Clarifying the concept of policy communities in the multiple streams approach

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Abstract
Using the European natural gas policy community as a starting point, this paper focuses on policy communities in the multiple streams approach, in particular on how to obtain a workable definition for this concept. Currently, there does not exist a scientific consensus regarding the definition of policy community, and as John W. Kingdon's focus lies on other aspects, his explanatory notes on this topic are brief, derived from case studies, and closer to a description than to a definition. Furthermore, Kingdon's reference to policy communities and issue networks when discussing the participants involved in the process of agenda-setting leads to further confusion, as these concepts are commonly seen as opposites. These theoretical difficulties hamper the operationalization of the concept of policy communities. As a consequence, it becomes difficult to deduce falsifiable hypotheses regarding the characteristics of policy communities and their influence on the generation of alternatives. Since the availability of a worked out alternative is a necessary condition for an agenda change to take place, clarifying the definition of this key concept contributes directly to answering Kingdon's main question about why an idea's time comes when it does. Therefore, a careful analysis of his writing is conducted, with due regard to the genesis of the policy community concept and the differences between and overlaps with this terminology and the concept of issue networks. On this basis, it is possible to clarify Kingdon's understanding of policy communities and to derive a definition, which allows to analyze the state of the policy community in detail. This in turn renders the deduction of falsifiable hypotheses possible in principle. The usefulness of the introduced definition is tested on the example of the European natural gas policy community, which emerged late in the 1990s and has shown an enormous dynamic since.
1. Introduction

John W. Kingdon's (1984) *Agendas, Alternatives, and Public Policies* is a curiosity in itself: On the one hand, it counts as one of the most important public policy-related books (Shoup 2001, p. 14), which is mirrored in an outstanding citation frequency (King 1994). On the other hand, it is seen as one of the "least elaborated or systematically applied" (McLendon and Cohen-Vogel 2008, p. 31) contemporary policy theories. Although there surely exist contributions which are markedly less elaborated than Kingdon's approach, it is true that not all concepts are well-defined. This applies, for instance, to the way he applies the terminology of policy communities. Being most probably a result from the fact that Kingdon's focus is on other aspects, his explanatory notes regarding policy communities are derived from case studies and remain on a descriptive level instead of culminating in a workable definition. Furthermore, Kingdon's reference to policy communities and issue networks when discussing the participants involved in the process of agenda-setting and specification of alternatives leads to further confusion, as these concepts are commonly seen as opposites.

These theoretical difficulties hamper the operationalization of the concept of policy communities. As a consequence, it becomes difficult to deduce falsifiable hypotheses regarding the characteristics of policy communities and their influence on the generation of alternatives. This difficulty might, at least partly, explain the gap between the citation frequency and the systematic application of the framework. As the development of alternatives falls in the realm of policy communities, and their availability is a necessary condition for an agenda change to take place, clarifying the definition of policy communities contributes directly to answering Kingdon's main question about why an idea's time comes when it does (Kingdon 1984, p. vii). As this might facilitate the systematic application of the framework to case studies, the present paper aims at clarifying the concept of policy communities as applied in Kingdon's framework, which is referred to as the multiple streams approach (MSA).

This is a challenging task, as the policy community concept is not only vaguely formulated in the MSA, but also discussed controversially in the policy network literature. In this body of literature, there does not exist a consensus regarding the definition of policy communities. This concept was first introduced by Jack L. Walker in the United States in 1974 (Jordan and Maloney 1997, p. 558) and since then a "'Babylonian' variety of different understandings and applications of the policy network concept" (Börzel 1997, p. 1, emphasis in original) evolved in the study of policy-making. Unfortunately, this makes sound scientific debate very difficult because "contributors offer their arguments in a private code that cannot be refuted" (Jordan 1990, p. 319).

In order to achieve analytical clarity, this paper elaborates Kingdon's understanding of policy communities based on a summary of his explanatory notes on policy communities and his mingling of policy communities with issue networks when referring to the participants involved in
agenda-setting and specification of alternatives.\textsuperscript{1} However, the ascription of certain attributes to different network concepts has gained in importance in the theoretical development of the policy network literature during the 1980s, which coincides with the publication of Kingdon’s monograph in 1984. In order to avoid confounding the meaning policy communities and issue networks have in today’s scientific parlance with the meaning they had when Kingdon wrote his monograph, the contributions he refers to are summarized and discussed how they relate to each other. Namely, this is the work of Hugh Heclo 1978 on issue networks and of Jack L. Walker (1981) on policy communities. On this basis, this paper suggests a definition for policy communities in the MSA. Going beyond Kingdon’s remarks concerning policy communities, it also develops an answer to the question of how policy communities evolve in the first place.

In order to test the usefulness of the definition thus obtained, a case study is conducted. The European natural gas policy community is chosen as an example, for reasons that will become clear shortly.\textsuperscript{2} This policy community emerged late in the 1990s and has shown an enormous dynamic since, which went along with the passing of three European gas directives that deal with the introduction of common rules for the natural gas market. As the policy community’s core evolved the European Gas Regulatory Forum, a forum set up for the discussion of issues relating to the creation of an internal natural gas market. Strikingly, the policy process was remarkably shorter for the second and third directive in comparison to the first one although they were of a higher political complexity.\textsuperscript{3} Thus, this example is very suitable for proving the influence of the state of a policy community on the availability of alternatives and to prove the usefulness of the introduced theoretical refinements.

Empirically, the analysis is based on primary sources, in particular legislative documents and any available documentation originating from the European Gas Regulatory Forum. This is complemented with secondary sources such as media reporting and information gathered from the European Public Affairs Directory. Due to data limitations, the time span considered ranges from 1993 until 2009.

2. The notion of policy communities in the multiple streams framework

This section starts with a summary of Kingdon’s explanatory notes on policy communities and discusses the difficulties that arise from mingling policy communities with issue networks.

\textsuperscript{1} In fact, the latter concept is seen to be highly influential for Kingdon’s line of reasoning (Berry et al. 2004, p. 542). This does not come as a surprise as fluidity is not only one of the main characteristics of issue networks, but also of organized anarchies on which the MSA draws heavily.

\textsuperscript{2} As several researchers have already indicated that the MSA is applicable to the European level (Richardson 2001, p. 23), or have even tested it (Ackrill and Kay 2011), this case study is in the scope of the explanatory power of the MSA and, as such, serves to elaborate the policy community concept.

\textsuperscript{3} Following Kaeding (2006) and Steunenberg and Rhinard (2010), the number of recitals in a directive is a good proxy to estimate the degree of political complexity as member states, the European Parliament, and the Commission add recitals in order to express reservations or to clarify issues. While the first gas directive contains 32 recitals, there are already 34 recitals in the second one, which culminates in 66 recitals in the third gas directive.
Subsequently, the contributions of Walker and Heclo are summarized as Kingdon refers to them explicitly. On this basis, Kingdon’s understanding of policy communities is unveiled and where necessary theoretically enhanced.

2.1 Network concepts in the Multiple Streams Approach

In line with the usual practice in the early policy community literature (Thatcher 1998, p. 391), Kingdon’s explanatory notes regarding policy communities are closer to a description than to a definition. The most accurate definition Kingdon introduces goes that, “[p]olicy communities are composed of specialists in a given policy area (...) scattered both through and outside of government” (Kingdon 1984, p. 123). These specialists have in common a shared concern with policy problems occurring in a given policy area and their interactions with each other, in the course of which they develop policy alternatives. Activities that count as engagement in working out proposals range from “going to lunch, circulating papers, publishing articles, holding hearings, presenting testimony” to “drafting and pushing legislative proposals” (Kingdon 1984, p. 122). After having elucidate in which context Kingdon applies the concept of issue networks, the paper returns to the question who these specialists are.

Kingdon refers to issue networks in order to describe the exchange between policy specialists. According to him, “[t]he communication channels between those inside and those outside of government are extraordinarily open, and ideas and information float about through these channels in the whole issue network of involved people, somewhat independent of their formal positions” (Kingdon 1984, p. 48, emphasis added). Although policy communities also consist of participants through and outside of government, it can not be concluded that Kingdon uses policy communities and issue networks as synonyms. This can be deduced from Kingdon’s elucidations on the differences between the specification of alternatives and agenda-setting.

According to Kingdon, different clusters of participants are involved in these two activities (cf. table 1): a visible cluster affecting agenda-setting and a hidden cluster affecting the specification of alternatives. How do these clusters relate to each other?

- cf. table 1 -

The governmental agenda is set by visible participants who exploit changes in the problem and/ or politics stream (Kingdon 1984, p. 208). This goes along with the opening of a policy window and the opportunity to change the decision agenda. At this point visible participants “turn to specialists


5 Peters criticizes that the MSA does not specify how the emergence of policy windows is related to the nature of networks (Peters 1998, p. 26). This criticism overlooks that networks (or policy communities in Kingdon’s word usage) can only determine whether a coupling process is successful as this requires the
in the less visible policy community (…) for the alternatives from which an authoritative choice can be made” (Kingdon 1984, p. 74, emphasis added). Thus, the policy community is composed of a smaller fraction of the issue network.

This conclusion conflicts with the established understanding that issue networks and policy communities represent two opposing concepts in the network literature: The latter being characterized by closed, restricted, and stable relationships and the former by open, unrestricted, and unstable relationships (Marsh 1998a, p. 16; Thatcher 1998, p. 391). However, this seemingly contradiction can be resolved when taking into account that ascribing certain attributes to different network concepts was in its infancy in the network literature of the 1980s. Instead of drawing on today’s scientific understanding of these concepts, the writings of Walker (1981) on policy communities\(^6\) and of Heclo (1978) on issue networks are addressed and related to each other in the next section, as Kingdon refers to them explicitly.

2.2 Back to the roots: Heclo’s issue networks and Walker’s policy communities

Heclo’s issue networks

Heclo’s issue networks are a reaction to the sub-government literature, which refers to “clusters of individuals that effectively make most of the routine decisions in a given substantive area of policy” (Ripley/ Franklin 1984 quoted in Jordan and Schubert 1992, p. 20). The most prominent concept of this literature is the iron triangle, which describes a closed and stable relationship between at least one interest group, a central government agency, and a congressional committee (Marsh 1998a, p. 4-5).

Contrary to the idea that access to policy-making is restricted in the United States, Heclo sees a “large number of participants with quite variable degrees of mutual commitment or of dependence on others in their environment” (Heclo 1978, p. 102) aiming at influencing policy formation. Represented in networks are “powerful interest groups”, “individuals in or out of government who have a reputation for being knowledgeable”, and “issue-skilled [individuals] (…) regardless of formal professional training” (Heclo 1978, p. 102-103). The so-called issue networks vary in their composition as “[p]articipants move in and out of the networks constantly”, which makes it “almost impossible to say where a network leaves off and its environment begins” (Heclo 1978, p. 102).

Jack L. Walker’s Policy Communities

Based on case studies dealing (among others) with agenda-setting in the United States, Walker refers to “policy communities” (Walker 1974, p. 113) in order to “describe a network of policy professionals who shape policy agendas through professional consensus” (Jordan and Maloney

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6 Although Kingdon refers also refers to Walker’s writings from the years 1969, 1974 and 1977, the focus is on Walker (1981), as this contribution deals explicitly with policy communities.
1997, p. 558). To refer to the same phenomenon he uses several labels, for instance, “specialized communication networks” (Walker 1969, p. 894), “communities of policy professionals” (Walker 1981, p. 79), “professional forums” (Walker 1981, p. 79), or “para-bureaucratic communities of policy specialists” (Walker 1989, p. 2). According to him, policy communities consist of people who are concerned with a specific set of policy problems. They consist of those primarily engaged in studying the policies and procedures being employed in an area, as well as administrators of the major agencies with operating programs. The communities involve bureau chiefs and officials in operating agencies, academics and consultants employed by research-and-development firms, publishers or editors of professional journals and magazines, representatives from business firms that are major suppliers of goods and services employed in the area, members of legislative staffs and legislators themselves who specialize in the subject, and other elected officials and lobbyists with interest in the policies (Walker 1981, p. 79).

How John W. Kingdon combines these contributions

In which sense does Kingdon apply issue networks and policy communities? Regarding the latter, it turns out that Kingdon was greatly inspired by Walker’s writings. That there had been a scientific exchange between them is not surprising, as they were colleagues at the University of Michigan. This exchange is best documented in their acknowledgments (Kingdon 1984, p. vii, Walker 1977, p. 423), in which they mention each other. In fact, Kingdon (1984) adopted several of Walker’s ideas, which can be deduced from references to them in two thirds of his chapters.

Regarding the concept of issue networks, Kingdon applies it only firstly, as a means to refer to the different participants involved in agenda setting and the specification of alternatives, and secondly, to point to the fact that the communication channels between them are open. Apart from this, he restricts his elucidations on policy communities.

Heclo’s and Walker’s contribution share more commonalities regarding the actors considered than today’s scientific usage would suggest. There is a great overlap between Heclo’s enumeration of participants involved in issue networks and Walker’s list of people forming a policy community. In comparison to Heclo, Walker devotes more attention to the role of researchers and expert knowledge. According to him, the supply of new ideas is generated by the research sector of a policy community (Walker 1981, p. 86), and one prerequisite for policy change is that these researchers are able to provide “clear justification for the use of a given solution” (Walker 1981, p. 91). Hence, not all participants of the policy community are of equal importance. Kingdon adopts this idea when differentiating participants involved in policy-making according to their engagement in agenda-setting and the specification of alternatives. He departs from Walker’s understanding

7 For reasons of clarity the term “policy community” is used exclusively in the following.
8 This personal acquaintance is also reflected in the obituary Kingdon (1990) wrote for Walker after his unexpected death.
9 Furthermore, some elements of Kingdon’s MSA were already addressed in Walker’s writings. For instance, Walker already hinted at, firstly, the similarities between the process dynamics described by the garbage can model of organizational choice and public policy-making and secondly, the importance of policy entrepreneurs for the matching of problems and solutions (Walker 1981, p. 89-91).
insofar as he does not only consider a policy community’s research sector (academics, researchers, and consultants), but also civil servants and interest groups to be important for the specification of alternatives.

Walker does not only list the different participants of policy communities, but devotes attention to the structure of the network. According to him (1981, p. 86), there is a link between the organization of a policy community’s research sector and the supply of new ideas: “[T]he more autonomy, interchange, and competition among researchers in a policy field, the more likely they will have the initiative in defining the area’s goals, problems, and objectives” - without taking into account the needs and interests of administrators and political leaders, which, from the point of view of the latter, limits the amount of new ideas. Although Walker (1981, p. 80) stresses that the policy community is held together “by a set of agreed doctrines or theories”, the underlying consensus is comparatively weak (Walker 1981, p. 83). Consequently, opportunities to redirect the attention of the research sector arise if the latter is divided and at odds with each other (Walker 1981, p. 80). From this follows that Walker does not assume policy communities to be stable. On top of that he considers anonymous refereeing processes as a means to choose articles for publication in specialized media (Walker 1981, p. 86), which also indicates that policy communities can be characterized by open access and an enlarged group of participants.

Kingdon adopts the idea of differently structured policy communities when taking into account the relationship between their fragmentation and agenda stability. According to him, it depends on the level of integration of the policy community which ideas remain as a result of the softening up process. The more integrated a policy community is, the easier evolve a common language, common outlooks, orientations, and ways of thinking between its members (Kingdon 1984, p. 126). Less integrated policy communities, on the other hand, lack internal coordination. Consequently, it is easier in the latter to float new ideas, which leads to a higher agenda instability and to disjointed policies. As in more integrated policy communities new ideas have to meet the policy specialists’ commonly shared values for being considered, this tends to result in a higher agenda stability (Kingdon 1984, p. 124 – 128). Unfortunately, Kingdon does not specify the conditions that have to be met in order to refer to a more or less integrated policy community. Referring to his case study of the transportation community, he describes it as fragmented in several respects, for instance because of its division into different modes (Kingdon 1984, p. 125). In sum, both Walker and Kingdon, do not assume policy communities to be necessarily closed, restricted, and stable, but allow varying manifestations.

2.3 Policy communities in the MSA revisited

In order to be able to deduce falsifiable hypotheses regarding the characteristics of policy communities and their influence on the generation of alternatives, the way Kingdon understands policy communities has to be clarified. Taking into account the preceding sections, the following
A policy community is mainly a loose connection of civil servants, interest groups, academics, researchers, and consultants (the so-called hidden participants), who engage in working out alternatives to policy problems of a specific policy field.

With a view to avoiding vagueness, the constraining “mainly” needs an explanation, as well as what is meant by “a loose connection”. Regarding the participants of the policy community, Kingdon states that it is possible in principle that both groups of participants, the hidden and the visible ones, are involved in the specification of alternatives and agenda-setting. Nonetheless, he regards it to be more probable that they restrict themselves due to a tendency to specialize in a specific activity (Kingdon 1984, p. 20). Put differently, it is possible in general that other actors than the hidden ones are part of the policy community, but the hidden ones are present in any case.

With a view to the application of the MSA, the boundary of a policy community has to be drawn empirically for each case study with an actor’s engagement in working out policy alternatives serving as a distinction criterion. Which impact differences in the composition of policy communities have on agenda-setting, requires further research.

How does a loose connection between the participants of the policy community look like? According to Kingdon, members of a policy community interact with each other. He exemplifies these interactions with the description that they “know each other’s ideas, proposals, and research, and often know each other very well personally” (Kingdon 1984, p. 123). Hence, a researcher whose ideas are published and considered by other members of the policy community belongs to the community. From this it follows that the only prerequisite to become a part of the policy community is to contribute policy solutions for a specific policy field in a way that enables the policy community’s participants to notice them. In this sense, the connection between the participants is loose. Furthermore, the access to the network is open.

What Kingdon remains silent about is how policy communities evolve in the first place and why they change. Campbell et al. (1989, p. 89) deal with this issue and differentiate between two stimuli for changes in network structures: One coming from the demand side, and the other one from the supply side. Demand side stimulus refers to policy makers who have to deal with new problems and therefore ask for policy experts’ input. Supply side stimulus is given if a solution is transferred from one policy sector to another one, a phenomenon Kingdon refers to as spillovers (Kingdon 1984, p. 200).

3. A study of the European natural gas policy community

This chapter analyzes the European natural gas policy community. It aims at demonstrating how the concept of policy communities can be applied in a case study in a way which allows to test

10In this contribution, Campbell et al. (1989) apply another understanding of policy communities than Kingdon does. But as they explicitly refer to Kingdon when introducing the idea of supply side stimulus (Campbell et al. 1989, p. 89), it seems appropriate to combine their ideas with the MSA.
whether changes in the structure of the policy community have an impact on the policy dynamics. Before delving into the case study, the policy community’s participants have to be adjusted to the European level, as the MSA was originally derived for explaining agenda-setting at the federal level of the United States. Whereas academics, researchers, and consultants can be transferred without adjustments, European civil servants needs a definition and interest groups a word of explanation. Regarding the former, civil servants are officials who have “been appointed (...) to an established post on the staff of the institutions of the Union” (Regulation No 31 (EEC), 11 (EAEC), Art. 1a) and are predominantly located within the European Commission (hereinafter referred to as Commission). Interest groups need further explanation, because Kingdon (1984, p. 50) does not only consider “business and industry, professional, labor, public interest groups” but also “governmental officials as lobbyists”. For the European context the latter refers to member states’ governmental officials.

Referred to the European level, functional equivalents of the visible participants Kingdon mentions that can potentially take part in the policy community are the European Parliament, the Council, and the Commission, with the Council being constituted of the member states’ governmental officials.\(^\text{11}\) From this follows that two actors have an outstanding position: The member states’ governmental officials and the Commission as they belong to both, the visible and the hidden group of participant, which means that they engage in agenda-setting and the specification of alternatives. From these two actors, the Commission is the more important one, because it enjoys a monopoly position regarding agenda-setting (Pollack 1997, p. 122).

3.1 The inception of the policy community

Since the 1950s, the Commission (or its equivalent) repeatedly aimed at developing a common energy policy, but did not succeed (McGowan 1989, p. 548; Hancher 1990, p. 221). One reason for its failure can be seen in the absence of an European natural gas policy community (Matlary 1997, p. 102), which went along with a lack of worked out proposals. Mainly, this resulted from the fact that energy matters had fallen within the member states’ jurisdiction, and from the given market structures. The latter were characterized by a predominantly state-owned, monopolistic energy sector. This sector consisted of vertically-integrated companies that were bound in long-term and partly anti-competitive contracts. The states granted those companies exclusive rights in exchange to the fulfillment of certain public service obligations. Hence, the actors simply had no incentives to initiate or to participate in a policy community that engaged in working out proposals with an European dimension.

Although there was no natural gas policy community at the European level, there was an exchange of views on the international level. For instance, the International Gas Union, founded in 1931, has

\(\text{11 Since the Treaty of Lisbon, the European Council can be added to the list of visible participants as it}\\ 
\text{“shall provide the Union with the necessary impetus for its development and shall define the general}\\ 
\text{political directions and priorities thereof” (Art. 15(1), Treaty on European Union).}\\\)
organized every three years the World Gas Conference. Furthermore, moves from liberalization pioneers like the USA, Canada and the United Kingdom were observed carefully by countries with less liberalization impetus and the few liberalization supporters. However, their experiences did not act as a catalyst for spreading the liberalization word, but served as a reference for liberalization opponents (Stern 1992, p. 47).

Hence, what initiated the development of an European policy community? As the Commission had been a pivotal actor in the liberalization of network industries (cf. Schmidt 1998), it seems plausible to expect that the same took advantage of its key role arising from its dual membership to the cluster of visible as well as to the cluster of hidden participants to push its pet solution on the agenda.

Indeed, in the shadow of the Single European Act the Commission explicitly demanded for policy experts’ input regarding the question of how a liberalized European natural gas market could be achieved. As a first step, it contracted the Brussels-based policy think thank C&L Belmont in association with Prognos AG to conduct research on the pros and cons of the introduction of a common carrier system as one way to introduce competition. The resulting reports were completed in the first half of 1989 and circulated through the industry, although they had never been accessible to the public officially (Stern 1992, p.56).

The Commission's Communication accompanying the proposal for a transit directive for natural gas seized the suggestion listed in the above mentioned reports to set up two Consultative Committees in order to discuss in-depth third party access (COM (89) 334 final, p. 3, p. 14 ). These Committees were established in mid 1990 and chaired by the Commission. One committee was composed of member states’ representatives, and the other one consisted of gas industry representatives and consumer representatives (International Gas Report 13.06.1991, COM (91) 548 final, p. 6). Thereby, the Commission had addressed the relevant participants of a policy community: interest groups (to which also governmental officials as lobbyists count according to Kingdon (1984, p. 50)), the research sector (although limited to just one consultancy), and itself in its function of a civil servant.

But instead of creating a climate of cooperation, both committees failed to hold constructive talks as they, including in parts the Commission, “came to the discussions with their negotiating positions mapped out, lacking a willingness to compromise and engage in new thinking” (Stern 1992, p. 74). Although these Committees did not result in a policy community, they put in motion its creation. As a first step counts the affected industries’ growing interest in an European policy community. This shows their turn to the European level, which led to increasing numbers of

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12A common carrier system obliges pipeline companies to carry as much gas as its capacity allows for third parties. If the demand is higher than the capacity of the pipeline, capacity pro rata has to be offered to all parties (Stern 1992, p. 23).

13Third party access means that pipeline companies either agree, or are obliged, to carry as much gas as its capacities allow against the payment of a charge for the services the third party has made use of (Stern 1992, p. 21).

- cf. figure 1 -

However, from the mere turn to the European level does not follow that the actors exchanged their views or indeed spoke with one voice. The latter shows the example of Eurogas, the association representing the European gas wholesale, retail, and distribution sectors that was founded in 1990. Although Eurogas claimed to speak for the natural gas industry as a whole, its members pursued different, conflicting interest, due to differences in size (smaller distributors opposed to monopoly suppliers), for instance, or to differences in the regulatory environment they faced (such as British Gas, operating in a liberalized country opposed to the companies enjoying protection from competition) (EC Energy Monthly 01.07.1991). According to Kingdon, this lack of cohesion hampers an interest groups ability to affect the governmental agenda (Kingdon 1984, p. 55). Furthermore, a criterion for an alternative to be considered seriously is compatibility with the policy specialists’ values (Kingdon 1984, p. 140). If the agreement on proposals, and consequently, on values, are lacking even within an interest group, the chances are bad that a consensus can be reached in the relevant policy community.

Indeed, the affected actors success record in influencing the alternatives considered for a directive was poor as the vast majority opposed the introduction of common rules (Stern 1998, p. 91). How then did the Commission succeed in drafting a directive in the absence of a vivid policy community? The Commission took the chance and simply chose the ideas as it suited. In this context, there emerged a win-win situation between the Commission and the United Kingdom (UK). The Commission had always been receptive for lessons drawn from the UK liberalization experience. The UK, on the other hand, was keen on minimizing possible costs resulting from regulatory adjustments and on eliminating economic disadvantages. The latter arose from the possible penetration of UK’s domestic, liberalized natural gas market by European companies that could draw on an advantageous (national) monopoly position (Europe Energy 14.6.1991, cf. Héritier et al. 1996, p. 331). Hence, the UK provided the Commission with worked-out alternatives derived from their domestic regulations, and indeed, the Commission’s draft directive mirrored a lot of them (Multinational Service 08-09/1991). As a result, the liberalization of the natural gas market rose on the decision agenda although the policy community concerned was at a nascent state only.

Until the directive was finally passed, it took six and a half years. This can be related back to the fact that the (visible) actors could not agree on solutions, even to a point where they decided not to
return to the gas directive until an agreement on the less controversial electricity directive had been found (European Report 26.11.1994; Financial Times 25.05.1995). During the negotiation process the involved actors started accepting the idea that the European Union evolved as a new venue for regulating the natural gas markets. As a consequence, they became more interested in developing European solutions for this policy sector. The Commission took advantage of this changed attitude and initiated the European Gas Regulatory Forum, commonly referred to as Madrid Forum, in 1999.

This shift and the above mentioned setting up of the two Consultative Committees are demand side stimuli that put in motion the initiation of a European natural gas policy community. The Madrid Forum (MF) developed as the policy community’s cornerstone. Its objective is “to provide an informal EU level framework for the discussion of issues and the exchange of experience concerning the establishment of a competitive internal market for natural gas” (Conclusion of the Madrid Forum, 30.09./01.10.1999, p. 1).\(^{14}\) Thereby the exchange of views was institutionalized immediately after the passing of the first gas directive. Since then the MF has met once or twice a year and has kept the discussion and development of viable solutions ongoing. Therefore, the present paper concentrates on its activities.

3.2 The core of the European natural gas policy community: The Madrid Forum

The MF was closely modelled on the Electricity Regulatory Forum, which was institutionalized in 1998. Following (Eberlein 2005), these Fora have four tasks:

“(i) The gathering, generation, and assessment of relevant information or data relating to regulatory issues in liberalized (...) [natural gas, N.H.] markets. (...)
(ii) The elaboration of regulatory proposals and solutions from the variety of technically feasible solutions. (...)
(iii) The building of institutions that in, turn, help to structure the dialogue between regulators and markets players and to drive forward the process of change. (...)
(iv) To build voluntary consensus and to deliver agreements. (…) (Eberlein 2005, p. 69-75).

Thereof the first two tasks clearly corresponds to the actors’ engagement of working out alternatives to policy problems of a specific field. In fact, since the third meeting of the MF the exchange of experiences with the given regulation and the discussion of legislative proposals (concerning directives, guidelines for good practice, which are included in the annexes of the directives, and regulations) are explicitly mentioned as agenda items (agendas of the third to sixteenth MF).

As an alternative’s survival in the policy primeval soup depends on being accepted within the policy community and by the elected decision-makers (Kingdon 1984, p. 138), building voluntary consensus and delivering agreement describe activities that take place within a policy community.

Hence, the only task that goes beyond policy communities and their activities according to the

MSA, is the building of institutions. An example for such an institution arising from the MF is the creation of Gas Transmission Europe (GTE). This body was established by the European gas industry following an invitation of the Commission, the member states, and the Council of European Energy Regulators to create “as quickly as possible, a new body or grouping that brings together representatives of all those responsible for the operation of the transmission network for gas in Europe.” Its task is to provide “technical data regarding the transmission systems within Europe” (Conclusions of the Madrid Forum, 11./12.05.2000), which is required in order to work out policy solutions. Thus, the policy community’s engagement in institution building resulted from the absence of an European transmission network that addresses natural gas issues. In order to develop workable policy solutions, input from such a network is indispensable. Hence, the policy makers appeal to bring GTE into being is a further example for a demand side stimulus for a change in the policy community.

In order to analyze in how far the composition of the MF matches with the actors considered by Kingdon, the list of participants and contributors are analyzed. Unfortunately, the former is only available for five meetings (10th MF, 12th MF, 13th MF, 15th MF, 16th MF), but the latter can be deduced from the agendas and, where no agenda is available, from the conclusions. The only exception is the second MF, for which only a summarized conclusion is available.

Table 2 summarizes the participants’ affiliations according to the list of participants. As some participants took part at the forum’s meetings in different roles, multiple selection of affiliations is possible. It turns out that the research sector is of minor importance. This is less surprising if the highly technical nature of the natural gas market is taken into consideration, which requires that the actors involved in this market have a profound knowledge of the sector. The further participants correspond with the introduced list of European policy communities’ participants.

- cf. table 2 -

The openness of the forum can be assessed by looking at the number of meetings the participants attended. Both, the list of participants and the list of contributors, show that the vast majority of actors only attended a single meeting and only few actors more than three (cf. figure 2 and 3). From this follows that the participation at the meetings was fluid and, hence, the access to them open.

- cf. figure 2-

- cf. figure 3 -

Which of the actors are particularly important reveals a look at the contributors (cf. table 3). In line
with the expectations, it turns out that the Commission has contributed by far the most to the discussions at the meetings of the MF and, hence, influenced the direction of the discussions. As the Commission had been the policy entrepreneur in times of open agenda windows, this becomes even more important, because it provided the Commission with the opportunity to push forward the search for policy alternatives that were suited to complete an internal market in natural gas.

- cf. table 3 -

The Commission is followed by the European Regulators (ERGEG, CEER) and the association of gas transmission companies (GTE, GTE+). ERGEG (which has been substituted with the Agency for the Cooperation of Energy Regulators) and CEER mainly consisted of the same actors. They differed in so far that ERGEG was formally set up by the Commission (2003/796/EC), while CEER has been a voluntary cooperation of European national energy regulators. As the establishment of GTE resulted from the forum process, almost 40 per cent of the contributions were influenced by the Commission in the sense that the Commission (solely or together with further actors) initiated the establishment of the participants.

4. Conclusion

Attempting to clarify the concept of policy communities in the MSA, this paper refined Kingdon's definition and suggested to understand them as loose connections mostly of civil servants, interest groups, academics, researchers, and consultants, who engage in working out alternatives to policy problems of a specific policy field. This paper suggested to assess empirically whether a policy community consists solely of the hidden participants or whether they are joined by some visible participants, too. Furthermore, it stressed that the connections between the participants are not necessarily stable, and that changes in the structure of a policy community caused by demand side or supply side stimuli are possible.

The analysis of the European natural gas policy community documented that this community's structure changed tremendously during the investigation period: The policy community emerged in the 1990s, resulting from a demand side stimuli as the Commission kept on calling for policy experts' input. Since then the policy community became very active, which is best reflected in the activities of the MF, the policy community's cornerstone.

An analysis of the composition of this policy community revealed a particularity all European policy communities share: The Commission's and the member states' governmental actors' dual membership to the cluster of visible and the cluster of hidden participants, whereby the Commission is particularly important because of its agenda-setting competency. In fact, the analysis of contributors at the meetings of the MF documented the Commission's importance, as it contributed more than twenty per cent of the talks held at these occasions and influenced almost
forty percent of the further contributions. Regarding the directives passed so far, the second and third gas directive were of a higher political complexity than the first one, and went along with a higher conflict potential. Nonetheless its negotiation periods were considerably reduced compared to the first directive: The second gas directive (2003/55/EC) was passed in two and a quarter years only and the third gas directive (2009/73/EC) even took less than two years.

These findings open a new research agenda dealing with the relation between a policy community's composition and its influence on the policy dynamics. The case study suggests that the Commission's position in addition to changes in the state of the policy community explain a good deal of the reduced negotiation period. The introduced, refined definition allows to focus on this relation as it takes into account the composition of policy communities. However, further research is needed in order to prove the relation between a policy community's composition and its influence on the policy dynamics gathered by the MSA.
References


Table 1:

<table>
<thead>
<tr>
<th>Participants</th>
<th>Involvement in specification of alternatives and/ or agenda-setting</th>
<th>Visibility of the participants</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Inside of Government</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Administration</td>
<td>Agenda-setting</td>
<td>visible</td>
</tr>
<tr>
<td>Civil servants</td>
<td>Specification of alternatives</td>
<td>hidden</td>
</tr>
<tr>
<td>Capitol Hill</td>
<td>Specification of alternatives and agenda-setting</td>
<td>visible</td>
</tr>
<tr>
<td><strong>Outside of Government</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest Groups</td>
<td>Specification of alternatives</td>
<td>hidden and visible (depending on their activities)</td>
</tr>
<tr>
<td>Academics, Researchers,</td>
<td>Specification of alternatives</td>
<td>hidden</td>
</tr>
<tr>
<td>Consultants</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mass media</td>
<td>Agenda-setting (indirect involvement via impact on public opinion)</td>
<td>visible</td>
</tr>
<tr>
<td>Specialized media</td>
<td>Agenda-setting (via its function as a policy community’s communication channel)</td>
<td>visible</td>
</tr>
<tr>
<td>Elections-Related Participants</td>
<td>Agenda-setting</td>
<td>visible</td>
</tr>
<tr>
<td>Public Opinion</td>
<td>Agenda-setting</td>
<td>visible</td>
</tr>
</tbody>
</table>

Title: Clusters of participants involved in the specification of alternatives and agenda-setting  
Source: Author’s own compilation based on Kingdon (1984)

Figure 1:

Title: Number of representative offices of the natural gas and electricity sector at the European level  
### Table 2:

<table>
<thead>
<tr>
<th>Participants affiliation* (according to list of participants)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest group</td>
</tr>
<tr>
<td>National Regulatory Authority</td>
</tr>
<tr>
<td>National Ministry/ Representative</td>
</tr>
<tr>
<td>Company</td>
</tr>
<tr>
<td>European Commission</td>
</tr>
<tr>
<td>The Council of European Energy Regulators</td>
</tr>
<tr>
<td>European Regulators' Group for Electricity and Gas</td>
</tr>
<tr>
<td>Consultancy</td>
</tr>
<tr>
<td>Organization**</td>
</tr>
<tr>
<td>European Presidency</td>
</tr>
</tbody>
</table>

* multiple selection possible

** Representatives from the European Free Trade Association and the Energy Community Secretariat

**

Title: Participants affiliation

Source: Author’s own compilation based on the list of participants for the meetings of the 10th, 12th, 13th, 15th and 16th MF

### Figure 2:

**Meetings attended by participants**

(according to list of participants)

![Bar chart](chart.png)

Title: Number of meetings of the Madrid Forum attended by participants I

Source: Author’s own compilation based on the list of participants for the meetings of the 10th, 12th, 13th, 15th and 16th MF
Figure 3:

Meetings attended by participants
(according to contributors list)

Title: Number of meetings of the Madrid Forum attended by participants according II
Source: Authors own compilation based on the conclusions and agendas of the first to the sixteenth Madrid Forum (except the second one)
Table 3:

Weighted importance in terms of possible contribution due to time of incorporation

<table>
<thead>
<tr>
<th>Listed Contributor</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>European Commission</td>
<td>22.5</td>
</tr>
<tr>
<td>European Regulators’ Group for Electricity and Gas (ERGEG)*</td>
<td>19.4</td>
</tr>
<tr>
<td>The Council of European Energy Regulators (CEER)</td>
<td>13.1</td>
</tr>
<tr>
<td>Gas Transmission Europe (GTE)</td>
<td>9.5</td>
</tr>
<tr>
<td>Gas Transmission Europe (GTE+) [precursor of ENTSOG]</td>
<td>7.6</td>
</tr>
<tr>
<td>European Council Presidency **</td>
<td>7.0</td>
</tr>
<tr>
<td>European Federation of Energy Traders (EFET)*</td>
<td>4.4</td>
</tr>
<tr>
<td>Comisión Nacional de la Energía (CNE)**</td>
<td>4.2</td>
</tr>
<tr>
<td>EASEE-Gas</td>
<td>4.2</td>
</tr>
<tr>
<td>Gas Infrastructure Europe (GIE)</td>
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<tr>
<td>International Federation of Industrial Energy Consumers (IFIEC)</td>
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<tr>
<td>Eurogas</td>
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</tr>
<tr>
<td>Fundación de Estudios de Regulación</td>
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</tr>
<tr>
<td>Eurelectric*</td>
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<tr>
<td>Representative of the United Kingdom</td>
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<td>Gas Storage Europe (GSE)</td>
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<td>BG Storage</td>
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<tr>
<td>Edison Gas</td>
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<td>Gasunie</td>
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<td>Representative of Germany</td>
<td>0.8</td>
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<tr>
<td>Marcogaz</td>
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<tr>
<td>The Brattle Group</td>
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<td>GEODE</td>
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</tr>
<tr>
<td>International Association of Oil &amp; Gas Producers (OGP)*</td>
<td>0.6</td>
</tr>
<tr>
<td>The European Chemical Industry Council (CEFIC)</td>
<td>0.4</td>
</tr>
<tr>
<td>Gas LNG Europe (GLE)</td>
<td>0.3</td>
</tr>
<tr>
<td>Gas Industry Standards Board (GISB)*</td>
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<tr>
<td>BP Gas &amp; Power Europe</td>
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<tr>
<td>Centrica Energy Management Group</td>
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<td>German gas industry association</td>
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</tr>
<tr>
<td>Gazprom</td>
<td>0.2</td>
</tr>
</tbody>
</table>

* estimate (exact date of foundation needs to be investigated, percentage refers to year of foundation)
** only opening addresses

Title: Weighted importance of participants of the Madrid Forum in terms of possible contribution due to time of incorporation from September 1999 until May 2009
Source: Authors own compilation based on the agendas of the 1st until the 16th Madrid Forum (excluding the second one, for which no agenda is available)