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Policy Transfer and Europeanization: Passing the Heineken Test?

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This paper examines the link between policy transfer and Europeanization. Both concepts have recently become common currency in studies of European policy-making, but the relationship between them has remained mostly unexplored. Here, we explore how and why policy transfer has recently become a more prominent methodology for making European Union (EU) policy, and assess the implications of this shift in EU policy-making for Europeanization as a broader political process. Our central argument is that while policy transfer is increasingly presented as the more acceptable face of Europeanization, the nature of the process raises important and, thus far, unanswered questions concerning the legitimacy of a kind of Europeanization by stealth.

Introduction

This paper examines the link between policy transfer and Europeanization. Both concepts have recently become common currency in studies of European policy-making, but the relationship between them has remained mostly unexplored. Here, we seek to explain how and why policy transfer has become a prominent methodology for making European Union (EU) policy, and assess the implications of this shift for Europeanization as a broader political process.

As a contextual point, there is now a widespread consensus in the EU studies literature that:

> The EU now has a well-established political process. Its core institutions, designed over forty years ago, have developed extensive procedural rules and standard operating procedures, embedded in successive revisions of the treaties (W. Wallace 2000: 524).

We remain unsure whether the recent embrace of institutionalised policy transfer represents a major, modal shift in the way that the Union makes policy. We cannot offer a definitive judgement as to how much of a challenge policy transfer poses to the Union's 'well-established political process', 'procedural rules', and 'standard operating procedures'. Many of our findings here are preliminary and some are probably best-classified as hunches.

However, we have found a growing and shared conviction in EU policy circles that the 'old way isn't working anymore': that is, for a variety of reasons that we explore below, traditional policy methods are *not* being extended to new areas of EU policy-making. As such, our purpose is to ask to what extent policy transfer 'reaches places the others can not reach' (the Heineken test').[1] That is, does policy transfer represent a sort of *force majeure* for accelerating or augmenting Europeanization in a way that other policy methodologies cannot?

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[1] The phrase arises from an advertising campaign run by the brewers of Heineken, a Dutch beer. These adverts claimed that Heineken 'reached the parts that other beers could not reach'. The claim is, of course, a rather vague one but it offers a good metaphor for our purposes. We are in debt to Helen Wallace for suggesting this metaphor to us.

We begin by defining both Europeanization and policy transfer. We then offer an overview of how policy transfer works at the EU level, and seek to explain why it has become so prominent as a policy methodology in a range of (mostly new) EU policy sectors. Our central argument is that while policy transfer is increasingly presented as the more acceptable face of Europeanization, the nature of the process raises important and, thus far, unanswered questions concerning the legitimacy of a kind of Europeanization by stealth.

I. Europeanization

Defining Europeanization

The literature on 'Europeanization' has burgeoned, but the term has been construed in different ways and used for different purposes. Ladrech (1994, 69) provides a starting point, defining Europeanization as a 'process reorienting the direction and shape of politics to the degree that E[U] political and economic dynamics become part of the organizational logic of national politics and policymaking'. Other scholars present Europeanization as a sort of yardstick to measure the impact of EU policy-making on specified national institutions, styles or policies. For instance Börzel (1999, 574) describes it as a 'process whereby domestic policy areas become increasingly subject to European policy making' (see also Mény *et al,* 1996). For their part, Risse, Cowles and Caporaso (2000) define Europeanization as the 'emergence and development at the European level of distinct structures of governance'. This latter definition seems almost synonymous with European integration, as opposed to an analytically distinct process to which European integration gives rise.[2] Moreover, it appears to neglect the key dynamic which is the focus of most work on Europeanization: the penetration of the European dimension on the national arena (though Cowles *et al* (2000) is an admirable attempt to explore precisely this penetration).

Bulmer and Burch (2000) use Europeanization to characterise 'the impact of the European integration process upon the national level, and specifically upon the domestic institutions of government'. For them, it is a distinct concept identified with a political process (European integration) and a system of governance, the EU. This definition can help us distinguish (if not always 'cleanly', see below) Europeanization from other extra-state processes such as globalisation, multilateralism, privatization, the rise of international civil society, etc.

Most of the existing literature on Europeanization is highly specialised in terms of focus. Many analyses zero in one or a few particular member states. Ladrech (1994) and Cole and Drake (2000) confront the process of Europeanization in France; Bulmer and Paterson (1987) analyse its effect on Germany; Soetendorp and Hanf (1998) examine the Europeanization of small states; and Schmidt (1997) compares Europeanization in Germany, France and the UK. Moreover, existing work usually focuses on the Europeanization of specified domestic institutions, actors or policy sectors (see Risse, et al 2000 for an overview). For example, Goetz (1995) and Börzel (1999) have examined the effect of Europeanization on sub-national governance and

[2] European integration has been defined as the shifting of the activities and loyalties of national actors towards a supranational centre (Haas 1968). It is a process whereby 'national actors forego the desire or ability to conduct policies independently and seek instead to make joint decision or delegate decision-making power to new organs and are persuaded to shift their expectations and activities to this new centre' (Lindberg, 1963, 6-7). Part of the process, of course, involves (according to Article I of the EU's consolidated Treaties) 'creating an ever closer union of the peoples of Europe'.

relationships between national and sub-national levels of governance, again in selected EU member states.

The specialisation that characterises the literature is probably both necessary and inevitable given that Europeanization is a broad concept with multifarious effects. But the nature of the subject matter makes it tempting to over-extrapolate about Europeanization on the basis of relatively narrow case studies of one or a few Member States, types of institution or policy areas. The problem with this kind of generalisation is that Europeanization has the potential to have markedly different effects across different states, as well as across different 'domains' or dimensions of domestic structures. We therefore share the preoccupation of Bulmer and Burch (2000) and Radaelli (2000b) with analytically specifying (and differentiating) the different 'domains' of Europeanization. Bulmer and Burch specify three such domains:

- *Policies*: e.g. agriculture, monetary, competition, etc;
- *Politics*: the Europeanization of parties, interest groups and what Schmidt (1997) calls 'national political discourse';
- *Polity*: or national institutions, i.e. the effect of European integration on political and administrative structures and processes arising in particular from how states organise themselves to handle EU affairs.

Yet, even this tri-partite schema seems incomplete. In particular, it shows little concern with the Europeanization of citizens or European *peoples*. This additional, fourth domain incorporates questions of community, culture, identity and citizenship. In other words, how have citizen identities adapted or evolved, if at all, in response to

European integration? How have European citizens reacted to the imperatives of EU policies? Do they feel European? Radaelli (2000b) is sensitive to this dimension and thus defines Europeanization broadly as ‘a set of processes through which EU political, social and economic dynamics become part of the logic of domestic discourse, identities, political structures and public policies.’ We would go further, however, and suggest that the Europeanization of citizens is a dimension that is both crucial and, thus far, mostly unexplored in the literature. As we explain below, the logical result of the rise of policy transfer as a methodology in the EU is weak public support for the Europeanization of policies, politics and polities.

A second dynamic that has been mostly neglected is the *interactive* character of Europeanization. Most of the literature characterises domestic structures as mere receptors of stimuli from Europe. As defined by Radaelli or Ladrech, EU Member States play a seemingly passive role, responding to Europe by adapting their own domestic structures or practices, or making domestic policy and structures compatible. Yet, as Bulmer and Burch (2000, 9) argue ‘European integration is not just “out there” as some kind of independent variable; it is itself to a significant degree the product of member governments wishes’. In other words, European integration also elicits active responses, or the ‘projection’ of national priorities or practices into the mix of forces that determine the trajectory of the European project and its resultant policies. In particular, Member States clearly organise their domestic institutions and systems for co-ordinating national policy positions so as best to project their own concerns into EU institutions and decision-making (see Romestch and Wessels 1996). National EU governments, as well as other actors at the national or sub-national levels, often seek ‘to “export” domestic policy models, ideas and detail to the EU’ (Bulmer and Burch 2000, 6). Alternatively, of course, governments may ‘import’ policy models, ideas and practices from elsewhere in the EU in the pursuit of changes that suit their domestic political interests. The broader point is that Europeanization is a two-way process: European integration shapes domestic policies, politics and polities, but Member States also project themselves by seeking to shape the trajectory of European integration in ways that suit national interests.

Thus, for us, Europeanization is a shorthand term for a complex process whereby national and sub-national institutions, political actors, and citizens and adapt to, and seek to shape, the trajectory of European integration in general, and EU policies in particular. The result is usually some convergence in policy outcomes, but of a kind that is neither widespread nor uniform.[3] Our definition may lack elegance but it has two sources of added value over existing definitions:

- It is inclusive enough to capture the effect of the EU on the full range of domestic political domains; and
- It stresses, as others do not, the importance of the interactive nature of Europeanization.

Our portrayal of Europeanization as a two-way street arises from this paper's particular concern with the way in which many European policies – especially new ones -- are now made, and with what implications for Europeanization.

Europeanization and 'New' Policy Modes

Over time, the European Union has developed a variety of diverse methods for making policy (see H. Wallace 2000). For most of its history, the EU's traditional

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[3] For their part, Cole and Drake (2000, 27) argue that '[a]s a form of *emulative policy transfer*, Europeanization is perhaps a misnomer' (emphasis in original).

policy method was the so-called 'Community method' of decision-making (see Devuyst 1999). In simple terms, the method involved the sharing of powers between EU institutions: the European Commission proposed, the European Parliament (EP) amended, the Council of Ministers disposed. The Community method specified a procedure for making policy which fit with a broader political agenda pursued via the so-called 'Monnet method' of partnership. Inspired by Jean Monnet, one of the EU's Founding Fathers, the Monnet method tasked the EU's institutions with defining and delivering 'shared European public goods'. It was assumed that the Union's institutions would, for a time anyway, 'coexist with the institutions of the participating countries' but would eventually – according to neofunctionalist logic – 'displace them as the primary focus of political activity in those issue arenas where they had significant authority' (Wallace 1996, 43). The goal, never really specified until the Maastricht Treaty of the early 1990s, was an ever-closer political union along federalist lines. National institutions, policies and citizens would become ever more Europeanized.

The enormous political difficulties faced by European governments in ratifying the Maastricht Treaty, as well as the Treaty's content, were important factors in triggering a process whereby the traditional goals of the Monnet method were gradually abandoned, and its procedures called into question. By the end of the 1990s the Community method seemed to have been exhausted as a formula for agreeing common policies in response to pressures – mostly arising from market forces unleashed in the world's largest capitalist market -- for European convergence (see Begg and Peterson 1999). In other words, it began to seem as if wherever the Community method *could* work to forge agreement on common policies, it already *had* worked. Extending the Community method to new policy domains began to seem untenable both because the process of European integration itself became subject to new resistance and because EU governments faced pressures to converge policies in new and politically sensitive sectors, such as monetary and immigration policy.

Recent accounts of the 'new' European Union suggest that EU policy-making has witnessed the 'return of intergovernmental politics' (Wiener and Neunreither, 2000, 1) or, more subtly, a new sort of 'intensive transgovernmentalism'. This latter perspective does not entirely concede 'the triumph of intergovernmentalism', but recognises that Europeanization is unfolding 'to a large extent outside the classical Community framework' (H. Wallace 2000, 6). The result is a kind of 'intensive transgovernmentalism' that depends 'mainly on interaction between the relevant national policy-makers, and with relatively little involvement by the EU institutions….New areas of sensitive public policy are being assigned by EU governments to collective regimes, but using an institutional framework over which they retain considerable control' (H. Wallace 2000, 33-5).

Simply put, the Community method was the preferred method for making policy under the political conditions that gave sustenance to Monnet's goal of an 'ever closer union'. More recently, policy transfer has become a (perhaps *the*) preferred method for extending European cooperation under new and different political conditions that have given rise to intensive transgovernmentalism (see table 1).[4] Thus, the Heineken test becomes a clear one, at least insofar as the Europeanization of policy is concerned. Put simply, what is being tested is whether policy transfer allows

[4] It should be noted that Wallace (2000, 32-5) presents intensive transgovernmentalism as a 'policy mode' that is separate and distinct from what she calls 'policy coordination and benchmarking'. However, there appears quite significant overlap between these two modes and whether one or the other applies seems to depend on how uniformly policies are transferred between EU member states.

the EU to achieve Europeanization in domains previously untouched by European integration where the Community method cannot now 'reach'.

II. Policy Transfer and the EU

Defining Policy Transfer

Policy transfer in its broadest sense refers to a process whereby knowledge about policies, administrative arrangement, institutions, ideas, and so on are used across time and/or space in the development of policies, institutions, and so on elsewhere (Dolowitz and Marsh 1996; see also Stone 1999; Rose 1993; Bennett 1997). Policy transfer is usually assumed to be a voluntary process. Through informal or more institutionalised exchanges, governments study each other's different methods, gauge the success of various policy alternatives, and mimic 'best practices' employed elsewhere. Successful policies become transferred deliberately and willingly

Of course, policy transfer can also be more coercive: central governments sometimes deploy both carrots and sticks to encourage better performance from sub-national authorities. For example, central governments may construct league tables showing, according to agreed criteria, how different governmental sub-units have succeeded or failed to tackle crime, teenage pregnancy, unemployment, and so on. Sub-units that perform well may be rewarded with higher budgets while sub-units which fail may find their autonomy circumscribed by central authorities.

In all cases, policy transfer is 'intentional, action oriented and a result of strategic decisions taken by actors inside and outside government' (Evans and Davies 1999, 366). Intentionality is a crucial element of the policy transfer process for two reasons. First, by definition, the agents responsible for embracing or ignoring lessons learned elsewhere assume a central role in determining policy outcomes. Second, the centrality of intentionality distinguishes policy transfer from policy harmonisation, diffusion or convergence. Policy transfer may produce any of these outcomes but none of them is ever foreordained because the agents responsible for policy transfer face genuine choices about whether, how and how much to alter existing policy. The result of policy transfer may be convergence, but convergence may be the result of other structural factors (see Bennett 1997, 215). Moreover, policy transfer will not produce convergence if policies employed elsewhere are only partially adopted, 'tacked on' to existing policy, or otherwise significantly modified in the process (Stone 1999, 56). In short, policy transfer does not happen by accident, but it often produces results that are unintended.

The Role of the EU

Very little research has been conducted on policy transfer and the EU. Much of the existing policy transfer literature goes no further than to highlight the *potential* for the EU to facilitate policy transfer. Richard Rose (1993, 70), in his essential study of *Lesson Drawing*, notes that '[EU] member states become aware of what their competitors are doing and decide which elements of foreign programmes they may wish to copy or adapt'. Yet, in his view national actors are still central and the process itself is mostly bilateral: 'National dissatisfaction, not a push from Brussels, is... the trigger for seeking lessons from other countries' (Rose 1993, 70).

However, focusing on the EU *per se* raises several questions that remain largely unanswered in the policy transfer literature. One is: what happens when lessons are pulled or pushed up or down *between* levels of European governance (subnational, national and supranational) rather than across national governments? Is cross-national policy transfer in an EU context different from policy transfer elsewhere because it is not purely intergovernmental or bilateral, but rather is mediated through EU practices, institutions and agents?

Here, it is important to note considerable differentiation in the EU's role in different policy sectors. It would be hard to design a polity to be more 'differentiated' than the EU is (Rhodes 1997) in the sense that different rules, methods and practices govern policy-making in different sectors (see Peterson and Bomberg 1999). The EU employs a diverse mix of coercive and voluntary methods for Europeanising policy, or a mix of push and pull. In some sectors, Member States are compelled to accept measures established in other Member States and adopted at the EU level. This dynamic is clearest in competition policy, where rules – modelled on those of Germany and the UK – have been 'projected' successfully to the point where they are harmonised at the EU level. The Commission and the European Court of Justice enforce competition rules, potentially with great stringency even if enforcement, along with everything else in EU politics, is in practice negotiated. In principle, however, command and control is from the top down. The EU's role is that of a schoolmaster. The response of most Member States to the Europeanization of competition policy has been relatively passive, in that they have had to adapt their national practices and structures in response to European integration.

In other sectors – such as unemployment, justice and home affairs and monetary policy -- the EU's role is that of mediator or facilitator of cross national policy transfer. The EU acts not as a schoolmaster, but becomes a classroom where Member States can learn about each other's practices, policies and methods. In theory, at least, the EU becomes a source of innovative policy by acting as a sort of supranational idea hopper. The Commission is mandated, at least in the above sectors, to evaluate national policies, offer praise and criticism, and usually to assemble league tables ranking the performance of Member States in particular sectors.

But EU policy transfer seems to work primarily from the bottom up. It is driven by exchanges between national authorities who share a common concern to solve policy problems, as well as causal understandings and technical expertise. In essence EU policy transfer is a pro-active – and only rarely coercive – approach to the Europeanization of public policy.

Why Policy Transfer, and Why Now?

If it is accepted that policy transfer has become a more common approach to making European policy, it is crucial to our argument to be clear about *why* policy transfer has become more ubiquitous at the EU level, and why it has supplanted more traditional methods. We explain these changes as arising from three sets of causal factors: substantive, procedural and political.

In *substantive* terms, the existing literature usually contends that policy transfer arises when governments become dissatisfied with the results achieved by a present policy, such as in preventing drug abuse, welfare fraud, or transnational crime. Governments searching for alternative policies naturally welcome real-world examples of the link between different, alternative policies and results in other states or regions. Policy transfer thus allows them to reduce the uncertainty associated with policy change.

Specifically in an EU context, the rise of policy transfer as a policy method may be viewed, in part, as a response to frustration arising from the inability of agreed EU policy means to produce sought-after policy ends. In particular, the EU's track record in terms of implementation has often been patchy and unflattering. An important by-product has been intergovernmental mistrust and resentment of laggards, particularly on the part of Member States that dutifully have implemented EU directives and accepted any associated ‘pain’ of doing so. The internal market, a core EU policy sector, is the classic example. Here more than in most other sectors, the EU generally finds itself able to reach consensus about the desirability of both means and ends (even given occasional dissent in southern Europe).

Yet, the internal market remained a ‘patchwork of derogations and transitions’ well after the 1992 target date for its full ‘completion’ (Dinan 1999, 376). In 1996, the Commission’s *Action Plan for the Single Market* berated Member States for fully implementing only about two-thirds of all internal market directives. The *Action Plan*, along with subsequent updates, ‘named and shamed’ laggards, constructed league tables to expose them to other Member States, and took pains to highlight the gains that accrued to implementation leaders, or those that dutifully implemented internal market directives. The Commission succeeded in significantly increasing implementation rates within a few years (see Peterson and Bomberg 1999, 73-4).

The rise of policy transfer in the EU also is rooted in *procedural* dissatisfaction with traditional methods of EU decision- and policy-making. The problem is not entirely or even mostly a product of the enlargement of the EU from 6 (at its origins) to 15 (by 1995) member states, and the consequent increase in the diversity of national preferences in EU policy discussions. Rather, the problem is rooted more in procedure, as successive Treaty revisions have encumbered the Community method with new veto points and increased capacity for blockage.

To illustrate the point, the co-decision procedure – which is now close to the template EU decision rule – means that the EP has the power to delay or dilute legislative proposals even when the Commission and Council agree on their merits.

Meanwhile, increased reliance on 'comitology' – oversight of the Commission by groups of national officials -- may be justified normatively as facilitating 'deliberative decision-making' by an 'intrinsically political administration' (Neyer 2000, 126). But comitology also has the potential to block effective EU action, while also undermining efforts to transform the EU into something like a parliamentary democracy more generally (see Neyer 2000). Arguably, the creation of new institutions that, on paper, are mainly consultative – such as the Committee of the Regions and the EU's Social Dialogue – has introduced a bias more in the direction of inertia, by multiplying the number of potential veto-wielders, than efficient problem-solving. Perhaps above all, Member States' determination to starve the Commission of resources and enforce zero growth in its budget and personnel leaves it with very little capacity to take the lead in identifying paths towards delivering new 'shared public goods' (see Metcalfe 2000).[5]

Moreover, the extension of the EU's activities in the 1980s and early 90s to policy arenas untouched by the founding Treaties – the environment, research, culture, etc. – has introduced new opportunities for intergovernmental or inter-institutional blackmail, or situations in which agreement is withheld in one sector to gain concessions in another. In such a differentiated polity, policy specialists naturally seek to maximise their autonomy and break free of their dependence on political deals made elsewhere. In these circumstances, the Community method has increasingly become viewed as a relic or artefact that provokes feelings of nostalgia for the 'old days' of the original EEC-6. Policy transfer has become a preferred alternative in new sectors of EU activity almost by default.

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[5] In this context, despite President Romano Prodi's pleas to Member States for increased funding (see *European Voice*, 27 July-2 August 2000), internal reform plans unveiled by the Commission in summer 2000 essentially had to start from the assumption that no new or additional budgetary resources would be available to attract new recruits or retrain existing staff. See http://europa.eu.int/comm/reform/implementing/index_en.htm.

In *political* terms, policy transfer achieves relative gains over traditional methods not least because of the emergence of consensus on subsidiarity as the right and proper guiding principle of all EU action (see Peterson and Bomberg 1999, 57). Clear evidence exists to suggest that charges of 'Brussels-imposed interference' provoke stronger political aversion in most Member States now than ever before.[6] In this context, it is worth recalling that the Monnet method always relied on 'a kind of collusion behind the scenes' and assumed 'a permissive consensus from supporting publics' (Wallace 1996, 43; see also Peterson and Bomberg 1999, 232). Scope for direct public involvement was always slender, and the monitoring of the political action of elites by citizen-publics was always 'diffuse, indirect and incomplete' (Merkel 1999, 49). The Monnet method sustained European integration for many years, but public support for Europeanization generally has eroded.

The latter trend has provoked intense discussions about the EU's legitimacy – its claim to rightful authority -- or lack thereof. Academic treatments of the EU's legitimacy usually focus on two dimensions. The first emphasis is on *input* legitimacy: the extent to which the EU's policy process offers opportunities for popular participation, representation, and accountability (see Lord 1998; Radaelli 1999; Scharpf 1999; Chryssochoou 2000; Hoskyns and Newman 2000; Siedentop 2000). The second emphasis is on *output* legitimacy: the extent to which the EU 'delivers the goods' in terms of European collective public goods, and does so with effectiveness and efficiency (see Majone 1996b; Banchoff and Smith 1999). Regardless of how

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[6] This point is borne out by first results from the most recent Eurobarometer survey (number 53, conducted in April and May 2000) of citizen attitudes towards the EU, which found a 'general downward trend in levels of support for the EU in most Member States' (available from: http://europa.eu.int/comm/dg10/epo/eb/eb53/highlights.html).

different treatments cut into the question, most accept that the EU's claim to legitimacy has traditionally rested far more on its ability to deliver the goods (prosperity, security) than on democratic notions of representation, accountability, or identity.

Clearly, the *sui generis* nature of the EU – multi-level, neither federation nor confederation, neither state nor 'normal' international organization -- makes it difficult to measure the Union's legitimacy according to the criteria by which the legitimacy of states are judged. This difficulty has led some scholars – particularly members of the so-called 'new governance' school -- to argue that normal criteria do not apply, and that a different set of criteria should be applied (see Hix 1999; Majone 2000). The argument rests on the contention that the EU's competence, compared to that of its Member States, is narrow and circumscribed. It is thus unnecessary – as well as impossible -- to apply majoritarian principles of democracy to the EU, or ones that would give citizens the democratic choice of electing a government and relegating an alternative to opposition. Most subscribers to the new governance view argue that the EU's output legitimacy, regardless of its technocratic methods, is good enough. This emphasis on bureaucratic or 'technocratic legitimacy' has been criticised for neglecting the importance of basic democratic principles in legitimising any form of governance, the EU's lack of clear accountability to its citizens, and the weak European identity which most of them share. It is perhaps not coincidental that most scholarly work on Europeanization also pays little heed to these values.

Bringing these values 'back in' to the study of Europeanization helps us explain why Member States have successfully Europeanised many of their economic policies, but have also failed to convince their citizens that the adaptations were either necessary or worthwhile. The EU often sees its citizens 'refusing to recognise the externalities that increasingly govern national policies, while blaming everything on them' (Streeck 1996, 312). There seems little change in the level of public and political demand for European solutions to policy problems, yet 'in the name of national sovereignty and diversity' we find Member States 'refusing integrated Europe the means to deliver them' (Streeck quoted in Schmidt 1997, 182). The Union's lack of input legitimacy discourages governments from endowing the EU with new policy competencies or resources.

In political terms, policy transfer offers a way out of this pickle. For EU member states, it preserves the appearance of 'non-interference in each other's affairs' while still (potentially, at least) encouraging convergence. Member States themselves share ideas, learn from each other, and voluntarily decide to (or not to) alter national policies. Crucially, policy transfer is compatible with subsidiarity, bringing decision-making back to the member states, and down to a level closer to the citizens

In sum, policy transfer provides relief to Member States who are dissatisfied with the traditional EU methods on substantive, procedural and political grounds. It allows Member States themselves to take the lead. Implementation laggards can be exposed. Europeanization is no longer piloted by a distant, unelected bureaucracy (the Commission) that is widely perceived to be unaccountable and fraud-ridden. Blockages are removed because the EU's institutions lose their power to veto or blackmail, and the number of collective decisions required of Member States is reduced to ones of broad objectives and criteria for measuring policy success. For its advocates, policy transfer becomes a route to substantively better policies, arrived at more quickly and transparently. Thus, at least in principle, policy transfer becomes a way to build the EU's legitimacy.

III. HOW EU POLICY TRANSFER OCCURS

Particularly because policy transfer is perceived as enhancing the EU's legitimacy, it is worth examining the tools and agents of the policy transfer process in some detail. Furthermore, it seems incumbent upon scholars preoccupied with Europeanization to specify which analytical approach (or approaches) best captures the dynamic of policy transfer at the EU level.

The Tools of EU Policy Transfer

The most favoured tools of the EU's own brand of policy transfer have become:

- agreement on general goals or standards that national policies should aim to achieve;
- institutionalised peer review and the identification of best practice according to agreed criteria ('bench-marking');
- the construction of league tables ranking national policies in terms of performance according to previously agreed criteria.

In this way, policy transfer promotes a diffusion of solutions that are embraced voluntarily. The dynamic of the process is well summarised by one senior EU official, who suggested to us that by the late 1990s the Commission had 'discovered the power of benchmarking almost by accident. Governments *loathe* being at the bottom of the pile in any comparative exercise.'[7]

[7] Interview, *cabinet* of Commission President Santer, 29 September 1998.

The tools of policy transfer, despite variations in their application, already have been employed, *inter alia*, to achieve more uniform application of internal market rules, create the Euro, and seek to lower EU unemployment. In all of these cases, Member States have agreed to report on their own domestic practices, with the Commission charged with scrutinising and comparing national policies or plans. League tables – ranking best to worst performers among Member States -- are constructed on the basis of agreed criteria.

The Agents of EU Policy Transfer

In the EU, as in other policy systems, the key agents in policy transfer are usually portrayed as 'traditional' state actors: elected and non-elected officials, political parties, and advisory experts. It is a 'rational process wherein imitation, copying and adaptation are the consequences of rational decisions by policymakers' (Radaelli 2000a, 38). However, the nature of the EU gives state agents incentives to be active 'projectors' or exporters of national policy methods, standards and ideas, and not just passive recipients of lessons from practices pursued elsewhere. States naturally seek to export their own national policies and 'educate' state agents from other Member States about the superiority of national methods, practices and achievements. National EU leaders and officials push for their favoured policy at the EU level, and take credit when their own national practices are generalised across the EU or (more likely) mimicked by other member states.

Three factors tend to motivate this 'projection'. First, governments that successfully export national policies may accrue political benefits, domestically and at the EU level, by arguing that 'the quality of our national practices is so high that the rest of Europe is copying us'.[8] Second, the costs of adapting national policy are avoided by states that effectively project their own policies to the rest of the EU. Third, especially for richer, northern EU Member States, the costs imposed on domestic constituents – particularly producers – from high standards of domestic regulation are borne equally by actors in other Member States, thus assuaging concerns about the erosion of national competitive advantage. Examples of successful national policy export abound: for example, EU air pollution directives setting a high level of protection have been based heavily on existing German regulations, to the considerable satisfaction of German governments, agencies, non-governmental organisations, and (perhaps above all) firms (see Weale 1992).

The dynamic by which EU Member States compete to export their national policies and practices has been perceptively explored by Héritier (1996; Héritier *et al* 1995). However, the process of policy-making to which it gives rise is far from neat or orderly. State-centric depictions are often misleading, both because they neglect other agents of transfer and portray EU governments as unitary-rational actors with clearly-defined and unchanging policy propositions, competing in a 'free market' of policy alternatives to convince their counterparts to adopt their national practices wholesale. In practice, policy debates often start with a particular Member States pushing for a new EU policy which resembles the one they have adopted at home. But often another dynamic soon emerges, according to which distinct policy options are altered, shaped,

[8] A good illustration of this sort of projection can be found in UK Prime Minister Tony Blair's interview in early 2000 with the *Economist* (for a full transcript see *www.economist.com*). Blair uses the interview to map out his desire for Britain to do three things: teach others valuable lessons about economic reform ('Let's tell them about it because the very sense of direction and leadership and purpose will help drive that process [of economic reform] forward of its own accord'); to learn from others: ('there are things that we have to learn from other countries too'); and, above all, to play a bigger role in 'shaping Europe. We have to get away from this idea in Britain that Europe is just something done to us, over which we have no power'. For excerpts of the interview, see the *Economist*, 19 February 2000.

or combined. Even Member States that are successful in convincing others of the need for collective EU action in a given sector, and then can show evidence of their own domestic policy success, are sometimes disappointed or even shocked by the eventual result. Frequently, an exporter-state's preferred policy option has changed beyond recognition by time a common EU policy is adopted or a 'benchmark' for national policies has been agreed (see Weale 1996).

This second dynamic, which may be termed policy-shaping, takes over because Member States may be the primary, but they are never the only actors pushing and pulling, lobbying the EU's institutions, or searching for lessons. In particular, the Commission's prerogatives as initiator of common EU policies or (at least) scrutiniser of national policies means that it is constantly searching for new policy ideas and methods for disseminating 'best practice'. The EU's other institutions are also keen to advocate their own definitions of best practice. Perhaps above all, lobbyists, academics, experts, activists and journalists continue to find the EU both a more open and accessible playing field for policy debates than is the case in most member states. The Union's extreme differentiation often allows specific policy debates to proceed with considerable autonomy from central political control.

In this respect the EU has *not* been transformed to the point where it is entirely unrecognisable or unlike the Community of the 1980s or 90s. If the Monnet method relied mainly on policy-making by 'a small and powerful committee able to make far-reaching decisions' (Milward 1992, 336), many such committees were, over time, increasingly unable to act exclusively or autonomously. Many found themselves unable to ignore or deny access to a variety of policy advocates or entrepreneurs.

These kinds of actor still find Brussels policy debates to be relatively open ones, even when policy transfer is the preferred method of policy-making.

The more general point is that EU policy debates are rarely a state-centric competition between Member States advocating clearly differentiated policy alternatives. More often, policy debates are a more complex process involving the pooling of policy ideas with diverse origins and the construction of new alternatives that may closely resemble no existing national policy. Sometimes, the end result is the shaping of something like a 'common' EU policy, even if it is adopted voluntarily and individually by member states.

Analysing EU Policy Transfer

If our characterisation of the main tools and actors in EU policy transfer is accurate, *policy network* analysis should provide considerable analytical leverage in helping to describe and explain how EU policy transfer occurs. Policy networks are clusters of linked actors sharing an interest or stake in a given EU policy sector. The ubiquity of policy network analysis in the EU policy studies literature increased markedly in the 1990s, as it became clear that the EU offered 'space' to prospective policy-shapers of diverse origins: private and public, national and supranational, political and administrative (see Peterson and Bomberg 1999).

An important 'glue' holding policy networks together, and facilitating some degree of collective action by them, is resource dependence. Actors depend on each other for policy success since none possesses all of the resources – expertise, legitimacy, funding – needed to achieve it. Actors who enjoy access to negotiations, bargaining, and debates within policy networks are those who have some capacity to determine policy success or failure.

In particular, policy network analysis helps us pinpoint the essential differences in terms of resource dependence between different types of actor engaged in traditional modes of EU policy-making as opposed to policy transfer (see table 1). First of all, when policy transfer is the preferred policy methodology, the EU's institutions are effectively stripped of their most powerful resources. The Commission loses its status as policy initiator, which under the Community method gave it, according to Marks *et al* (1996: 359) 'virtually a free hand in creating new networks'. Instead, the Commission becomes a policy critic.

Under the new model Community method – that is, co-decision – Members of the EP became powerful players within sectoral policy networks because the Parliament gained the ability to block or delay new legislation. In contrast, when policy transfer is the preferred EU policy mode, MEPs may try to scrutinise deliberations between national and Commission officials, but are generally excluded from negotiations on goals, benchmarks, and so on. Policy transfer thus becomes a method for tightening up EU policy networks, making them more exclusive, and simplifying deliberations on core issues within them.

Second, while non-state actors can be expected to be no less active in advocating policy alternatives or priorities, they usually find themselves with more restricted channels of access to the policy process than is the case under the Community method. In particular, non-state actors are less able to seize on their links to the Commission and EP – both relatively resource-poor institutions who rely heavily on outside expertise – if they cannot secure access to the policy process via 'their' member state. When policy transfer is highly institutionalised, Member States may be obligated to have their methods scrutinised by other state actors and the

Commission. But they are not obligated to respond to non-state policy advocates or to alter national policies unless they elect to do so voluntarily.

Third and finally, networks of state actors have far more discretion in the definition or 'framing' of policy problems when policy transfer is the preferred method of EU policy-making. Of course, problems are frequently framed in different ways by different state actors. We should expect that lessons from other national experiences will be 'learned' in ways that reinforce national practices more than they transform them. But the key point is that policy transfer tends to privilege state actors within policy networks in a way not seen under the Community method. As a method of policy-making, policy transfer may well 'strengthen the state', or at least increase the discretion of national officials who are free to learn – or ignore – lessons arising from best practice elsewhere.

Of course, the central assumption of policy network analysis is that policy stakeholders are dependent on one another and have incentives to share resources, bargain, and agree. In normative terms, policy networks of actors that repeatedly interact can build trust and promote mutual understandings. Clearly, the embrace of institutionalised policy transfer as an alternative to traditional EU policy methods has, at its heart, the ambition to build trust between national policy-makers. Trust-building is a particularly salient goal in sectors – explored in the section which follows -- where the EU has little or no track record of cooperation but where pressures have mounted for enhanced European Cooperation. Ultimately, however, resource dependence is weakened when the fundamental principle governing exchanges is that nearly any collective action is embraced voluntarily, and no sanction – besides shame – is available to punish those who refuse to do so.[9]

IV. EU POLICY TRANSFER IN ACTION

By any estimation, Economic and Monetary Union (EMU) is the project which has done most to establish policy transfer as a preferred method for EU policy-making. The Maastricht Treaty laid out (more or less) clear criteria to be met by states that wished to join the Euro. To be sure, decisions about who would become 'ins' and who would remain 'outs' were not automatic and, ultimately, were political decisions taken by the European Council, or European prime ministers (and the French and Finnish presidents) meeting at periodic summits (see Dyson and Featherstone 1999). A necessary pre-condition for the transfer of the principles of sound money and responsible public budgeting throughout the Euro-zone was political agreement on the desirability of EMU. But the launch of the single currency relied on the tools of policy transfer: benchmarking (via convergence criteria), institutionalised peer review (with the Commission playing an important role), and league tabling.

With EMU seemingly in train by 1997, EU leaders decided to launched a new – and in some ways equally ambitious – during negotiations on the Amsterdam Treaty. Like inflation and monetary instability, unemployment was a more or less shared problem and an area where cooperation promised joint gains. Ultimately, the Amsterdam Treaty included a new Employment Title that gave the EU the objective of reducing unemployment in Europe, but made no reference to common action or

[9] Of course, this lack of sanctions does *not* apply to Economic and Monetary Union. In principle, Member States may be fined for running large public budget deficits, even if it is difficult to imagine actual fines ever being levied. More fundamentally, of course, Member States that did not respect the Maastricht convergence criteria faced the ultimate sanction of being excluded from EMU.

common policies. Instead, it committed Member States to ‘work towards developing a co-ordinated strategy for employment’ (Article 125), but through ‘*their* employment policies’ (emphasis added) and ‘having regard to national practices’ (Article 126). The EU’s role was confined to ‘encouraging Cooperation between Member States…In doing so, the competences of the Member States shall be respected’ (Article 127).

As with EMU, the European Council was placed at the top of a decision-making hierarchy on employment. The so-called ‘Luxembourg process’ agreed during the 1997 Luxembourg Council Presidency has, at its apex, regular jobs summits to monitor employment. The new Treaty title requires European leaders ‘each year [to] consider the employment situation’ in the EU on the basis of a joint annual report by the Council and Commission. It then adopts conclusions upon which the Commission builds in proposing ‘guidelines’ for national employment policies. These guidelines are then be subject to approval by a qualified majority vote of the Council of (Employment) Ministers, after which they become the basis for evaluating compulsory annual reports required of all Member States on their national employment policies. An Employment Committee (made up of 2 national representatives from each Member States) scrutinises national reports. After receiving the Committee’s input, the Council can ‘make recommendations’ – proposed by the Commission – to any Member State to change its employment policy (under the terms Article 128).

The most striking section of the new Employment Title is Article 129. It offers the possibility of adopting (via the Community method with co-decision):

> incentive measures designed to encourage Cooperation between Member States and to support their action in the field of employment through initiatives aimed at developing exchanges of information and best practices, providing

> comparative analysis and advice as well as promoting innovative approaches and evaluating experiences, in particular by resort to pilot projects.

Revealingly, Article 129 declares that such 'measures shall *not* include harmonisation of the laws and regulations of the Member States' (emphasis added). The desired method, clearly, is policy transfer.

The method, just as clearly, is diffuse policy solutions to unemployment via exchanges between actors in a new, purpose-built employment policy network. One of its primary purposes is to ensure that national budgetary, monetary and incomes policies complement each other. Between annual jobs summits, regular informal gatherings are convened of finance and employment ministers, European Central Bank representatives and key players from both labour unions and industry – supported by an official Commission level working group. The EU employment policy network is primarily responsible for translating 'guidelines', agreed by the European Council, into clear benchmarks which define best practice. The result is a consultative process that is quite broad, in that many different kinds of actor are involved. But the process is certainly not very transparent or open.

Analogies may be drawn with the policy convergence that ultimately yielded EMU (see Dyson and Featherstone 1999). Again, monetary union could not have happened in the absence of a series of major, bold, high-level, intergovernmental, history-making decisions (see Moravcsik 1998). But crucial to the transfer of the principles of sound money and public finance were informal networking, the sharing of ideas, and the scrutiny of national practices. The key agents in the process were national (and Commission) delegates to multiple working groups, finance and employment ministers, private actors, and financial experts meeting again and again to flesh out details and to reach consensus.

Our argument here is *not* that EMU -- or 'EU employment policy' – is primarily the result of policy transfer via custom-built policy networks. Rather, it is that the methodology of policy transfer is, first, now primary as a policy-making mode in monetary and employment policy and, second, that EU policy transfer is governed as much by a network dynamic as by an intergovernmental one. Of course, the latter point of argument is not incompatible with the view that institutionalised policy transfer often privileges national actors in ways that traditional EU methods do not.

Furthermore, evidence has emerged from other policy sectors to suggest that the basic template for extending European cooperation to previously untouched sectors of policy has become policy transfer. Justice and home affairs (JHA) policy illustrates the point. The 1999 Tampere summit saw EU Member States agree to create a 'Union of Freedom, Security and Justice'.[10] By some estimates, 'over 200 measures were implied by the commitments agreed [at Tampere], a work programme comparable in scale to the single market programme' (den Boer and Wallace 2000, 518). Yet, relatively few actual EU directives were required, with most 'measures' involving adjustments in national policies or closer cooperation between national authorities. A centrepiece of the EU's ambitious new programme in JHA was the pledge by the Commissioner for JHA, António Vitorino, to publish a 'scoreboard' on a regular basis which showed which Member States delivered on which pledges when. More generally, JHA policy sees '[national] agencies operate with a good deal of autonomy, within the overall framework set by the transgovernmental network of interior and justice ministries' (den Boer and Wallace 2000, 518).

Another apt example of the use of policy transfer to extend the EU's reach is the paper submitted to the March 2000 Lisbon EU summit by the Economic and Finance Committee. It urged the Union to 'assess the contribution of public finances to growth and employment, in particular whether adequate steps are being taken to reduce the fiscal pressure on labour [and] improve the employment-incentive effects of the tax and benefits system'.[11] The summit's purpose, to give the Union 'the most dynamic economy in the world' within 5 years, led EU leaders to agree a system of

[10] See 'Presidency conclusions, Tampere European Council, 15 and 16 October 1999, available from *http://europa.eu.int/council/off/conclu/oct99/oct99_en.htm*.

[11] 'Presidency conclusions, Lisbon European Council, 23 and 24 March 2000, available from *http://europa.eu.int/council/off/conclu/mar00/mar00_en.htm*.

benchmarks and scoreboards for comparing achievements and setting targets. The summit's conclusions not only promised new institutionalised exchanges on economic and social policies, but also ones designed to promote information technology, innovation and enterprise. The summit's chair, Portugal's Prime Minister António Guterres, conceded in the run-up to Lisbon that '[w]e encountered some initial resistance to benchmarking. But a lot of bridges have been built'.[12]

To extend the point, bridges built to create the Euro and to try to lower European unemployment have come to be seen as achievements worthy of replication. Much that needs to be done to modernise the EU's economy, such as promoting e-commerce, takes the Union into new areas of policy where it has little track record but where private actors and market forces demand European Cooperation. In such areas, the Community method is increasingly viewed as a relatively unworthy alternative to institutionalised policy transfer.

IV. IMPLICATIONS FOR EUROPEANIZATION

Our analysis so far has given us a foundation for confronting basic questions about the contribution policy transfer can make to Europeanization. Is policy transfer effectively Europeanizing national policies? In normative terms, is it a more effective way than the Community method for Member States to adapt national practices and achieve policy convergence? Put another way: can policy transfer pass the Heineken test?

Confronting the question requires careful sifting of the evidence in the different domains of Europeanization mentioned earlier: policies, politics, and polities. Most scholars agree that the *policy* domain is where Europeanization has proceeded the furthest. Many concur that Jacques Delors' prediction that 80 per cent

[12] Quoted in *Financial Times*, 16 March 2000.

of all economic and social policy would be decided at the EU level 'did not lack empirical support' by the late 1990s (Hooghe and Marks 1997, 25; Majone 1996a, 265).

We would offer three caveats. First, there remain very few common EU policies. Competition policy is an obvious exception, but even here the Commission – under both the Santer and Prodi Presidencies -- has shown itself determined to decentralise radically the enforcement of EU rules (see Peterson and Bomberg 2000: 32; Smith 2000). Even the Common Agricultural Policy (CAP) is much less common than it is often assumed to be. The CAP suits a very wide range of national purposes and accommodates surprisingly diverse national practices, which helps explain its longevity (see Peterson and Bomberg 1999, 120-45). Compared to other international organisations, the EU has encouraged a significant amount of policy convergence. But it has produced far more Europeanization of national policies than actual common policies. Part of the explanation for why policy transfer has been so widely embraced is that traditional EU policy methods have yielded surprisingly little singular, collective action by EU Member States.

Second, the looseness of rules associated with EU policies has always been and remains striking. EU directives often contain extraordinarily vague or ambiguous language, which often makes it easier to get 15 Member States to agree on a directive – without creating any clear 'losers' -- in the first place. A case in point in the Television without Frontiers directive, over which so much blood was spilt twice: first when it was agreed in 1989 and then when it was updated in 1994-5. The directive requires European broadcasters to reserve a majority of airtime for programmes of European origin, but contains the famous proviso that this quota must be enforced only 'where practicable'. This loophole made the directive 'legally shaky, but murky language helped all Member States to live with the Directive' (Peterson and Bomberg 1999, 205). This case, along with many others that could be cited, illustrates a fundamental point: the extent to which national policies are Europeanized is often the bare minimum that is politically possible.

Third, in seeking to identify what provokes Europeanization, the effects of European integration on one hand and globalisation on the other are intertwined, if not inseparable (H. Wallace 2000, 4). A good example is electronic commerce: the fast-tracking by the EU of a large raft of e-commerce directives in 2000 made it likely that the regulation and promotion of e-commerce would become extensively and probably permanently Europeanized. But the impulse to converge European policies had obviously global origins, particularly in the massive head start enjoyed by the United States in e-commerce.

Héritier (2000) uncovers a similar story in the realm of telecommunications reform. EU policy and the quite wrenching changes it required to many national policies were driven primarily by changes in global markets. However, in telecommunications, as in e-commerce, we find that the EU is the horse that Europe tends to ride whenever it faces some kind of more or less shared global threat. In other words, policy becomes Europeanised in response to globalisation, but it is difficult – perhaps increasingly -- to distinguish between European integration and globalisation as causal forces.

To summarise, the degree to which a wide range of public policies has become Europeanized as a result of EU action – particularly since the mid-1980s – is impressive. But it is easy to exaggerate how many common EU policies exist and how much uniformity results from the Europeanization of policy. And the effects of Europeanization and globalisation are difficult to untangle, and probably becoming more so.

Where we *do* find evidence of Europeanization, the process has often been aided, abetted or furthered by policy transfer. In some cases (such as agriculture) policy transfer has had little role to play. In others (especially EMU, employment, and the single market) policy transfer has been institutionalised and led to a significant actual or potential increase in Europeanization. This argument is borne out by Cowles *et al*'s (2000) comparative study of EU policy sectors. They find evidence of Europeanization by policy transfer above all in areas associated with market integration and the removal of trade and investment barriers.

But while Europeanization usually implies convergence, it is important for EU policy analysts to acknowledge that it may sometimes result in increased *divergence* in some national policies (see Risse, et al, 2000, 34). As Radaelli (2000b, 4) argues, 'harmonization produces a level playing field whereas Europeanization can end up in regulatory competition ...and even distortions of competition'. The main attractions of policy transfer are the flexibility and discretion it allows. Gone is the need for long and painstaking negotiations with the goal of achieving uniformity. Instead, making different systems of national policy or practice compatible – so distortions to competition are avoided -- becomes the aim.

Policy networks obviously can be an effective route to achieving this more modest aim. Exchanges within and between networks of national actors, subject to self-scrutiny as well as scrutiny the Commission or EP, may be better able to foster more innovative policies. Above all, they may raise the level of information or expertise available to decision-makers, particularly by linking public and non-public actors across different levels of governance (Peterson and O'Toole 2000). The result may be a 'normative isomorphism' (DiMaggio and Powell 1991) or policy convergence ‘driven by the increasing “fusion” and dense interaction among bureaucrats and experts on all levels of decision-making’ (Rometsch and Wessels 1996, 351-2).

Perhaps above all policy networks build consensus and trust, the lubricant that makes interactions within any group or organization more efficient (Fukuyama 1999, 16). Despite the caveats we have noted, policy transfer *does* seem to pass the Heineken test in that it has successfully allowed the EU to reach areas of policy that are unreachable via traditional methods. In some cases, as we have seen, the result has been considerable policy convergence -- and even a single European currency.

Yet, it is difficult to see how policy transfer can promote much Europeanization beyond the narrowly defined realm of policy *per se*. The transfer of policies has been far more evident than has been the transfer of broader principles, practices or institutions of governing in Europe. For example, some pollution control policies have been transferred quite effectively in the EU, but national practices still differ markedly. The use of directives, which specify only the policy goal to be achieved (and not policy means) encourages this discrepancy. Moreover, the transfer of principles underpinning EU policy – such as the precautionary principle -- has met with considerable resistance, not least because the costs of adapting to broad principles are usually higher than the costs of converging policies, again narrowly defined.

Meanwhile, there seems little evidence that the Europeanization of national polities – or the transformation of state structures in response to European integration -- has proceeded very far (see Bulmer and Burch 2000). The fundamental lesson of the literature that applies different variants of the ‘new institutionalism’ to EU policy-making (see Armstrong and Bulmer 1996; Pierson 1996; Pollack 1997) is that institutions are ‘stickier’ than policies. They are more embedded in routine and tradition and more resistant to change because of path dependencies or because of symbolic role they play. Arguably, the rise of policy transfer as an EU policy method is a way to help preserve national institutions, and the practices they have developed, in the face of pressures for change.

Where the polity effects of Europeanization seem clearest is at the level of sub-national government. A general effect of European integration is that Member States have been encouraged both to give their sub-national authorities a voice in EU policy-making and form alliances with them. Sub-national authorities are listened to in Brussels, and can be very powerful lobbyists, particularly when they lobby in support of their central government’s agenda. Yet even here, Börzel (1999) argues convincingly that Europeanization is highly ‘institution-dependent’, and has had different effects depending on the nature of domestic institutions which face pressures for adaptation. For their part, Bulmer and Burch (2000) argue that German institutions were never really ‘Europeanized’ because they did not pre-date European integration. For various reasons, the Europeanization of the British polity has been minimal.

If we look beyond policy and polity and consider how Europeanized *politics* or *people* in Europe have become, we find few unambiguous effects and certainly little convergence. The idea of building a European *demos* by Europeanizing EU citizens is a distant if at all possible goal (Chryssouchoou 2000). Policy networks – most of which are elite-dominated and technocratic – are clearly ineffective agents in promoting the transfer of attitudes, political cultures, or loyalties to large numbers of European citizens.

Thus, we pose the question: does policy transfer as a method pass a *legitimacy* test? One of the purported virtues of policy transfer is that it is perceived as a more legitimate route towards Europeanization than traditional methods. In essence, it is more benign, voluntaristic, and grounded in the legitimacy of existing national practices, which themselves are assumed to command popular loyalties.

Yet, in important respects, policy transfer seems designed to achieve a sort of Europeanization by stealth. That is, it encourages the adjustment of national policies in the interest of eliminating market distortions and providing collective European goods. But it does so without the need for a permissive consensus to develop or extend the 'European project'. The dynamic of lesson-learning through exchanges within policy networks raises concerns of principle, especially if we focus on input sources of legitimacy such as representation, transparency and accountability. Purpose-built EU monetary, employment, and JHA policy networks seem to share certain characteristics:

- broad representation of societal interests is weak;
- transparency is minimal: those who are not direct participants in network deliberation have difficulty following it, and
- accountability is weak: it is difficult to monitor and hold accountable actors engaged in exchanges within structures that are by definition informal, ad hoc, loose and slippery.

Inasmuch as input sources of legitimacy matter at the EU level, there seems little reason to assume that the policy transfer method makes the Europeanization process any more legitimate than old fashioned, elite-driven EU methods. Compared to domestic state agents – particularly officials in national bureaucracies – EU citizens appear to have little or no capacity to shape policies that are made or adjusted via policy transfer at the EU level.

Even if we focus narrowly on outputs, there is little evidence to suggest that intensive transgovernmentalism, which policy transfer both promotes and requires, is more adept than the Monnet method at specifying collective European public goods. Of course, policy transfer has done a remarkable job at delivering ambitious and longstanding EU policy goals, above all the Euro as well as a (more) truly internal market. But policy transfer is driven ultimately by narrow, national goals and aspirations, which may or may not converge with the broader European collective good. Compared to the Monnet method, it seems to offer little scope for shaping a vision of how the Europe of tomorrow can be made better than the Europe of today through collective action and even shared sacrifice.

Conclusion

Our paper has raised far more questions than it has answered, and deliberately so. Policy transfer as a new method for promoting Europeanization is mostly unexplored in existing scholarship, and deserves far more attention. Far more empirical footwork is needed before we can model EU policy transfer systematically, and specify the roles and structures of policy networks within that process in different policy sectors. What we have introduced here are mostly ideas and hunches in need of rigorous testing.

We should be clear that our analysis has only scratched the surface of the growing literature on Europeanization, which contains much interesting and perceptive work. But we also have found a good amount of confusion and neglect of fundamental questions in this literature. We have tried to emphasise dimensions of the Europeanization process that have tended to be neglected or ignored (such as its interactive character, its minimal 'polity effects', etc.). By focusing on policy transfer, we also have sought to scrutinise critically a relatively new and potentially imperious method for advancing Europeanization. This new method is significantly different from old ones, and it may have implications for the 'European project' which may be quite dramatic and, in any event, are mostly unexplored.

As a final point, we find it worthwhile, even necessary, to ask whether there has developed a sort of Europeanization bandwagon which many EU scholars are jumping on (including us) with little heed to where they are headed. Europeanization clearly offers up a rich variety of interesting research questions. But the wildly varying degrees to which national policies, politics and polities have been Europeanized are striking. So, generally, is the persistence and tenacity of distinctly national practices, institutions, and (perhaps above all) loyalties. Research on Europeanization needs to avoid the sort of sociology of knowledge problems that can arise when a group of scholars become so preoccupied with a certain political phenomenon that they start to find it where it does not really exist, and overestimate its effects where it does.

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