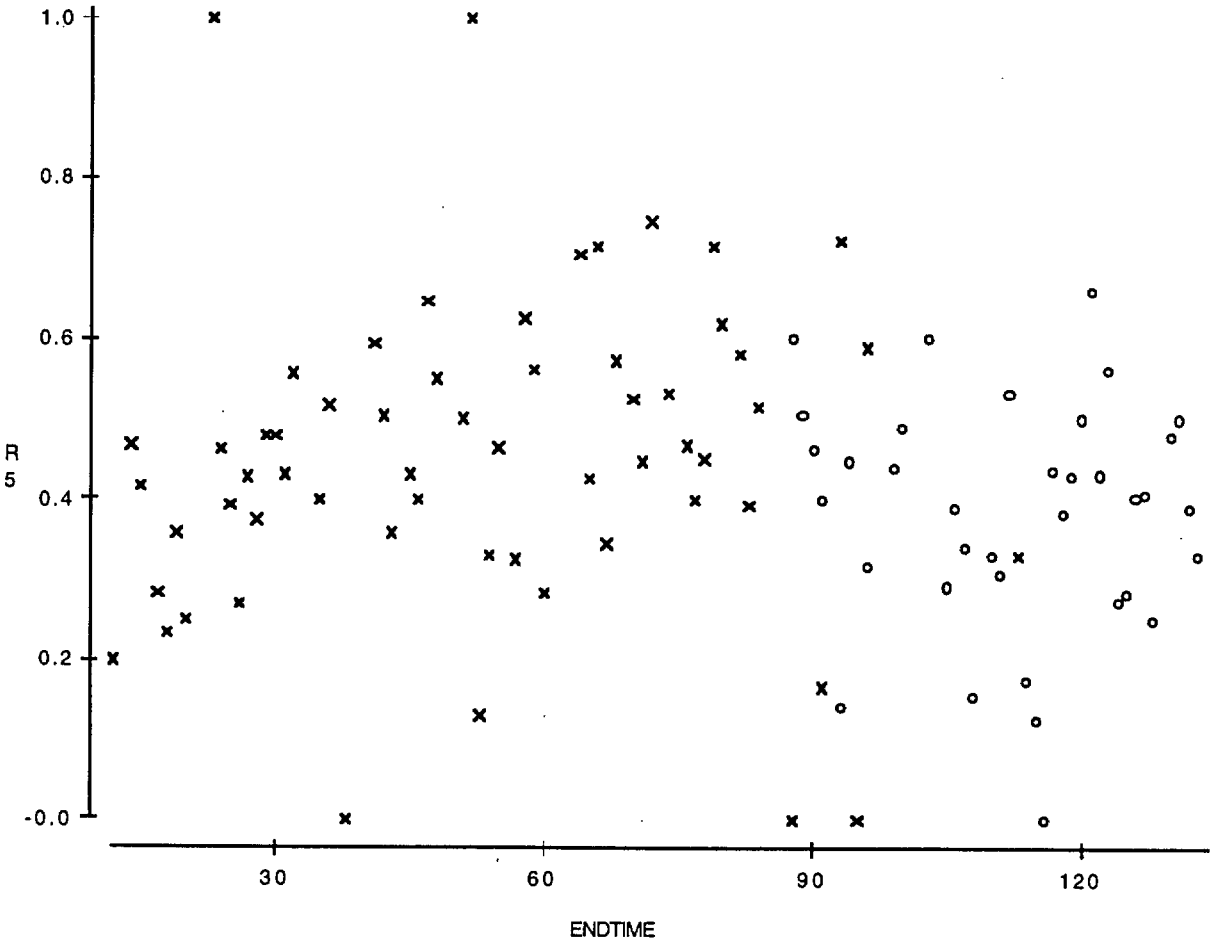

FIGURE 6

Monthly rejection rate of EP amendments under cooperation (x) and codecision (o) conditional upon rejection by the Commission.

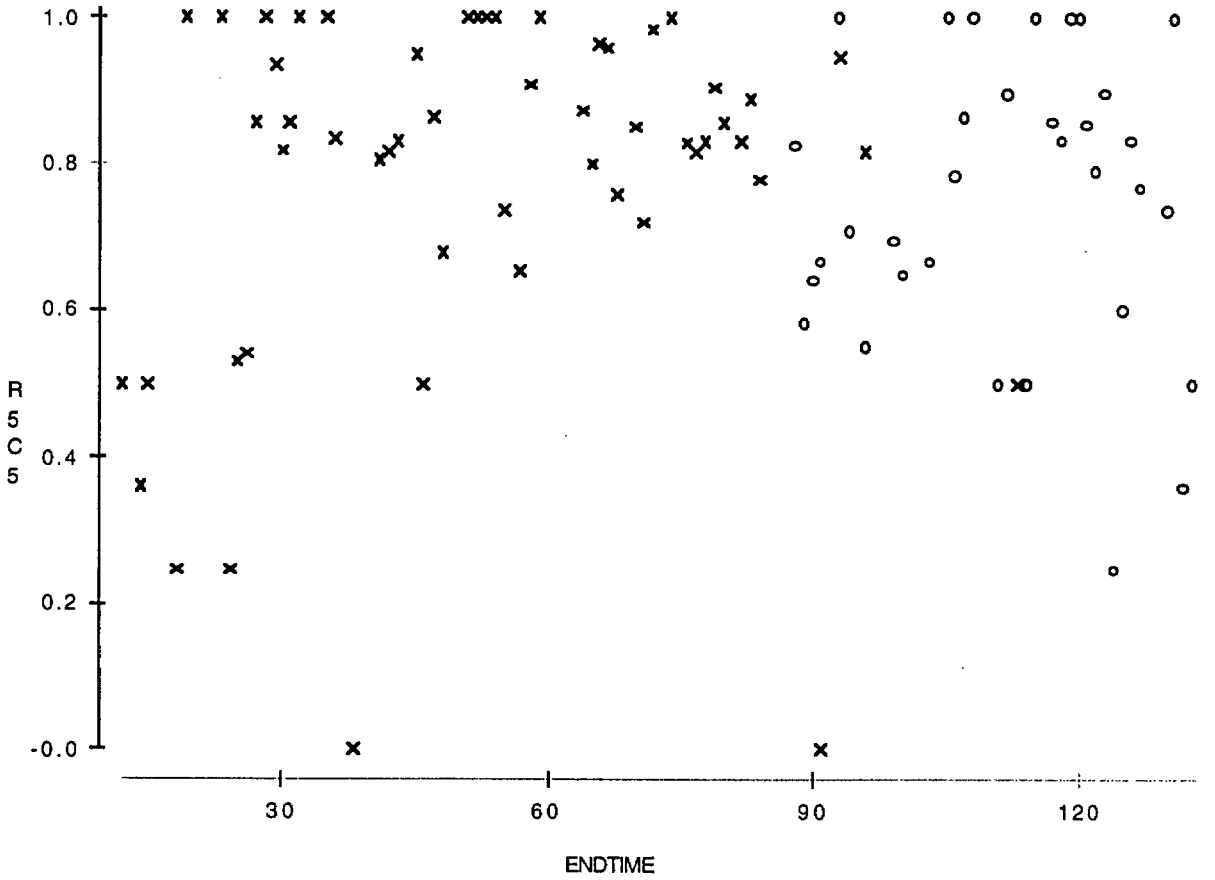

FIGURE 7
Residuals (absolute value) of regression of overall rejection of EP amendments on Commission rejection. (Cooperation (x); codecision (o))

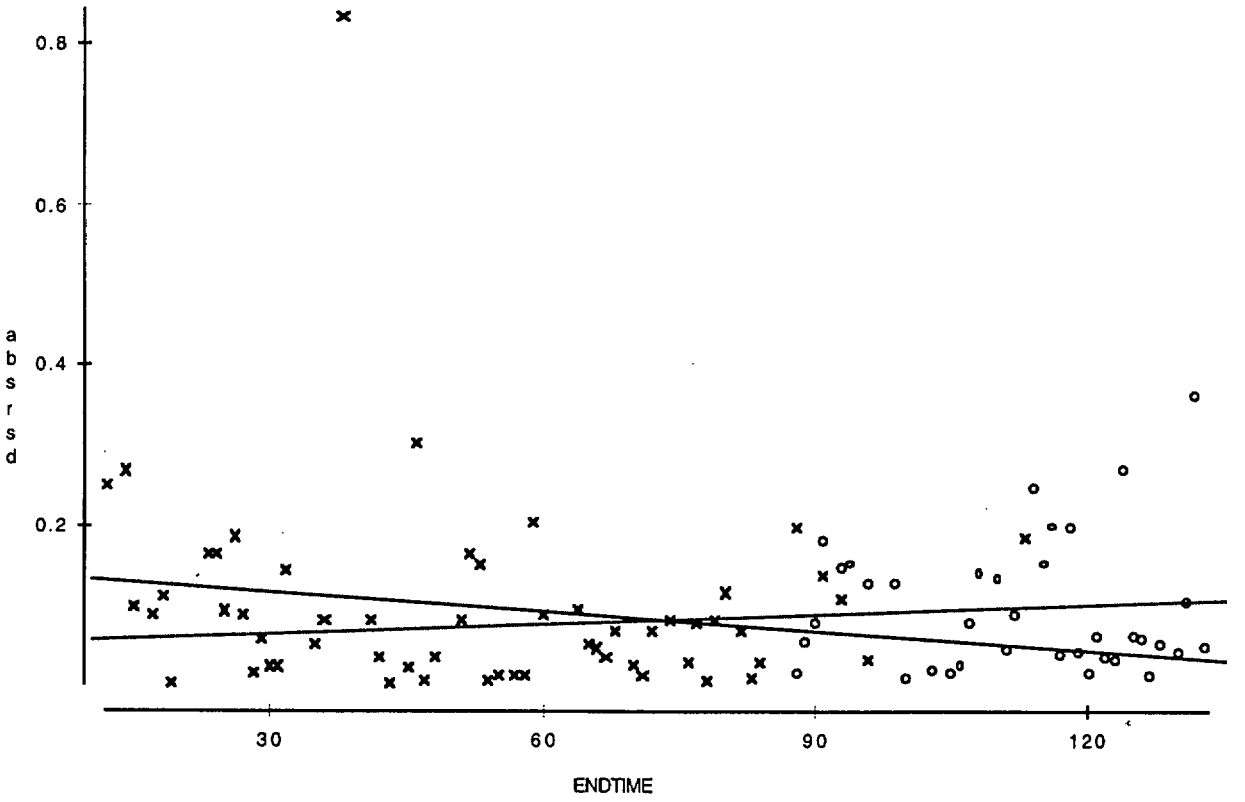

TABLE 1

Acceptance rate of EP amendments under cooperation and codecision (EP data)

	400 Cooperation 1/7/1987-July 1997	82 Codecision 1/11/93-July 1997
1st reading	Commission 54% (+.6% in part)	Commission 52.5% (+3.9% in part)
	Council 41% (+.4% in part)	Council 42.7% (+3.7% in part)
2nd reading	Commission 43% (+4% in part)	Commission 61% (+1.9% in part)
	Council 21% (+3% in part)	Council 46.9% (+ 12.5% compromise text)

(Conciliation Committee Progress Report 1996-1997. Annex II. Part B (http://www.europarl.eu.int).[9]

[9] These data do not specify the overall acceptance rate. If we assume that second round amendments are approximately 33% of first round amendments, these numbers provide approximately an acceptance rate of at least .37 for cooperation, and .46 for codecision (these calculations assume that all second round amendments are new). The baseline result is that the difference is 9 percentage points in the acceptance rate in favor of codecision.

TABLE 2a
KEY TO DEGREE OF ADOPTION CODING

Substantive Meaning	Summary	Numerical Code
Amendment adopted verbatim	Adopted	1
More than half adopted	Largely Adopted	2
Less than half adopted	Partially Adopted	3
Change relevant but not in direction of either version	Modified	4
Amendment rejected entirely	Not Adopted	5

TABLE 2b
KEY TO EP II AMENDMENT TYPE SUMMARIES

Amendment Type	Numerical Code
NO FURTHER ACTION	1
REINTRODUCED	2
REINTRODUCED WITH MODIFICATIONS	3
NEW AMENDMENT	4

TABLE 3
Most frequent amendment profiles (10 first)

COM1	COUN1	EP2	COM2	COUN2	TOTAL
5	0 or 5	1	0	5	1316
1	0 or 1	1	0	1	485
1	0 or 5	1	0	5	221
2	0 or 2	1	0	2	216
5	0 or 4	1	0	4	167
1	0 or 2	1	0	2	162
3	0 or 3	1	0	3	157
N/A	N/A	4	5	5	156
N/A	N/A	4	1	1	145
5	5	2	5	5	122

TABLE 4

Rejections and conditional rejections as a function of time and procedure

	R5 (OLS)	R5 (GLS)	R5C5 (OLS)	R5C5 (GLS)	RRC5 (OLS)	RRC5 (GLS)	R5C (OLS)	R5C (GLS	R5C (OLS)	R5C (GLS)
Constant	.3014 (2.84)	.1241 (1.49)	.5116 (3.64)	.4671 (4.68)	.3702 (2.72)	.1194 (1.13)	.2211 (2.45)	.1771 (2.18)	.2177 (1.33)	.3039 (2.39)
SYN	.0396 (.546)	.1462 (3.09)	-.00033 (-.004)	.1273 (2.22)	.0314 (.341)	.1240 (2.08)	.0650 (1.08)	.0536 (1.07)	.0411 (.633)	.0319 (0.540)
Time	.0039 (1.54)	.0063 (3.32)	.0087 (2.61)	.00605 (2.56)	.001759 (0.545)	.0059 (2.45)	-.0029 (-1.38)	-.0003 (-.169)	-.0041 (-1.20)	-.0032 (1.23)
$(time)^2$	-.00003 (-1.49)	-.00003 (-2.40)	-.00006 (-2.38)	-.00003 (-1.96)	-.00001 (-0.606)	-.00003 (-1.78)	.00002 (1.42)	.00001 (.442)	.00003 (1.51)	.00002 (1.32)
ep1									.0392 (.335)	-.0751 (-.809)
ep2									.0659 (.915)	.0197 (.315)
R^2	5.9%	22.6%	7.9%	17.9%	2.2%	12.5%	3.4%	1.4%	4.5%	4.3%
R^2 (adjust.)	2.8%	20.0%	4.6%	14.9%	-1.1%	9.6%	.0%	-2.0%	-1.1%	-1.3%
Number of Cases	91	91	87	87	93	93	90	90	90	90

t-ratios in parentheses

TABLE 5

Rejections as a function of Rejections by the Commission.

	R5 (OLS)	R5 (GLS)
Constant	.2048	.2708
	(4.21)	(6.46)
SYN	.0341	-.0938
	(.539)	(-1.71)
RRC5	.4641	.3987
	(4.17)	(4.11)
SYNRRC5	.0414	.3193
	(.301)	(2.66)
R^2	41.9%	61.5%
R^2 (adjusted)	40.0%	60.2%
Number of Cases	93	93

t-ratios in parentheses

TABLE 6

Percentage of rejections as a function of Commission rejections (p) and Commission non-rejections (q) per procedure (estimates from Table 5).

	Estimate of p	Estimate of q
Cooperation	.88	.17
Codecision	.67	.27