

# Paradigm Change within the CAP 1985-92: The European Commission's Construction of an Alternative Policy Narrative in the Late 1980s

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Unlike other parts of the Treaty of Rome, the formal goals of the Common Agricultural Policy (CAP) set out in Article 39 have not been changed or modified. Yet, Isabelle Garzon suggests that “the founders of the CAP in 1958 [...] would [today] not recognise this policy, its objectives and its instruments”.<sup>1</sup> Consequently, there has been considerable academic debate about the nature of policy change, how such change has been brought about and what factors have determined the outcome and direction of change. While Adrian Kay and Robert Ackrill (in this volume) explore the processes of change in the principal programme of price and market support, this article examines change in the CAP as a composite whole and argues that the underlying rationale of the CAP was reviewed and amended during the 1985-1992 period.

Among political scientists, there has been an increasing turn towards the role of ideas as causal factors in explaining policy change.<sup>2</sup> This turn owes much to the seminal work of Peter Hall who introduced the concept of a ‘policy paradigm’<sup>3</sup> to capture the very framework of ideas and standards which underpin policy makers’ specification of their goals and their selection of policy instruments.<sup>4</sup> Further, policy paradigms encapsulate those ideas which enable policy makers to interpret policy issues, including cognitive ideas about how the world works and normative beliefs about what is legitimate and appropriate in the context of the culture and politics of the state. To explain how ideas came to influence the development of the CAP, it is necessary, as John L. Campbell proposes, to identify the causal mechanisms linking ideas to the outcomes of policy making, including the role of actors, the institutional context in which actors influence policy making and the processes by which policy discourse translates policy ideas into practice<sup>5</sup>. Marc Blyth argues that crises, by generating uncertainty about the adequacy of current ideas for resolving problems, create the opportunity for political contestation and the promotion of new ideas. His sequential model of institutional change emphasises how ideas help to interpret the

1. I. GARZON, *Reforming the Common Agricultural Policy*, Palgrave Macmillan, Basingstoke, 2006, p.10.
2. For example, V. SCHMIDT, *Institutionalism*, in: C. HAY, M. LISTER, D. MARSH, (eds.), *The State: Theories and Issues*, Palgrave, Basingstoke, 2006.
3. While the use of the term ‘paradigm’ reflects Kuhn’s work on scientific paradigms, a policy paradigm cannot be equated with the scientific revolutions identified by Kuhn.
4. P. HALL, *Policy paradigms, Social Learning and the State*, in: *Comparative Politics*, 3(1993), pp. 275-296.
5. J.L. CAMPBELL, *Ideas, politics and public policy*, in: *Annual Review of Sociology*, 2002, pp.21-38.

crises, provide a critique of the current paradigm and a ‘blue-print’ for an alternative paradigm.<sup>6</sup>

Hall emphasises that a paradigm shift or “wholesale changes in policy occur relatively rarely” and would be evidenced by “radical changes in the overarching terms of the policy discourse”, a change in “its account of how the world facing policy makers operates” and be “preceded by significant shifts in the locus of authority over policy”.<sup>7</sup> Such onerous conditions for a paradigm shift inevitably mean that policy change generally proceeds through incremental change along a path which is determined by the initial design of the policy. For example, Kay has highlighted how the initial specification of the political goals and policy instruments and the way they were embodied in the legislative structure of the CAP has constrained its subsequent development.<sup>8</sup> Moreover, Carsten Daugbjerg suggests that the CAP became ‘locked-in’ to a stable path by the close network of policy makers and farm lobbyists who had a common interest in maintaining the policy rules and structures.<sup>9</sup>

Over the past decade, there has been considerable debate among scholars on whether the reforms of 1988 and 1992 initiated a paradigm shift in the CAP. On the one side, it has been argued that there has been a change in the policy’s core ideas, expressed as a shift from a ‘state-assisted’ policy model to one in which the farmer plays a more multifunctional role, being both a food producer *and* a conservator of rural landscapes.<sup>10</sup> On the other side, Grace Skogstad and Daugbjerg argue that reform of the CAP in the period to 1988 and even in 1992 was modest as the ‘state-assisted’ paradigm was not questioned.<sup>11</sup> Daugbjerg suggests “the reform [in 1992] can hardly be called radical because it did not question the use of considerable subsidies in agriculture, but rather altered the way in which subsidies were paid to farmers”.<sup>12</sup> Skogstad further argues that the introduction of rural structural support instruments and “a new objective of environmental sustainability” as part of the 1988 reforms “are best regarded as continuity within the state assistance model”. It would appear that for Skogstad a change in the CAP policy paradigm would mean

“a jettisoning of the state assistance model [...] indicated by deregulation of agricultural markets, the termination or substantial restraint of government expenditures for agriculture, and a discourse antithetical to government intervention”.<sup>13</sup>

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6. M. BLYTH, *Great Transformations*, Cambridge University Press, Cambridge, 2002.
7. P. HALL, op.cit. pp.279-280.
8. A. KAY, *The Dynamics of Public Policy*, Edward Elgar Publishing, Cheltenham, 2006, p.101.
9. C. DAUGBJERG, *Reforming the CAP: Policy Networks and Broader Institutional Structures*, in: *Journal of Common Market Studies*, 3(1999), pp.407-428.
10. W.D. COLEMAN, *From protected development to market liberalism: paradigm change in agriculture*, in: *Journal of European Public Policy*, 5(1998), pp.632-651; W.D. COLEMAN, W. GRANT, T. JOSLING, *Agriculture in the New Global Economy*, Edward Elgar Publishing, Cheltenham, 2004.
11. G. SKOGSTAD, *Ideas, Paradigms and Institutions: Agricultural Exceptionalism in the European Union and the United States*, in: *Governance*, 4(1998), pp.463-490; C. DAUGBJERG, op.cit.
12. C. DAUGBJERG, op.cit., p.409.
13. G. SKOGSTAD, op.cit., p.471.

More recently, some scholars have begun to focus on the process as well as the outcome of CAP change. Garzon, for example, argues that a paradigm shift has occurred through a succession of reform episodes (in 1992, 1999 and 2003) during which “cumulative change did modify the overall policy objectives through feedback loops [through which] the strength of apparently minor changes [...] put pressure on policy mechanisms and produced further change”.<sup>14</sup> Supporting that perspective, Wyn Grant suggests that “changes in policy instruments have reoriented the policy without any change in formal Treaty goals”.<sup>15</sup>

This previous work has not systematically explored the causal mechanisms or processes linking the review of the ideas underpinning the CAP to the policy outcomes and, as with Skogstad’s analysis, has applied somewhat arbitrary criteria for evaluating change. This article provides an analysis of the process of ideational development which occurred during the 1985-1992 period and which, it is argued, reshaped the policy goals, the design of new policy instruments and the delegitimization of others. It begins with an analysis of the ideas which framed the original formulation of the CAP, as a baseline against which to evaluate subsequent change. Then, it explores the development of an alternative policy discourse during Jacques Delors’s Presidency of the Commission. Finally, it assesses whether the changes introduced during the 1985-1992 period should be regarded as a paradigm shift in the CAP.

## The Common Agricultural Policy Paradigm

The ideas which underpinned the development of the CAP have their origin in the 19<sup>th</sup> century when many West European states sought to protect their farming sectors by erecting trade barriers against competition from the expanding production in the United States. Further state assistance in the form of market organisation and price support was provided especially from the 1920s in response to deepening crises in agricultural markets and in an attempt to shelter domestic markets. Such state support after the war was more clearly codified in national legislation designed to nurture the recovering agricultural sector and to address “the farm income gap” by placing on a statutory basis support for income-parity with other occupational groups.<sup>16</sup> The six future member states of the EEC shared common issues, as the Spaak report of April 1956 recounted

“there is no doubt that special problems prevail resulting from the social structure of agriculture based fundamentally on family farming, the essential necessity of stability of supplies, the instability of markets that are influenced by external conditions and the inelas-

14. I. GARZON, op.cit., p.179.

15. W. GRANT, *Policy Instruments in the Common Agricultural Policy*, in: *West European Politics*, 1(2010), p.22.

16. A.C.L. KNUDSEN, *Farmers on Welfare: The Making of Europe’s Common Agricultural Policy*, Cornell University Press, Ithaca (NY), 2009, p.44.

ticity of the demand for certain products. It is this particular nature of agriculture that explains the existence in many countries of extensive intervention in this area".<sup>17</sup>

As Ann-Christina Knudsen concludes

"the taking off point for the 'Europeanization' of agricultural politics was, on the one hand, the broad political acceptance and legitimacy of these ideas of agricultural exceptionalism and welfare and, on the other, the ideas and political will to create the European Community".<sup>18</sup>

Many scholars have sought to encapsulate the original CAP paradigm in a variety of labels – "a developmental or state assisted paradigm"; "state assistance paradigm"; a "dependent agriculture paradigm" – but without fully specifying those underlying ideas which framed the policy objectives and instruments.<sup>19</sup> In order to understand how this paradigm became subject to challenge and replacement, it is necessary to examine more fully the multi-dimensional framework of ideas comprising the original CAP paradigm.

### 1. Agricultural exceptionalism

The Spaak report captures the very essence of agricultural exceptionalism as a guiding principle for state intervention in agriculture. The concept embodies a set of cognitive and normative ideas which justifies the special treatment of agriculture as an economic sector, protected from the full force of market conditions. Agriculture was regarded as exceptional because, firstly, farming is a hazardous enterprise, subject to unique and uncontrollable factors resulting from the vagaries of the weather and markets, and secondly, it contributes to essential national goals of securing food supply. As agricultural markets are less efficient and attract greater risk, "the price mechanism is a sub-optimal means of achieving an efficient and productive sector".<sup>20</sup> State intervention has therefore sought to control markets and support prices to provide farmers with adequate and stable incomes, while providing incentives for investment to increase productivity and efficiency.

The Spaak report provided the context for the drafting of the EEC Treaty and its analysis of agricultural exceptionalism underpinned the goal of creating "a common market for agricultural products [...] accompanied by a common agricultural policy" (Article 38.4). The objectives of the CAP, set out in Article 39, reflected firstly, the experiences of national governments and their rationales for intervention and secondly, the state of the sector in the immediate post-war period. It was readily ack-

17. Quoted in *ibid.*, p.60.

18. *Ibid.*, p.120.

19. W.D. COLEMAN, W. GRANT, *Policy Convergence and Policy Feedback: Agricultural Finance Policies in a Globalizing Era*, in: *European Journal of Political Research*, 2(1998), pp.225-247; G. SKOGSTAD, op.cit., pp.463-490; W. MOYER, T. JOSLING, *Agricultural Policy Reform – Politics and process in the EU and US in the 1990s*, Ashgate, Basingstoke, 2002, respectively.

20. W.D. COLEMAN, G. SKOGSTAD, M.M. ATKINSON, *Paradigm shifts and policy trajectories: cumulative change in agriculture*, in: *Journal of Public Policy*, 3(1996), p.275.

nowledged that security of food supplies could only be delivered by addressing the problems of low farm incomes and lack of competitiveness. The prevailing image was of a sector which lagged behind the rest of the economy, especially in its failure to modernise its structures. Therefore, the CAP incorporates an objective “to increase agricultural productivity by promoting technical progress” (Article 39.1a).

National governments in Western Europe both pre- and post-war adopted correspondingly ‘exceptional’ governance arrangements based upon specialised political institutions, in which closed agricultural policy communities of agricultural departments and the main farmers’ associations dominated. Consequently, agricultural politics in the EEC embodied ‘exceptional’ multi-level governance arrangements co-ordinated by the Agriculture Council, but in which member states supported by their farming associations adopted an inter-governmentalist framework of decision-making.

## 2. Social welfare

An inevitable consequence of agricultural exceptionalism and the politicisation of agricultural markets was the virtual elimination of the relationship between prices and incomes, with the result that the significance of farm incomes as a political issue increased with the level of price and market support. In the aftermath of the war, governments in Western Europe reinterpreted the farm income problem by recognising as a political priority the need to address the disparity in incomes between farmers and other comparable occupations. Post-war agricultural policy paradigms among most West European states were thus broadened to embrace social welfare and redistributive aims.

Knudsen links the emergence of welfarist agricultural policies to the post-war development of welfare states in Western Europe and the common objective of providing income security. Consequently, she concludes that “when designing the CAP, policy-makers prioritized the welfare path [...] by integrating key elements from the welfare models of member states”<sup>21</sup> The acceptance of agricultural exceptionalism as a guiding principle of the CAP equally ensured the incorporation of the income-parity objective in the CAP, and hence Article 39.1b sets out “to ensure a fair standard of living for those employed in the agricultural community, in particular by increasing the individual earnings of persons engaged in agriculture”. Elmar Rieger stresses that the CAP’s political rather than economic rationale means that “the CAP was not designed to increase food production, but used production-based support to increase the incomes of farmers”, with the result that the CAP should be viewed “as an integral part of the European welfare state and its ‘moral’ economy”<sup>22</sup>

21. A.C.L. KNUDSEN, *Farmers on Welfare* ..., op.cit., p.12 and (quotation) p.13.

22. E. RIEGER, *Agricultural Policy*, in: H. WALLACE, K. WALLACE, M. POLLACK (eds.), *Policy-Making in the European Union*, Oxford University Press, Oxford, 2005, pp.161-190.

### 3. Images of rural life

The third dimension of the CAP paradigm relates to socio-cultural narratives of rural life. Images of rural life as some idealised construct of a traditional, anti-modern way of life, of family values and closely-knit rural communities were widely invoked by politicians to justify farm legislation, especially measures to support farm incomes and to maintain the family farm as a key rural institution. The countryside and rural life were seen to carry a vital symbolism in the narratives of nationhood, as French historian, Fernand Braudel, concluded in 1995: farming should not be seen as an economic activity but as “a way of life and a form of civilisation”.<sup>23</sup>

Such images of rural life were an essential component of the discourses which steered the development of the CAP. The final resolution of the very first meeting of agriculture ministers with the European Commission at Stresa in 1958 gave recognition to the central role of the family farm in the future of European agriculture:

“given the importance of family structures in European agriculture and the unanimous agreement to safeguard this family character, it follows that all means should be taken in order to strengthen the economic and competitive capacity of the family enterprise”.<sup>24</sup>

Community legislation supporting the CAP is replete with references to the family farm and to agricultural and rural communities as symbols of the intention to protect a traditional rural way of life. When these socio-cultural images were threatened by the proposals of Agricultural Commissioner, Sicco Mansholt, in both 1959 and 1968 to improve the economic competitiveness of the family farm, such was the hostility and violent opposition that they were rapidly withdrawn (see Katja Seidel in this volume). Knudsen argues that such rural images are “romanticised [...] and have never been authentic representations of the socio-economic conditions of farm life”.<sup>25</sup> Nonetheless, they became established as an integral dimension of the CAP paradigm which strongly influenced the policy discourse, the choice of policy instruments and the response to crises.

The CAP paradigm therefore embodied values and beliefs inherited from the agricultural policies of the original six member states. Through negotiation, they were adopted as the core set of Community ideas which would underpin the design of the CAP institutions and policy instruments. The commitment to the family farm and rural communities resonated with the longstanding normative values of the member states and therefore provided legitimacy to the belief that farming activity is integral to the well being of the countryside. Cognitively, the Community supported the view that agriculture could not be left to the vagaries of the market and that support for farm incomes was therefore the most effective means of delivering both the security

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23. Quoted in A.C.L. KNUDSEN, *Romanticising Europe? Rural Images in European Union Politics*, in: *Kontur: Tidsskrift for Kulturstudier*, 12(2005), p.50.
24. Commission européenne (dir.), *Recueil des documents de la Conférence agricole des Etats membres de la Communauté économique à Stresa du 3 au 12 juillet 1958*, Service des publications officielles des Communautés européennes, Luxembourg, p.219.
25. A.C.L. KNUDSEN, *Romanticising Europe* ..., op.cit., p.51.

of food supply and socio-cultural wellbeing of rural areas. The CAP cannot therefore be regarded simply as an economic policy for a single sector, but rather as a rural policy delivered through agricultural development measures.

As “the major political priority for the CAP related to the farm-income problem [...] the political objective of providing income guarantees for the farm sector made the CAP resemble social welfare legislation”.<sup>26</sup> The principal policy instruments were therefore designed to deliver this political objective, essentially through market intervention by creating a common market for agricultural products, a common pricing mechanism and erecting common trade barriers and tariffs. The CAP was financed through the European Agricultural Guidance and Guarantee Fund (EAGGF), two-thirds of which were originally intended to guarantee prices, and the remaining third to support structural measures.

Rieger concludes that “the common interest in protecting the rural sectors from the competitive forces of a capitalist market economy proved strong enough to build a centralised institutional apparatus”.<sup>27</sup> Yet, the outcome was not the creation of a supranational institution which controlled and managed the CAP. The power to set the target prices was retained by the national governments working in concert in the Agriculture Council. The European Commission’s role is seen by John Peterson and Elizabeth Bomberg as “the crucial player in the day-to-day management of the CAP” as, for the most part, its proposals, often drawn up in consultation with the Europe-wide farming group, the Committee of Professional Agriculture Organisations (COPA), were fully accepted.<sup>28</sup>

Moreover, both national and Europe-wide farm groups played important roles in shaping the decisions, which lead to accusations of “intimate, even incestuous, relationships between national agriculture ministries and farmers’ groups”.<sup>29</sup> This complex and disaggregated decision-making process effectively constrained the policy by ‘locking-in’ the mechanisms which supported its implementation, thus securing its path-dependency. With the European Parliament having a very limited role in the CAP, there tended to be a lack of scrutiny and public justification for decisions. There was an “illusion that all problems can be resolved on the basis of technological considerations, assuming the policy goals are settled”.<sup>30</sup> Within this paradigm, the institutions of the CAP became focused on the detailed framework of mechanisms and policy instruments for its implementation such that tabling alternative policy goals became virtually impossible.

26. A.C.L. KNUDSEN, *Farmers on Welfare ...*, op.cit., p.10.

27. E. RIEGER, op.cit., p.188.

28. J. PETERSON, E. BOMBERG, *Decision-Making in the European Union*, Macmillan Press Ltd, Basingstoke, 1999, p.140.

29. Ibid., p.139.

30. E. RIEGER, op.cit., p.173.

## Developing an alternative policy discourse

The implementation of the CAP within this paradigm inevitably generated unintended consequences, which threatened to overwhelm the policy and the Community's budget. Periodic crises had led to the introduction of new policy instruments, only adding to its complexity. Price support encouraged the rapid expansion of farm output and increasingly from the late 1970s and 1980s the production of significant surpluses. The costs of the CAP thus rose with the Guarantee Fund required to support greater levels of intervention together with the associated costs of storing surpluses and expanding export subsidies. "Price support drove up production, which drove up surpluses, which drove up the budget costs".<sup>31</sup> Between 1974 and 1979 the cost of the CAP rose by 23 %, and by 1984 it accounted for 69.8 % of the Community's entire budget.<sup>32</sup>

Moreover, despite the high and increasing levels of support for farmers and growing levels of production, there was clear evidence that farm incomes were declining especially on family farms. Real incomes between 1984 and 1986 fell by 26.8 % on small farms and by 14.5 % on large farms. However, in the following three years (1986-1989) whereas incomes grew by 22.3 % on large farms, they continued to fall on small farms by 8.9 %.<sup>33</sup> Larger farm businesses had, through the amalgamation of holdings, expanded, become more profitable, and had thus offset the decline in farm prices through cost-efficiencies. Further consequences of the rapid expansion of production included firstly, deterioration in environmental conditions in the countryside, following the much higher usage of pesticides, fertilisers, animal hormones and the removal of field boundaries. Secondly, the increase in exports and the dumping of surplus produce had a depressing effect on world markets, such that "the reaction of other exporters became more strident and co-ordinated".<sup>34</sup> Before 1980, the impact of the CAP was visible only to farmers and producers, in terms of its effects on prices and incomes. However, the CAP's visibility rose with the growing surpluses, to which the media drew attention in somewhat emotive terms, e.g. butter mountains and wine lakes, and with increasing criticism from environmentalists both of which served to undermine the public's support for farming.

The growing budget crisis was debated at the 1984 European Council Summit at Fontainebleau, where three key budgetary measures were agreed. The first was simply to increase the size of the budget by increasing the VAT 'call-up' rate from 1 % to 1.4 %, thereby underpinning a further expansion of the price support system. The second was to resolve a long running dispute over the scale of net contributions paid by the UK, which feared that under the influence of an expanding CAP budget its contribution would grow only larger. The third measure was to introduce guidelines

31. A. KAY, *The Dynamics of Public Policy*, Edward Elgar Publishing, Cheltenham, 2006, p.84.

32. M. WINTER, *Rural Politics*, Routledge, London, 1996, p.130.

33. European Commission, *Farm Incomes in the EC in the 1980s*, Office for Official Publications of the European Community, Luxembourg, 1993.

34. W. MOYER, T. JOSLING, *Agricultural Policy Reform: Politics and Process in the EC and the USA*, Hemel Hempstead, Harvester Wheatsheaf, 1990, p.26.

for ‘budgetary discipline’, among which was a requirement that the growth of the CAP would not exceed the growth rate of the EC’s own resources. Reconciling the often widely differing negotiating positions may thus have taken exhaustive diplomatic skills but the outcome was an ever more tortuous regulatory framework to enable the Community to meet its objectives within the prevailing policy paradigm.

Kay, Garzon and Kenneth Armstrong and Simon Bulmer all conclude that the initial policy framework, including the established range of policy mechanisms and instruments, constrained its subsequent evolution, helping to maintain its existing development path.<sup>35</sup> Thus, Armstrong and Bulmer conclude that

“an interpretation of the CAP’s character would be that those engaged in agricultural policy making were able to isolate themselves from broader issues of public policy – including the financial aspects – and thus exploit supranational policy-making to enhance their own power resources”.<sup>36</sup>

The outcome of the 1984 reforms was in many ways a rejection of the Commission’s proposals to secure a longer term and more stable budgetary framework for agriculture. George Ross concludes that

“nothing worked particularly well in or for the Commission in the early 1980s. [...] Because there was no overarching and focused Commission strategy, the administrative services, perhaps the Commission’s most important internal resources, were demoralised. The European Council at Athens in 1983 was a nadir”.<sup>37</sup>

However, both the resolution of the British rebate problem and the appointment of a new set of Commissioners in 1985 provided the catalyst for what Ross describes as “something extraordinary [...] the willingness of member states to contemplate European solutions to their problems”. It is argued that it was this radically changed political environment which provided a favourable context for the construction of an alternative CAP discourse. The new Commission was lead by its President Delors, a former Finance Minister in the French government of François Mitterrand. During Delors’ first year in office “the Commission had moved from being a prisoner of governments determined to limit its autonomy to the position of entrepreneur”.<sup>38</sup> This shift in its political credibility freed the Commission to re-interpret the anomalies of the CAP and to propose new ideas and solutions to what had become an intractable problem. The 1984 European Summit was also significant for committing the Community to the completion of the internal market. Wayne Moyer and Tim Josling argue, “Delors had made the Single European Market (SEM) something of a personal crusade and could not easily see his goal frustrated by agricultural stalemate”.<sup>39</sup> The Commission under Delors thus introduced a vital link between the CAP and the wider ambitions of the Community. Armstrong and Bulmer argue that the programme to

35. A. KAY, op.cit.; I. GARZON, op.cit.; K. ARMSTRONG, S. BULMER, *The Governance of the Single European Market*, Manchester University Press, Manchester, 1998.

36. Ibid., p.55.

37. G. ROSS, *Jacques Delors and European Integration*, Polity Press, Oxford, 1995, pp.27-28.

38. Ibid., pp.26 and 33.

39. W. MOYER, T. JOSLING, op.cit., p.86.

complete the SEM “provided a platform for a major revival of European integration”.<sup>40</sup>

In order to develop a new strategy for CAP reform, an ‘inner circle’ of Commissioners was established consisting of Delors as Commission President, together with the Agricultural and Budget Commissioners. Other Directorates-General were excluded so that “agreement among the inner circle would both speed the Commission process and minimize the need to make expensive ‘side-payments’ to win the support of other Commissioners”.<sup>41</sup> It has also been suggested that this was an attempt to weaken the powerful policy community – of COPA and the agricultural ministries – which had monopolised the previous reform debates.<sup>42</sup>

The growing budgetary crisis, the accumulating anomalies and unintended consequences created uncertainty about the capacity of the CAP to meet the Treaty objectives and to continue to support social and cultural stability in the countryside. Given the urgency of the situation, the new Commission lost no time in launching a general debate on the perspectives for the CAP in January 1985, only a few days after taking office. The Commission then published its own analysis of the crisis, including a range of potential options, in a ‘Green Paper’ in July 1985 which, in a bid to solicit views beyond the closed agricultural policy community, was aimed at Community institutions and other parties.<sup>43</sup> The policy discourse which it generated focused on the contribution of farming “beyond its economic function [and to its] increasingly important role in regional development, contributing to the maintenance of the socio-economic fabric or to the safeguard of the environment and the countryside”.<sup>44</sup>

This policy discourse was shaped not only by the Commission’s own analysis of the crisis, but also by a changing policy environment in which developments in both Community policy and in the external environment structured the range of options for reform. In his foreword to the Newsflash on the Green Paper, the Agricultural Commissioner, Frans Andriesson, stated that

“soon after the new Commission took office in January 1985, it decided to create the framework for dialogue [...] in order to define the future prospects for European agriculture. The agricultural population [...] need a better view of the medium and long term prospects for themselves and for the next generation”.<sup>45</sup>

The Commission’s diagnosis was that the CAP had initially allowed an ordered exodus of rural population as the modernisation of agriculture released labour which was

40. K. ARMSTRONG, S. BULMER, *op.cit.*, pp.2 and 14.

41. W. MOYER, T. JOSLING, *op.cit.*, p.87.

42. I. BACHE, S. GEORGE, *Politics in the European Union*, Oxford University Press, Oxford, 2007, p.392.

43. European Commission, Perspectives for the Common Agricultural Policy, COM(85)333 Final, 15 July 1985. Henceforth, referred to as the ‘Green Paper’.

44. European Commission, *A Future for Community Agriculture*, in: *Green Europe Newsflash* 34, VI/5789/85, p.2.

45. European Commission, *Perspectives for the Common Agricultural Policy*, in: *Green Europe Newsflash*, 33(July 1985), Foreword.

absorbed by expanding urban economies. It feared that the prevailing economic downturn in Europe with high levels of unemployment and a continued outflow of labour from agriculture “has created conditions in which an acceleration of the rural exodus would be intolerable”.<sup>46</sup>

The Green Paper therefore sought to construct new ideas about the future of rural Europe which would reassure farmers and, crucially the wider rural population. It states unequivocally:

“The need to maintain the social tissue in the rural regions, to conserve the natural environment, and to safeguard the landscape created by two millennia of farming, are reasons which determine the choice of society in favour of a ‘Green Europe’ which at the same time protects employment possibilities for those in agriculture and serves the long-term interest of all Europe’s citizens”.<sup>47</sup>

The aim of the discourse was to broaden the debate beyond the technical aspects which had so absorbed the Council of Agriculture Ministers and to locate the CAP within a wider policy context. The discourse was still however framed by the core ideas of the CAP – agricultural exceptionalism, social welfare and the images of rural life – but it sought to reinterpret them in a Community rather than agricultural context to ensure a closer integration with the other Community policies.

The Commission’s diagnosis of the crisis emphasised that the imbalance of supply and demand for some agricultural products was resulting in a “waste of resources which is difficult to justify, particularly in the present economic situation and at a time when the Community should be concentrating its efforts on a strategy for the future”. The cause of the problem was considered to be the open-ended guarantees which “have isolated farmers from market forces”. In a reflection on previous attempts to deal with the problem, the Commission recalled the difficulties which the 1968 Mansholt Plan had encountered and concluded that “it is not easy to remedy the situation without at the same time creating income problems which are socially and therefore politically unacceptable” for those marginal farmers whose function is “essential for preserving social balance and [...] for the preservation of the environment”.<sup>48</sup> Moreover, the Commission rejected as wholly incompatible with European values any shift to a more market liberal paradigm by stating that “an agriculture based on the model of the USA, with vast spaces of land and few farmers is neither possible nor desirable in European conditions, in which the basic concept remains the family farm”.<sup>49</sup>

The Green Paper reflected that the overwhelming emphasis on the price support instrument had resulted in a significant diminution of the funds available for structural measures such that the “imbalance between price support and other measures was not what the original designers of the CAP intended”.<sup>50</sup> As matter of fact, the Guidance

46. Green Paper, op.cit., p.II.

47. *Green Europe Newsflash*, 33, p.II.

48. *Green Europe Newsflash*, 34, pp.3 and 4.

49. Green Paper, op.cit., p.II.

50. *Ibid.*, p.V.

section of the CAP had become seriously under-funded throughout the 1980s, with its share of the CAP budget, originally expected to be about a third, declining further from 4.3 % in 1983 to 3.5 % in 1987. The Green Paper concluded that the CAP now had only one principal instrument for delivering diverse objectives and that the limits of the price support approach had been reached. The Commission therefore identified as a major priority “deal[ing] more effectively and systematically with the income problems of small family farms”, specifically by increasing the role of structural measures.<sup>51</sup>

The Commission argued that in the prevailing economic climate of reduced growth and fewer alternative employment opportunities relying on urban areas to absorb surplus labour from agriculture was no longer realistic. Therefore, improving the performance of the rural economy to provide income sources alternative to or supplementing farm incomes was put forward as a substitute for continued reliance on price support measures. Structural measures to support directly the incomes of those farmers in upland and mountain areas where the climate, soils and terrain militate against productive agriculture – the less favoured areas - had already been introduced in 1975.<sup>52</sup> Further, the introduction of the Integrated Development Programmes<sup>53</sup> in 1981 provided a template for the Commission’s proposal for integrated programmes of regional development characterised as “well coordinated multi-sectoral approaches [in which] it is not so much a question of agriculture, but rather of developing the regional economy as a whole”.<sup>54</sup>

The CAP reform discourse was also linked to other developments in Community policy. Firstly, reform proposals were framed in the wider policy context of economic and social cohesion, set out in the Single European Act (SEA). Delors expressed the essence of this policy idea in this way:

“it is self-evident that a large market without internal frontiers could not be completed or operate properly unless the Community had instruments enabling it to avoid imbalances interfering with competitiveness and inhibiting the growth of the Community as a whole”.<sup>55</sup>

Rural development and support for farm incomes therefore became integral to the cohesion policy. Secondly, the SEA also set out for the first time the goals and principles of EC environmental policy which had particular significance for the CAP and the agricultural sector through the inclusion of objectives for: preserving, protecting and improving the environment; protecting human health; prudent and rational utilization of natural resources.

51. *Green Europe Newsflash*, 34, op.cit., p.5.

52. EEC Directive 268/756 Mountain and hill farming in less favoured areas, in: *Official Journal of the European Community* (OJEC), L 128, 19.03.1975.

53. For the Integrated Programmes, see Regulations 1939/81, 1940/81 and 1941/81, Integrated Development Programmes, 30 June 1981, in: *OJEC*, L 197, 20.07.1981; Regulation 2088/85, 23 July 1985, Integrated Mediterranean Programmes, in: *OJEC*, L 197, 27.07.1985).

54. Green Paper, p.54.

55. European Commission, On the Financing of the Community Budget, COM(87)101, p.7, 28.02.1987.

The discourse on CAP reform was heavily influenced by an intervention from the Environment Directorate which sought to ensure the Green Paper, firstly, took “account of environmental policy, both as regards the control of harmful practices and the promotion of practices friendly to the environment”; and secondly, recognised the positive contribution which farming makes to safeguarding the environment by promoting “a common framework for encouraging the conservation of the rural environment and the protection of specific sites”.<sup>56</sup> The potential of such agri-environment instruments as an alternative source of income for farmers was also highlighted by the Commission.

The re-invigoration of the momentum towards European integration created by the SEM/SEA package provided a significant challenge to the path dependent CAP institutions. As Mark Blyth<sup>57</sup> emphasises, “in order to replace the existing institutions, agents must delegitimate such institutions by contesting the ideas that underlie them”. The ‘inner circle’ of Commissioners was concerned to promote the values of fiscal soundness, especially as the EC was technically heading towards insolvency. Not surprisingly, the Commission in its 1987 review of the CAP questioned its effectiveness as “an active incomes policy, founded on relatively high farm prices [and as] the key instrument with which to safeguard the economic and social fabric of rural areas”.<sup>58</sup> This tactic confronted the very rationale which member states had traditionally used to justify continuing increases in price support, especially for the family farms.

The Commission’s proposals consisted of two elements:

1. increased expenditure through the Structural Funds to support the modernisation and restructuring of farms, and to support the rural economy as part of a regional development strategy;
2. a system of budget stabilisers in all commodity sectors which would be automatically triggered when production reached pre-set ceilings.

In this way, the SEM/SEA package, especially through the reform of Structural Policy and the associated increase in its resources, opened up the potential of integrating the CAP’s farm incomes policy with regional and rural development policy.<sup>59</sup> This was a policy opportunity which throughout the 1980s had been denied by the increasing diversion of Community resources to underpin the CAP’s price support instruments. It is argued that the Commission was seeking through this “interlocking of sectors [and] close connection between [...] economic and structural policy” to position its proposals in a broader strategic context in which the role of rural society and its contribution to European integration and cohesion became the focus of a new rural policy agenda.<sup>60</sup>

56. Green Paper, p.21.

57. M. BLYTH, op.cit., p.39.

58. European Commission, Review of action taken to control the agricultural markets and outlook for the Common Agricultural Policy, COM(87)410, 03.08.1987.

59. European Commission, A Common Agricultural Policy for 1990s. Luxembourg, Periodical 5/1989, pp.77-78.

60. Ibid., p.77.

To secure its ideas and proposals, the Commission sought to shift some of the power and responsibility for the implementation of the CAP budgetary mechanisms from the Agriculture Council to the Commission itself. By effectively separating the decisions on the Guarantee funding (concerned with price and market support) from the Guidance funding (supporting structural measures) the Commission sought to limit opportunities for the diversion of structural funds to market and price support instruments, and more significantly, to dilute the power of the Agriculture Council. As Liesbet Hooghe<sup>61</sup> argues the Commission “through its monopoly of initiative on the institutional design” of the reform of Regional and Structural policy was able to promote a supranational regional policy (incorporating the rural component). However, the Commission had no such monopoly in the implementation of the CAP Guarantee funds as its institutions were essentially intergovernmental.

The institutionalisation of the Commission’s new ideas was to a significant extent “a compromise between different interests”.<sup>62</sup> Key decisions on the Commission’s proposals were taken at the 1988 European summit in Brussels: while the proposals for addressing the problems of farm and rural incomes through the cohesion policy were accepted, including a 30 % increase in the level of the Structural Funds, member states retained separate mechanisms for delivering price and market support to farmers, with the Agriculture Council continuing to act as the forum for intergovernmental decision making.<sup>63</sup>

## A new CAP paradigm?

The narrative of the Commission’s attempt to construct an alternative CAP discourse would lead to a conclusion that over the 1985-1988 period significant steps were taken towards a restructuring of the policy’s goals and instruments. This section explores whether the outcome of this review process can be regarded as having heralded a shift in the policy paradigm. According to Hall, the process of paradigm change would be initiated “by events that proved anomalous within the terms of the prevailing paradigm [...] give rise to policy failures that discredited the old paradigm and lead to a wide ranging search for alternatives”.<sup>64</sup> The unintended consequences of the CAP which became evident in the 1980s provide clear evidence of such anomalies and policy failures, while by positioning the CAP within the wider context of the Community’s vision and future priorities the review was able to generate a range of alternative solutions to these policy problems.

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61. L. HOOGHE, *Building a Europe with the Regions: the Changing Role of the European Commission*, in: L. HOOGHE (ed.), *Cohesion Policy and European Integration*, Oxford University Press, Oxford, 1996, p.100.
62. W. MOYER, T. JOSLING, op.cit., 1990, p.97.
63. A detailed account of the measures agreed at the Brussels summit is provided by W. MOYER, T. JOSLING, op.cit.
64. P. HALL, op.cit., p.291.

As Blyth emphasises, in a context of policy anomalies “ideas allow agents to reduce uncertainty by interpreting the nature of the crisis”.<sup>65</sup> It may be argued that the main purposes of the Green Paper were to explain why the budget was coming under such severe pressure and why the CAP was no longer serving the interests of farmers and rural areas. It also presented ideas which could potentially redefine the goals towards which actors should strive, provide a way of conceptualising the ends of political activity, and which could “contest and replace existing institutions”.<sup>66</sup>

Change to the CAP had by the 1980s become almost wholly focused on the Agriculture Council’s technical management of commodity price levels. Under the increasing budgetary pressures, the Council attempted to introduce significant reforms to existing policy instruments to restrict the growth of surpluses, but largely without success.<sup>67</sup> However, as Pierre Lascomes and Patrick Le Galès conclude “instrumentation is really a political issue, as the choice of instrument [...] will partly structure the process and its results”.<sup>68</sup> The Agriculture Council’s attempts at reform were constrained within the prevailing policy paradigm.

The Delors policy review adopted an approach very different from the technical appraisals conducted by the Agriculture Council. The Commission focused on the CAP as a composite policy, and from a strategic perspective sought to examine its role and contribution to the future of the Community. The review therefore considered the implications for the CAP of developments in related policy areas, in particular the Single Market, the expansion of the Community through the accession of Spain and Portugal, the emergence of regional and cohesion policy and the growing significance of environmental objectives. Hence, in terms of Hall’s criteria for paradigm shift, it may be argued that the Commission’s macro perspective radically changed ‘the overarching terms of the policy discourse’, and through the establishment of a multi-disciplinary approach, ‘the locus of authority over policy’ shifted from the Agriculture Council to the Council of Ministers.

One of the first tasks for the Commission’s review was to examine the potential implications for European agriculture of the growing trend towards monetarism. In rejecting any move to market liberalism, agricultural exceptionalism, social welfare and rural images were upheld as the principal ideas which would continue to frame the goals of the CAP. Moreover, the rejection of the notion of fully exposing agriculture to market forces reinforced the symbolism of the CAP as a major force for European integration and hence continued commitment to these values and beliefs. However, as Anne Schneider and Helen Ingram emphasise, in the policy design (or re-design) process, policy goals need to relate to the current perception of policy pro-

65. M. BLYTH, op.cit., p.35.

66. M. BLYTH, op.cit., p.29.

67. A. KAY, R. ACKRILL (in this volume) provide details of the range of reforms introduced by the Agriculture Council.

68. P. LASCOMES, P. LE GALÈS, *Introduction: Understanding Public Policy through Its Instruments- From the Nature of Instruments to the Sociology of Public Policy Instrumentation*, in: *Governance*, 1(2007), p.9.

blems which, for the CAP, had radically changed since its original formulation.<sup>69</sup> The review process by reappraising the policy problems and reinterpreting the cognitive framework and normative values and beliefs allowed a reassessment of the policy goals.

The original problems of food security and farm modernisation, equalising farming incomes with other occupations and conserving rural cultural heritage had given way in the 1980s to problems of surplus production, social instability and rural environmental degradation. This reassessment lead to a re-interpretation of the normative values and beliefs. Firstly, agricultural exceptionalism could no longer be justified in terms of protecting an un-modernised farming sector, but was now essential to the political stability of the countryside and to prevent any retreat towards a re-nationalisation of agricultural policy. Secondly, falling farm incomes ensured that social welfarist values were reinforced in order to address the growing social instability and the exodus from the countryside. Thirdly, the failure to protect the traditional images of the countryside together with growing environmental concerns pointed to the increasing incompatibility of the CAP's productivist imperative and the Community's environmental objectives. The value of conserving rural cultural heritage therefore became enmeshed with emerging environmental values to engender a belief that farmers had a lead responsibility in conserving rural landscapes and biodiversity and in reducing the environmental impact of agriculture.

Therefore, the policy discourse updated perceptions of the policy problems and introduced a revised normative framework within which the policy goals could be reformulated. While the original goals/objectives of the CAP, as set out in Article 39 of the Treaty, remained unchanged, they had never been formally prioritised or in some cases specified in a way that could be readily operationalised.<sup>70</sup> As a result, the policy ends could not be regarded as static and unchanging. The new perspective on policy problems ensured that the objective of improving farm productivity and increasing production was relegated in significance, while supporting farm incomes and conserving the rural environment assumed greater importance. As a result, policymakers came to view the rural world from a radically different perspective, such that the new ideas provided a very different "account of how the world facing policymakers operates".<sup>71</sup> The cognitive underpinnings of policy shifted from supporting increased production as a means of facilitating modernisation, raising incomes to comparable levels and retaining the traditional images of the countryside to curbing the level of farm output in order to bring production more in line with demand, identifying additional sources of income for farmers and recognising the synergy between the agricultural practice and environmental well-being.

The Commission's ideas could therefore be regarded as a basis for a paradigm shift in the CAP, and hence for resolving the crisis and renewing the commitment

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69. A. SCHNEIDER, H. INGRAM, *Policy Design for Democracy*, University Press of Kansas, Kansas, 1997, p.74.

70. W. GRANT, op.cit., p 24.

71. P. HALL, op.cit., p.279.

among member states to a common agricultural policy. However, the Brussels summit in February 1988 was only partially successful in institutionalising the revised normative and cognitive frameworks. While the introduction of new structural measures to support disadvantaged agricultural regions was agreed unanimously, much greater difficulty was encountered in agreeing a new rationale or ‘instrument logic’ for directly supporting farmers’ incomes. The new menu of optional policy instruments reflected a failure by member states to agree on a common approach. At the same time, the powers and responsibilities of the Agriculture Council remained unaffected by the decisions of the summit, ensuring that price and market support remained the main instrument for providing income support.

Despite agreement on a five year budgetary framework, the CAP budget (and the level of subsidy) continued to rise after 1988 as production levels increased, resulting in continued surpluses, for example of 500,000 tonnes of butter and 15m tonnes of cereals in 1991. Attempts to stabilise CAP expenditure were rapidly undermined by the Agriculture Council, as member states, especially France and Ireland, sought to protect their shares of the CAP budget and showed little willingness to exchange the certainties of the present rules for the uncertainty of budget reform. The strength of feeling among farmers, especially in France, was evident in frequent demonstrations. Therefore, in an increasingly uncertain economic climate, some member states were unwilling to antagonise an often crucial component of their electorates.

For Delors and the Commission, reducing the share of the Community budget allocated to the CAP was a prerequisite for expanding the range of Community competences and for his “strategy’s sequential unfolding from market to state building”, as the Delors I package was to be succeeded by Delors II, after 1992.<sup>72</sup> Greater urgency for reform was provided by the Uruguay Round of the GATT which had begun in 1986, but which had stalled at the end of 1990 over the question of agriculture. Eve Fouilleux argues that the Community’s inability to reach agreement lay with firstly, the problems which inter-governmental decision-making presented for reaching compromises in international affairs, and secondly, the lack of analytical and forward-looking capacities in DG VI.<sup>73</sup>

Delors had recognised the lack of strategic expertise in DG VI during the preparation of the 1988 reforms and had recruited a number of specialists from French governmental organisations. During the year following the 1988 reforms, Delors and Jean-Luc Demarty (Cabinet Advisor on agriculture) initiated work on further reform of the CAP with “the first full brainstorming in June 1990”.<sup>74</sup> For Demarty, there were two key issues which needed to be addressed in any future reform; firstly, he argued that the dispute which had led to the collapse of the GATT talks could not be resolved within the “the existing CAP’s essential provisions” and secondly, he pointed out that because the CAP subsidises farmers in proportion to their output, 20 %

72. G. ROSS, op.cit., p.232.

73. E. FOUILLEUX, *CAP Reforms and Multilateral Trade Negotiations: Another View on Discourse Efficiency*, in: *West European Politics*, 2(2004), p.241.

74. G. ROSS, op.cit., p.110.

of farmers produced 80 % of farm output and received 80 % of the support.<sup>75</sup> The conclusion was that “the old CAP had reached a point of no return”.<sup>76</sup>

The Commission’s reform proposals therefore sought to address the trade-distorting effect of the price and market support mechanisms and to ‘modulate’ the scale of farm support in inverse ratio with the size of farms. Its proposal for a system of ‘deficiency payments’ would provide income support as direct public subsidies and allow farm output to be traded at real market prices, hence reducing the trade distorting effects of the current system. In the autumn of 1990, the Commission began the process of persuading member states and crucially farmers of the need for further reform. As a Commission official concluded “in December 1990, it was a rather strange situation. [At the GATT talks] the Commission was defending for the European Community a policy which she had decided to dismantle”.<sup>77</sup> The discourse employed by Delors and Demarty was firmly embedded in the analysis set out in the 1985 Green Paper and appealed to “two discussions [...] on rural life and the future of European agriculture”. Delors went on to warn of the dangers of continuing with the present CAP, arguing that the “struggle against scarcity now has to be ended, since its policies had come to threaten the very existence of Europe’s countryside” and he concluded “the future of the CAP is inseparable from the ‘collective good’ dimension of the rural world”. He was equally aware of the need to respect the history of the CAP and its three principles and argued “the equilibrium of the basic triangle had to be maintained, but not as it is. Community preference cannot be permanently ensured at the level it is now”. Finally, there was a scarcely veiled threat in his conclusion that “the continuation of existing policies even for five more years will lead to results you will regret”.<sup>78</sup>

According to Delors, the Community now had to recognise international interdependence and therefore that “solidarity and rural development were key dimensions of the CAP”.<sup>79</sup> Hence, consistent with Blyth’s model of institutional change, the updated discourse thus allowed the Commission to define the terms of the reform debate, by re-defining the very problems the Community was facing and by proposing alternative solutions.<sup>80</sup> Specifically, by evoking rural values, the Commission was not simply responding to environmental concerns, but reflecting a more fundamental belief that “the renaissance of the rural world is an issue of civilisation [as rurality is] a basic dimension of the European model of society”.<sup>81</sup>

75. Jean-Luc Demarty, quoted in: G. ROSS, op.cit., p.111.

76. G. ROSS, op.cit., p.111.

77. Quoted in E. FOUILLEUX, op.cit., p.242.

78. Speech by Jacques Delors to the Assises du Monde Rural, Brussels, November 1990, quoted in: G. ROSS, op.cit., p.111-112.

79. Ibid.

80. M. BLYTH, op.cit., p.38.

81. Speech by Jacques Delors to the National Convention on the Future of France’s Rural Space, March 1991, quoted in: G. ROSS, op.cit., p.107.

The ideas expressed within such a discourse are, as Blyth maintains,<sup>82</sup> available to be used as weapons “with which agents contest and replace existing institutions”. The threat of a worse outcome for farmers and the perceived risk to European civilisation, together with recognition of “some danger of member states opposed to reform beginning to ‘renationalise’ agricultural policies” were all weapons aimed at delegitimising the existing institutions and the ideas that underlie them.<sup>83</sup> These same weapons became the blueprint for reform. Thus, policy solutions were constructed to address the trade distortions and resolve the GATT talks, to resolve the continual budget overruns, to provide more security for farmers’ incomes and to restore rural Europe by enabling farmers to adopt “dual roles, as producers and agents for rural development”.<sup>84</sup>

The new CAP institutions were agreed in May 1992, in time to provide a revised basis for negotiation on the conclusion of the Uruguay Round. The reform significantly reduced the scope of price and market support mechanisms, especially for the most trade distorting commodities: wheat and beef. The original proposal for deficiency payments proved to be administratively too complex and was replaced by direct payments, administered by national governments. However, measures to modulate payments according to farm size proved unacceptable to the Agriculture Council, “because it weighted on one member state [the UK]”.<sup>85</sup> Compulsory agri-environment measures were also agreed as part of a programme of extensification in which farmers were paid for the ‘public good’ of maintaining and conserving the rural landscape.

## Conclusions

The narratives presented above provide substantial evidence supporting a conclusion that, on the basis of Hall’s criteria, there was a paradigm shift in the CAP which began with appointment in 1985 of a new Commission under Jacques Delors. It was partially implemented in the 1988 reform and largely completed in the 1992 reform. Over that period, the original framework of ideas which underpinned the selection of policy goals and the choice of instruments and which structured the interpretation of policy problems was contested and replaced. The role of key actors, under the leadership of Delors, as President of the Commission, was vital for securing the paradigm shift. In the context of the commitment of member states to securing the Single Market and European Union, the Commission was able to present reform of the CAP as an essential catalyst for their achievement. The new paradigm was shaped both by this

82. M. BLYTH, op.cit., p.39.

83. G. ROSS, op.cit., p.111.

84. Speech by Jacques Delors to the National Convention, March 1991, quoted by G. ROSS, op.cit., p. 108.

85. Official of DG VI, quoted in: E. FOUILLEUX, op.cit., p.244.

wider political context and by the preferences and political experiences of the key decision makers, especially the Agriculture Council.

As a result, the cognitive belief that expanding agricultural production alone could support comparative incomes and maintain traditional rural life was successfully contested and replaced by a recognition that rural norms could only be upheld within a multidimensional policy framework. In practice, the paradigm shift became evident in the changing role of farmers, the restructuring of farm income support and the greater recognition of the cultural and environmental value of the countryside and rural areas. Farmers exchanged the imperative of intensive production for a more multifunctional role which Delors proclaimed was now as “producers of goods, creators of civilisation and gardeners of nature”.<sup>86</sup> This multifunctional role became a key characterising feature, distinguishing the new paradigm from the old.

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86. Delors speech to the National Convention, March 1991, op.cit., p.107.

# Problems of Composition, Temporality and Change in Tracing the Common Agricultural Policy through Time

Adrian KAY and Robert ACKRILL

Investigating the reasons for change and continuity is central to any historical perspective on the Common Agricultural Policy (CAP). However, this investigation is often hampered by the problem of specifying the *explanandum*, or in social science language operationalising the dependent variable, 'the CAP'. What are the appropriate dimensions and scales at which to track the CAP through time? Policy has been described as a meso-level, whereas others recognise that policy also encompasses micro decisions.<sup>1</sup> Peter Hall's framework of three levels of policy – paradigms, instruments, calibration – was the first effort to move description of policy change beyond a single variable and it remains the mainstay for most analyses of policy development.<sup>2</sup> This enduring impact attests to the originality of Hall in moving the description of policy change to stress the cognitive and normative dimensions of a policy alongside more formal, legalistic policy instruments. As Chris Elton in this volume sets out, the application of the Hall scheme to the CAP has encouraged scholars to be sensitive to how ideas rather than calculations of material self-interest may drive policy-making; and in raising questions about the relationship between ideas and material factors in CAP policy processes by stressing that policymakers work within a framework of beliefs that specifies goals and instruments, as well as the nature of the policy problems.

There are criticisms about the degree of sensitivity in Hall's framework to policy change; in particular, whilst the notion of a policy paradigm may provide some leverage in understanding the policy-making consequences of rare, epochal shifts such as the shift from Keynesianism to monetarism in the United Kingdom as in the original Hall article, there are doubts about its ability to account for episodes of substantial policy change that are significant beyond the 'normal' cycle of policy-making but nonetheless fall short of paradigm change. There is a significant policy space between small change (at the instrument and programme level) and big change (at the paradigmatic level).

A recent refinement of the Hall taxonomy by Michael Howlett and Benjamin Cashore (hereafter H&C) gives six dimensions of policy change and offers the potential for a new understanding of developments in the CAP that Hall cannot account

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1. For example B. HOGWOOD, L. GUNN, *Policy Analysis for the Real World*, Oxford University Press, Oxford, 1984. See also H. HECLLO, *Modern Social Politics in Britain and Sweden*, Yale University Press, New Haven CT, 1974.
2. P.A. HALL, *Policy Paradigms, Social Learning and the State*, in: *Comparative Politics*, 25(1993), pp.275-296.