Environmental Agencies and Global Governance

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ABSTRACT

This paper asks how environmental agencies manage to learn and adapt to policy challenges in a global context. It investigates the evolution of three environmental agencies (the European Environment Agency, the England and Wales Environment Agency and the United State Environmental Protection Agency). The paper examines how the agencies seek to influence environmental policy on domestic, regional and global levels. The paper examines the role of agencies and bureaucracies more generally, interrogating some of the assumptions of the bureaucracy literature, particularly principal agent models. The paper suggests that a greater focus on different multi-level contexts, which the three agencies face, may create other possible dynamics, including government and policy learning.

Introduction

Environmental policy creates global and local governance demands on any agency seeking to cope with the scientific uncertainty, inter-linked issues and diverse societal concerns (climate change being an example that encapsulates all of these concerns). This difficulty is further heightened by the equally complex nature of the European Union (EU) and United States (US) policy-making processes. This paper looks at one dimension of the policy process in these complex multi-level systems. The paper focuses at the organisational/meso level on three environmental agencies and their historical evolutions: the European Environment Agency (EEA), the Environment
Agency for England and Wales (EA), and the US Environmental Protection Agency (USEPA).

The USEPA is one of the oldest and arguably most powerful environmental agencies whilst the EA is one of the strongest EU member state agencies. In contrast, the EU regional level agency is the relatively small network-focused EEA. The paper formulates some theoretical propositions based on the bureaucracy and learning literatures. It asks: what are the key conditions that shape the relationships between the agencies and the political masters and constituencies; and which of these conditions can help trigger agency innovation and change, particularly in the area of climate change?

The next section formulates some theoretical propositions for bureaucracies. The third, fourth and fifth sections investigate how the respective relationships of the USEPA, EEA and the EA formed with respect to their clients/principals. The sixth, seventh and eight sections explore respectively the USEPA, EEA and EA evolutions from their origins, focusing on their government learning and policy learning, and how these shape the individual agency policy towards climate change.

**Theoretical Overview**

*Principal Agent Approaches*

The principal-agency (PA) literature focuses on the core relationships between bureaucratic organisations (the agents) and the principals, the political authorities. PA theorists conceptualised politicians as principals who anticipate the potential for bureaucratic manipulation and assert their long term control over their agency by setting various control mechanisms (McCubbins *et al.*, 1987). Bureaucrats also will have personal preferences that conflict with the principals’ concerns, and the
delegation of authority to agents gives the bureaucrats information advantages (McCubbins et al., 1987, 246-247; Bendor, 1988, 363).

To avoid expensive monitoring and sanctioning costs, the principals have incentives to build mechanisms that control the bureaucratic process (the ‘rules of the game’), but do not require specifying or even knowing the detailed policy outcomes that bureaucrats pursue (Calvert et al., 1989, 598-599). Agency discretion happens only when the agency manages to choose a policy that differs from the principals’ expectations when establishing the procedures (Calvert, McCubbins and Weingast, 1989, 604-607). PA approaches label this discretion as ‘shirking’, where an agency engages in opportunistic behaviour that leads it to select alternatives that are more costly for the principal (Kassim and Menon, 2003, 122). This approach expects agency innovation to only happen rarely and at a marginal level; external changes in the environment provide the more substantive change.

*Rationalist Path Dependent Approaches*

Moe (1984, 773) offered a structural perspective in which the dominant advocacy coalition consisting of the government and its associated constituency seeks to build administrative structures that insulate their achievements from politics. The opposing coalitions are geared to protecting their voice in the structural design of bureaucracies and will seek to impose structures that subvert effective performance and politicise agency decisions (Moe, 1989, 273-277). The agency’s characteristics are the product of strategic design on part of politicians and all those affected interests. Since there is no singularity of interests, the design of the personnel decisions, administrative goals reflect a much more chaotic discussion than predicted by the PA approach. In this arena, no one succeeds in achieving their particular agency design: opposing coalitions seek to impose structures that inhibit agency performance and enhance
external control while the coalition in power defends the agency with their own structures (Moe, 1989, 281-285). The structural choices of the creation period continue to endure and dominate over future incremental changes; agencies are likely to have the discretion for policy innovation but the overall impact is likely to be static.

*Historical Path Dependent Approaches*

March and Olsen (1998, 948) define ‘institution’ as ‘a relatively stable collection of practices and rules defining appropriate behaviour for specific groups of actors in specific situations’. Institutions such as environment agencies are generally slow to change and tend to change in an incremental fashion that reflects the enshrined norms and rules. The difficulty of getting new policy ideas through the EU system with its multiple veto points has been discussed at length elsewhere (Weale, 1996), but the same holds true for the US system. Institutional analysis emphasises how structures persist over time and resist rapid, non-incremental change.

Nevertheless, institutional change can be more regular and gradual yet have substantial impact over time. Streeck and Thelen (2005, 18-31) suggest five potential mechanisms. The first (displacement, see pages 19-22) involves the increasing salience of a subordinate institutional mechanism and ideas relative to the dominant institutional framework. These institutional and ideational alternatives end up displacing the current choices as growing numbers of actors defect to these previously unacceptable practices. *Layering* (22-24) follows from having additional elements added to an existing institutional structure: although they might not appear to be fundamental changes at the time of adoption, over time these elements may grow at a more significant rate and absorb more resources than the more traditional elements. *Drift* (24-26) encapsulates what happens when an institution is allowed to erode and change due to deliberate neglect. The institutional rules and norms remain but the
context in which they operate has changed. *Conversion* (26-29) involves active redirection and redefinition (by new governments or coalitions, for example) of the institution towards new goals and purposes. Finally institutions may suffer *exhaustion* (pages 29-30) where an institution is forced to change because, for example, its own activities have undermined its function or it finds itself overextended. One or perhaps even more of these patterns may come into play in examining how environmental agencies seek to adapt to their environment, and shape environmental policy. Accordingly, this perspective would expect agency change to be rarer but it may be possible without agency learning.

*Entrepreneurship and Learning*

Waterman, Rouse, and Wright (2004, 24-46) ask what happens when one relaxes both fundamental assumptions of the PA approach (i.e. that conflicts between goals are inevitable and that agents tend to have more information than principals). They mapped out different possibilities for the array of advocacy coalitions in two tables, which have been consolidated into Table One below.

<table>
<thead>
<tr>
<th>Goal Conflict Versus Goal Consensus</th>
<th>Agent’s Comparative Level of Information</th>
<th>Principal’s Comparative Level of Information</th>
<th>Scenario</th>
</tr>
</thead>
<tbody>
<tr>
<td>Goal Conflict</td>
<td>Little</td>
<td>Little</td>
<td>1. Bumper-Sticker Politics</td>
</tr>
<tr>
<td>Goal Conflict</td>
<td>Much</td>
<td>Little</td>
<td>2. Classic Principal-Agent Model</td>
</tr>
<tr>
<td>Goal Conflict</td>
<td>Much</td>
<td>Much</td>
<td>3. Advocacy Coalition</td>
</tr>
<tr>
<td>Goal Conflict</td>
<td>Little</td>
<td>Much</td>
<td>4. Patronage System</td>
</tr>
<tr>
<td>Goal Consensus</td>
<td>Little</td>
<td>Little</td>
<td>5. Theocracy</td>
</tr>
<tr>
<td>Goal Consensus</td>
<td>Much</td>
<td>Little</td>
<td>6. Politics versus Administration</td>
</tr>
<tr>
<td>Goal Consensus</td>
<td>Much</td>
<td>Much</td>
<td>7. Policy</td>
</tr>
</tbody>
</table>

*Table One:* Adapted from Waterman, Rouse, and Wright, 2004, 25.
Table One illustrates dramatically how the Principal-Agent model, the second scenario, is only one possible relationship (Waterman, Rouse, and Wright, 2004, 24-31). This is not to discount the importance of this scenario: it is a frequent one and raises the most challenges for maintaining policy control over bureaucracy. Taking the other scenarios—scenario one suggests that there may be certain issues where knowledge for both agents and principals are discounted, such as the argument about whether the Judeo-Christian heritage should be incorporated in an EU Constitution; in such cases, the bureaucracy moves back into the background as it is no more than one interest among many in the discussion. In contrast, the third (advocacy coalition) outcome illustrates the case where the particular agency is allied with a supporting coalition that shares its information and is opposed by another coalition that contests its ideas and values. The fourth scenario highlights the possibility that the principals have the key information advantage and use it to strip the bureaucracy of all but a menial task role.

When we move towards scenarios where consensus operates between government and bureaucracy, the fifth scenario again suggests the marginalisation of the bureaucracy as they largely become supporters for whatever ideas the politicians are willing to promote. Where information asymmetry favours the agent, we see the classic depiction of bureaucracy as becoming technocrats whose expertise gives them considerable autonomy as long as they produce preferred results. The policy subsystem suggests the case where all the actors share information and there is a consensus on the goals, leading to a stable network or triangle built on trust and
consultation. The final scenario best fits political systems with little administrative capacity.

The implications of these scenarios are that agency discretion is heavily constrained in scenarios 1, 4, 5, and 8, and unproblematic in scenarios 5, 6, 7, and 8. Bureaucratic control is most problematic and contested in the principal agent and advocacy scenarios. These scenarios encompass the possibility that there will be competing principals as well as competing agents. Neither the principals nor the agents are likely to be unitary in outlook, and this very much reflects the complex nature of EU, UK and US institutional politics.

This reality underlines the importance of coalitions. Agencies have incentives to ally themselves with principals who share their goals and policy outlook. Agencies and other interest groups have a strong incentive to share information to likely supporting coalitions, and thus the situation of information asymmetry decreases. This leads Waterman, Rouse, and Wright (2004, 37-42) to conclude that information and learning is a core dynamic that transforms the bureaucracy-principal relationship: both sets of actors are learning over time about policy, politics and their own organisations.

The scenarios suggest a coalitional dynamic that agencies and their leadership must learn. Carpenter (2001, 14-35, 353-367) has explored how bureaucracy can build autonomy and establishes direct links to the citizens and the new associations. Entrepreneurship is crucial and differentiates this from functionalist accounts (e.g. Majone 1997). Bureaucracies need stable legitimacy for themselves, and not just for the policies. Accordingly they push policy innovation (Carpenter, 2001, 14-18).
Genuine autonomy exists when agencies can make the decisive first moves towards a new policy, establishing an agenda or the most popular alternative, which become too costly for politicians and organised interests to ignore.

Agencies can alter the preferences of the principals (the public, organised interests, and politicians); this does not constitute shirking as the agency acts to transform the systems and the thinking of the principals. Agencies operating with discretion may exert a process of bureaucratic entrepreneurship (Carpenter 2001, 30-31). Here the agency leadership experiments with new programs and introduces innovations to existing programmes while gradually convincing the diverse political actors and coalitions to value the new innovation and the agencies themselves. Agency actors sustain this preference shift by using recognised legitimacy in the policy area, by building superior ties to the public and/or media, or by establishing reputations for impartiality or the pursuit of public good. Agencies operating in the classic PA scenario will seek to develop advocacy coalition scenarios or even more secure policy subsystem and technocracy relationships where there is stability, recognition and legitimacy for the agency role.

Bennett and Howlett (1992, 278-288) provide a useful synthesis of the policy learning literature, which is included in Table Two. The first type of learning, ‘government learning’, focuses on the understanding the administrative process with the aim of organisational change. By contrast, ‘lesson drawing’ focuses on how programmes change by learning about new instruments and tools. An oversimplified way of seeing the distinction is to see government learning as targeting internal and external actors involved in the agency policy process while lesson drawing focuses on policy objectives. Finally social learning encompasses the learning process where new world views and outlooks are learned that lead to radical shifts in policy paradigms.
Differentiating lesson drawing from social learning in this way allows one to isolate the fact that it is possible to adopt or borrow new instruments without changing fundamental values or outlooks (Page, 2003). The two lower categories in Table Two emphasise the contingent possibilities contained all of these learning processes. There must be both a cognitive change of understanding on the part of the actors, as well as a behavioural adaptation to this new knowledge. Accordingly, if actors within an organisation do not identify some form of new knowledge, then no learning will occur. ‘Blocked learning’ represents a scenario where such learning is identified, but it is not embraced and accepted by the overarching process/government.

<table>
<thead>
<tr>
<th>Learning types</th>
<th>Learns What</th>
<th>To What Effect</th>
</tr>
</thead>
<tbody>
<tr>
<td>Government Learning</td>
<td>Process-related behaviour and strategy</td>
<td>Organisational Change and Political Positioning</td>
</tr>
<tr>
<td>Lesson Drawing</td>
<td>Instruments</td>
<td>Programme Change</td>
</tr>
<tr>
<td>Social Learning</td>
<td>Ideas, worldviews</td>
<td>Core Paradigm, Value Shift</td>
</tr>
<tr>
<td>Blocked Learning</td>
<td>Cognitive change occurs but structures, interests and current worldviews block behavioural change</td>
<td>Learning remains at individual or group level, and is not embedded into organisation and network routines</td>
</tr>
<tr>
<td>No learning</td>
<td>No change in cognition and behaviour</td>
<td>Actors in process are satisfied with status quo</td>
</tr>
</tbody>
</table>

This paper assumes that agency actors see themselves as seeking to fulfil aims and to set evolving aims. Discretion and even autonomy are worthwhile aspirations for pursuing those objectives. Agencies are seeking to expand resources, including knowledge, to fulfil their goals. This may involve all three types of learning that are the focus above. Agencies need to learn how to build alliances with others, or to convert the principals to the agency’s preferred consensus. Agencies also need to better understand their tasks in terms of wider understandings as well as instruments.
Table Three outlines some of the possibilities for agency learning and coalition-building.

**Table Three: Learning Strategies (from Zito, 2009)**

<table>
<thead>
<tr>
<th>Dimensions of Agency Activity</th>
<th>Maintain/Safeguard Arena</th>
<th>Expand Political Arena</th>
</tr>
</thead>
<tbody>
<tr>
<td>Innovation is Stable</td>
<td>(A) Iron triangle, policy community or classic Principal-Agent: limited learning</td>
<td>(B) Political engagement and advocacy coalition building on entrenched ideas: government learning and perhaps some lesson drawing</td>
</tr>
<tr>
<td>Innovation is Pushed</td>
<td>(C) Internal coalitional learning and organisational learning</td>
<td>(D) Expansive advocacy coalition – entrepreneurial learning: all three forms of learning</td>
</tr>
</tbody>
</table>

Situation A is more likely to involve incremental adaptation or limited lesson drawing that does not modify the organisational strategy and worldview. There are some tactical adjustments and increased peripheral knowledge in order to maintain the agency position in relation to the inner core principals and constituencies. Blocked or no learning (either actively blocked by particular actors or the absence of an agency impulse) is also possible in this scenario. Both the PA and the Moe approaches would expect this scenario to dominate future agency performance; any discretion takes the mild form of shirking. Innovation, particularly social learning, is unlikely and only at a very marginal level. Situation B relates a similar pattern although incremental adjustments to political strategy are more likely. This scenario occurs in changing political circumstances when power is shifting (e.g. changes in government) or the actor coalitions are more fluid. Instrumental and organisational learning can occur in this scenario, but social learning does not.

Situation C suggests substantial coalition innovation through endogenous processes although exogenous pressures also may appear. Organisational changes or lesson drawing may occur that seek to improve agency performance, but there is no focus on
transforming the wider context. Social learning is less likely. Situation D encapsulates Carpenter’s entrepreneurial learning concept where agencies actively push innovation and seek a wider actor coalition to embrace this knowledge and embed it into their own routines, rules and behavioural norms. All three forms of learning may occur in this situation, but social learning is most expected to transform the understanding of the principal and the agent.

Comparing Environmental Agencies

The USEPA and the original PA relationship

President Nixon’s push for an agency occurs in the context of a greater national environmental awareness in the 1960s and early 1970s. This led both the Democratic and Republican parties to try and balance their traditional voter bases (e.g. trade unions, employers) with new concerns about the environment. In this new, transitional and therefore somewhat ambiguous context, Nixon pushed for the landmark National Environmental Protection Act and started the process of building institutions to support this agenda. In 1969, Nixon created a cabinet committee, the Environmental Quality Council, which issued a preliminary report recommending the creation of a new Department of Environment and Natural Resources (Landy et al., 1994, 22-31). This substantial administrative move involved the Department replacing the Department of Interior, absorbing many of that Department’s historical functions for the natural environment as well as elements from other departments. However, several Cabinet Secretaries disliked this plan, and this led Nixon to instead issue an executive order creating the EPA (Landy et al., 1994, 30-33). The new EPA was thus constituted out a range of offices with varying departmental histories and outlooks. Nixon’s advisory council recognised at an early stage in
developing an operational plan for the agency that such diversity would create future
problems. However, the political calculation was that the EPA needed to establish its
credentials in the short term and only in the longer term work through a rationalised
system based on functional lines (Landy et al., 1994, 33-36). Thus the first
Administrator Ruckelshaus pursued a wide range of enforcement actions. This
strategy, while extremely successful in promoting the agency’s credibility as an
environmental champion, had the consequences of putting questions of organisational
development and re-organisation on the backburner (McMahon, 2006, 36-43). This
short historical overview suggests most strongly the rationalist account of Moe, with
its focus on coalitions of political (and bureaucratic) interests jockeying in the design
of the new agency. The actual outlook of the offices amalgamated suggests strong
elements of the historical/sociological approach as the different media offices often
fell back on old networks and outlooks. Ruckleshaus’s initial strategy also suggests an
entrepreneurial bid to satisfy the principals in the Democrat-controlled Congress and
reach out to the new constituency of the environment interests. But this effort is
contained within the pathways generated at the USEPA’s origin.

The EEA and the original PA relationship

On 17 January 1989, the Commission President Delors highlighted the idea in a
speech to the European Parliament (EP), Members of which had already filed motions
for such an agency (EP, 1987; Brown, 1995). Although accepting the general premise
of providing better data to support implementation, member state, Commission and
EP actors diverged on the scope of the agency. Certain member state governments
(particularly the UK and Spain) and some Commission officials (fearing a competing
agent) wanted a very limited data co-ordinator while the Environment Commissioner
(Ripa di Meana), the EP Environment Committee, Green MEPs and other supporters wanted an agency with regulatory power (Majone, 1997; Ladeur, 1996).

The Commission proposed the agency in 1989, and that same year the Environment Ministers agreed its establishment (CEC, 1989; Schout, 1999). However the state representations could only generate a consensus for a network governance agency. Top Commission officials accepted this perspective, arguing that any further EEA enhancement should be a future development (Brown, 1995). The EP only accepted this weakening of its initial vision with the addition of a review procedure that obliges the consultation about any reform of agency tasks (Bailey, 1997). The 1990 Council Regulation established the EEA and ‘a European environment information and observation network’ (or EIONET; see Council, 1990, 2). The Regulation granted the Agency legal autonomy but also maintenance of close links with Community institutions and member states it emphasised that the Agency’s activities should ‘avoid duplicating the existing activities of other institutions and bodies’ (Council, 1990, 3).

In the EEA’s creation, one set of principals, the 12 member states, managed to dominate the key decisions. The regulation placed the EEA in a classic, limited PA role of information and network co-ordination (Ladeur, 1996). Nevertheless, the differing principals’ negotiating positions are reflected in some of the original regulation’s ambiguities and tensions: particularly the EEA’s relationship to the Commission and the EU role in formulating policy (Majone, 1997). The composition of the overseeing Management Board included a range of principals, namely the EP, Commission and the Member State representatives, who contested the Agency’s role. Moe’s approach better explains these ambiguities in comparison to the PA approach which would highlight the dominance of the principals. The agency received a
greater scope than the most negative member states had wanted, but lost the chance to have the ambitious and independent scope set out by its advocates.

*The EA and the original PA relationship*

In 1991, Prime Minister Major announced the idea of amalgamating various units to establish a combined environmental agency (Carter and Lowe, 1995, 38-39). This announcement reflected a degree of social learning occurring in the UK. There was an increasing learning process on the part of actors, such as the Royal Commission on Environmental Pollution. This learning involved the recognition that the lack of a unified administration among the various UK agencies, particularly Her Majesty’s Inspectorate of Pollution (HMIP), the National Rivers Authority (NRA) and the Waste Regulation Authorities (or WRAs). Lack of co-ordination was hampering the handling of cross-media policy challenges as well as the ability to implement the detailed EU regulatory stipulations and to engage with EU decision-makers (Carter and Lowe, 1995, 41-43; Haigh, 1986).

As Moe’s framework predicts, two ministries (the Department of the Environment, DoE, and the Ministry of Agriculture, Fisheries and Food, MAFF, contested control over the agency; this dispute over responsibility was extended to coastal protection matters (Carter and Lowe, 1995, 38-49). The degree to which the principal agencies, the HMIP, NRA and WRA, were merged was also controversial, leading to a 1991 consultation process (Department of Environment, 1991). Business, particularly the Confederation of Business Industry, wanted to strengthen the position of the HMIP within such a restructuring. Fishing, farming, riparian, amenity and rural interests all preferred the agency to reflect a strong NRA.

The Conservative Government passed through the 1995 Environment Act establishing the EA for England and Wales (United Kingdom, 1995). The organisational principle
was to retain the strengths of the core agencies and allay the fears of the respective
constituencies. Moe’s thesis explains well the resulting incoherent administrative
structure that reflected this effort, building future tension within the new organisation.
Each of the three core bodies wanted the EA to reflect the dominant key
organisational characteristics of their own body (McMahon, 2006, 147-174).
Arguably the main winner in this process was the NRA, which was the largest
element of the new EA. Another organisational compromise was the creation of
multi-skilled teams, an approach that reflected the HMIP and its integrated pollution
control approach (EA Official Interviews, 2007). In a similar vein the EA adopted a
matrix structure organised around nine over-arching themes which required regional
and area actors to work across the themes. These diverse approaches and
compromises ensured that most officials faced new and unfamiliar administrative
structures (McMahon, 2006, 147-174).

*The USEPA’s Evolution and Consequent Position for the Climate Change Challenge*

In contrast to the EA and EEA, the USEPA has had decades of development and a
consequent level of activity. Therefore this section only focuses on changes in the PA
control mechanisms and examines the issue of networking and innovation of
governance instruments through the climate change case.

The USEPA also differs from the other two agencies in that the White House
administration selects political appointees to head both the agency and its key offices.
This is a clear control mechanism by a key principal; these appointees are in a sense
agents with a more direct link and association to the principal. However, the agency
control and impact of these officials varied widely depending on the individual. Some
of the more effective USEPA administrators, such as Ruckleshaus, had developed
their own independent political base and prestige (Interviews, USEPA officials, 2007-
In Ruckleshaus’ case, this partly reflected his two separate stints as Administrators, but in most cases the political appointees bring their political leverage from their past political/policy lives (e.g. Christine Todd Whitmann was a prominent Republican governor).

A somewhat notorious example of the White House seeking to radically shift the direction of the agency by means of this PA mechanism was the Reagan appointment of Anne Gorsuch as USEPA administrator and a number of other political operatives. These appointees possessed little Washington experience and a strong ideological purpose that environmental groups found threatening. The Reagan administration also sought to subordinate the agency to a number of administrative measures (Landy et al., 1994, 248-250). The Reagan administration created a number of Cabinet Councils to consider policy questions in a process that marginalized the USEPA. The Reagan administration also continued a centralisation instrument adopted during Carter’s term: namely the Office of Management and Budget (OMB). The White House issued an Executive order requiring all proposed major rulemaking to be submitted to the OMB for review as well as enabling the OMB to examine all extant rules using a cost benefit analysis (Landy et al., 1994, 248-250). Succeeding presidential administrations wielded this tool extensively.

The third control mechanism was the budget and budget limits. The USEPA had to implement numerous 1970s laws that had reached the implementation stage, but the White House substantially contracted its budget. Between 1980 and 1982, the EPA budget declined from $701 to $515 million in 1972 dollars, and the number of non-Superfund positions at the agency declined 22.6% from 1981 to 1983 (Landy et al., 1994, 248-250). The White House did not have it all its own way as the Democrat-
controlled Congress fought hard on budgetary issues and pushed to investigate the Gorsuch-led USEPA in a manner that contributed to her downfall.

Subsequent presidential administrations have sought to make use of these mechanisms although for varying objectives. Vice President Gore undertook one of the key planks of the Clinton administration, the programme title the ‘Reinvention of Government’ and installed a ‘National Performance Review’ (NPR) team in his office. The Programme, based on new public management principles, required institutions such as the USEPA, to develop a strategic plan (McMahon, 2006, 91-105). The USEPA had to submit this plan to the OMB and Congress. The USEPA Plan highlighted moving away from command and control focus to more flexibility in governance mechanisms and more emphasis on partnerships with states and bigger emphasis on compliance assistance (Interviews, USEPA officials, 2007-2008).

In the context of the new public management principles, the NPR team pushed the USEPA and its Administrator Browner to address its media-oriented approach (which was seen as being too ‘top down’ and ‘stove pipe’ focused) and to streamline the management processes (McMahon, 2006, 91-105). While some elements of the USEPA completely reorganised themselves along this theme (e.g. Region 1), the USEPA’s overarching historical divisions remained.

The George W. Bush administration continued to use the control mechanisms of previous administrations; nevertheless, the emphasis on cost benefit analysis and the justifying of proposals constrained USEPA initiatives more than they had done so previously. There was no substantial rollback of USEPA programmes, but the Bush White House imposed considerable budgetary restrictions, with the result that the USEPA did little hiring during the Bush II Presidency. This contrasted enormously with George Bush senior’s administration substantial increase in the USEPA budget.
as well as a respect for the strict application of environmental regulatory law, a presidential era that many USEPA officials remembered fondly. The budget cuts of the Bush II White House compelled the USEPA office to re-prioritise what they saw as vital activities and abandon less essential items (Interviews, USEPA officials, 2007-2008). This led to a substantial re-direction of USEPA effort without a very visible national confrontation over environmental laws and protection as witnessed in the Gorsuch period.

The climate change case study arguably starts with the USEPA publication of two substantial documents on the issue in the 1989-1990 period (Landy et al., 1994, 291-295). There was a tremendous examination of the science but a general conclusion that much of the science was uncertain. Nevertheless, the reports argued for stringent efforts to reduce greenhouse emissions. The Bush Sr. administration was unwilling to follow through with substantial mitigation agenda either at the national or international level. The Clinton era saw a more favourable approach to climate change, but it is the USEPA relationship with the George W. Bush Presidency that illustrates many of the key PA dynamics.

For most of the Bush II Presidency, the USEPA focus on climate change was relatively limited. President Bush announced in 2002 the plan to reduce greenhouse gas intensity by 18 % over a decade (USEPA, 2009 23-24). The USEPA was encouraged to pursue some lesson drawing about climate change instruments, but this exploration was centred on designing and managing a number of voluntary climate efforts, as well as exploring technological solutions in areas such as transport (USEPA, 2009 23-24). Accordingly, the USEPA joined the Department of Energy to implement the ENERGY STAR programme to promote energy-efficient products and processes.
This constraint was reflected most significantly in the actions and outlook of the Headquarters Unit, which is based so near the White House. There was a clear recognition that a more interventionist USEPA program was not possible given the orientation of the Bush Presidency. Numerous interviews have suggested that a number of lower level managers in the EPA Headquarters were simply ‘waiting’ (and hoping) for Obama (Interviews, USEPA officials, 2007-2008).

However, this does not reflect the overall USEPA involvement on this subject. The lower layers of the USEPA have been involved with a number of state initiatives as well as carrying out their own limited activities in this area.

This dynamic changed further as other national institutions collided with the Bush administration. In 2003, the governors from Connecticut, Delaware, Maine, Massachusetts, New Hampshire, New Jersey, New York, Rhode Island and Vermont started talks to develop a regional tradable permits scheme for emissions for power plants. In 2005, this group of states, excepting Massachusetts and Rhode Island, signed a memorandum of understanding to create the Regional Greenhouse Gas Initiative. Later Massachusetts, Rhode Island and Maryland joined (http://rggi.org/about/history, March 2009). The program started its cap and trade system with an auction in September 2008. The geographic location of these states is important. Although a number of them had Republican governors, all of the states felt a need to tackle this issue in the absence of Presidential leadership. This left the Regional Headquarters of Region 1, which covers the New England states, and of Region 3 (Mid-Atlantic States) with a balancing act.

The reality of the USEPA is that the more regional elements of the agency must work closely with the state governments and environmental protection agencies to ensure that the national laws and regulatory targets are met. In this context, the Region 1
leadership decided to consult closely with the governors, giving advice and making suggestions. This effort maintained low visibility, without a specific budget; resources within the offices were shifted from the traditional handling of issues to this climate change question. This Regional EPA effort would constitute alliance building around the climate change objective, but not active policy leadership as shown by the states. This effort has taken an international dimension as the same governors held discussions, again with the support of the regional EPA officials, with the Canadian provincial premiers who were emphasising climate change.

The Regional offices have been able to carve out their own small niches to tackle climate change even during the Bush II era. This suggests both government learning and lesson drawing.

To illustrate this in more detail, each Region has had to implement the Safe Water Drinking Act. To fulfil the objectives of this legislation, the top managers of Region 1 actively shifted their focus to incorporate the issues of climate change, using the rationale that the potential impact on water systems due to climate change raises questions for the drinking water objectives. To some extent this responded to the thinking of the national media office, the Office of Water, which has had to address this question. While this is technically outside the statutes, it nevertheless could be a very important issue linkage. Therefore Regional office 1 shifted some resources at the margins to address this problem and examined water studies that investigated the issue. It also has meant turning the tools at hand dealing with the water issue to the linked area of climate change, such as the monitoring of the waste water industry’s energy efficiency. A similar shifting of effort and purpose occurred in energy conservation efforts.
Other regions have tackled other angles that were of greater concern. The state of California has taken a very visible line against the USEPA and the Bush executive; the state filed a lawsuit against the USEPA to force a decision about whether California could enact emission standards on cars, light trucks, and sport utility vehicles. The USEPA Administrator still denied the waiver allowing California to do so in 2008 (Young 2007; GAO, 2009).

It is important not to overstate the impact of USEPA innovation. Much of the USEPA activity was done under the policy radar screen at the national level and at the margins. The reality is that the tide towards climate change was turning in the United States during the Bush II administration. On the one hand, one of the other principals, the US Congress, saw several bills get developed with the idea of directly tackling climate change, creating some clear blue water between these Congressional actors and the White House. Furthermore, the Bush Presidency and Congress did manage to agree in December 2007 a new energy bill which included legislation improving fuel-efficiency standards for passenger vehicles for the first time since 1975 (Baker, 2007).

However, of more immediate importance to the USEPA was the US Supreme Court 2007 ruling against the USEPA. Here a number of petitioners, joined by the state of Massachusetts, sought to see greenhouse gas emissions as pollutants that can be regulated under the extant US law, namely the Clean Air Act; the Court took the position of the petitioners (Supreme Court of the US, 2007). The USEPA responded to this Supreme Court decision by empowering the Office of Air and Radiation to develop a rule to tackle greenhouse gasses through the mechanism of the Clear Air Act. The Office of Air and Radiation is in the process of drafting this rule (USEPA, 2008). There is a larger regulatory question of how effective and efficient it would be
to regulate the complex issue of climate change under regulations designed for other air pollutions concerns (Interview, USEPA official, 2007). The Obama administration seems to be wrestling with the question of how far such efforts should be expanded within the Clean Air Act, or whether a new pollution act should be the central response (Cappiello, 2009).

With the establishment of the Obama administration and new political appointees, a number of notable changes can be seen. In response to the scientific review ordered by the 2007 Supreme Court Decision, the USEPA Administrator Jackson proposed that the current and projected concentrations of the six key greenhouse gases be considered a threat to the ‘public health and welfare of current and future generations’ (USEPA, 2009). This action, an acknowledgement of the climate change threat, triggered mandatory action under the Clean Air Act. In addition to the extant provisions in the Clean Air Act, Obama signed the American Recovery and Reinvestment Act on 17 February 2009. This Bill provided the USEPA, among other things, with $6 billion to improve wastewater infrastructure and to improve/protect surface and groundwater and drinking water quality (Recovery.gov, 2009). Such funding tackles energy efficiency and the ability of water systems to cope with climate change. The Obama administration managed to secure an agreement (between the USEPA, the Department of Transportation, the United Auto Workers, the automobile manufacturers, the state of California and other state governments) to adopt new national fuel efficiency standards for all new cars and lorries sold in the USA (White House, 2009).

In terms of broader climate change policy, the Obama administration’s main plank relies on the US Congress creating a climate change bill that would include a cap and trade scheme. The Obama administration has announced the target of 14 to 15%
reduction in greenhouse gas emissions from 2005 levels by 2020. The Congressional
bill, which is required for the United States to meet the obligations that the US
representatives currently negotiate with China and other global actors, faces a difficult
passage in the latter half of 2009 (McKie and Helmore, 2009).
To a large extent this recent USEPA history does suggest that there has been some
discretionary action informed by USEPA social learning, government learning and
lesson drawing, but that the much more significant changes that the USEPA has
witnessed have been in the changes in thinking amongst the principals, particularly
the White House.

*The EEA Evolution and Consequent Position for the Climate Change Challenge*

Following the adoption of Regulation 1210/90, a task force within DG XI started the
EEA groundwork. For five years the team developed information concerning
individual environmental themes and the CORINE data inventories, (IEEP and EIPA,
2003, 26; House of Lords, 1995). More important for PA dynamics was the effort to
form relationships with other institutions. The formal acknowledgement of these
relationships usually consisted of protocols/MoUs (Memoranda of Understanding, see
House of Lords, 1995).

From 1994 to 1999 the fledgling agency worked to increase its staff to achieve the
Regulation aims (Caspersen, 1999, 72; House of Lords, 1995). The EEA also
followed a five year Multi-Annual Work Programme focusing on specific projects.
The EEA organisational chart outlined a Director’s Office, an administrative
department, three operation departments, an oversight Management Board and a
Scientific Committee.
Given the explicit Regulation mandate to base the network system on the extant
European structures, the EEA had to work with national institutions. The EIONET
network contained 9 European Topic Centres (ETC) that constitute groupings of specialist research organisations (EEA, undated). Also present were the National Focal Points, national institutions charged with assisting in the preparing and implementing the EEA work programme and the EIONET’s development. Regulation Article 14 specifically mandates EEA co-operation (but without duplicating effort) with other international organisations (Council of the EC, 1990). Thus the Regulation required a global dimension to the EEA’s networking.

The original Regulation required a Commission review of the Agency’s performance after two years, with proposals concerning additional tasks, for the Council’s consideration (Council of the EC, 1999, 1). The actual Regulation revision process started in 1997. As noted previously, several principals viewed this provision as a mechanism for expanding EEA powers in a desirable direction. Simultaneously, however, the review could be a negative PA monitoring tool that assessed performance, potentially triggering constraints and sanctions. The review could produce widely varying results depending on the support and view of the clients/principals, particularly the Council, the Commission and the EP.

The ensuing Regulation 933/1999 was not such a dramatic tool, but it included important changes of nuance. The Revised Article 2 changes the aims ‘to provide the Community and the Member States with the objective information necessary for framing and implementing sound and effective environmental policies’ (Council of the EC, 1999, 2). This changed the interpretation of the EEA role as not simply a database collector but one involving an explicit policy function. The Regulation also specified that the Agency utilise the data generated by Eurostat and the national statistical offices; this reinforced the reality that the EEA was only one of several competing data agents in this PA relationship.
This revised Regulation pushed the Agency to engage in some internal government learning, via reforming its information systems and gaining a new focus on sectoral integration and prospective analysis (IEEP and EIPA, 2003, 26). The revised Regulation still enshrined a PA monitoring process, requiring a review of the agency’s performance and efficiency and mandating a 2003 report, to be submitted to the key Principals (the Commission, Council and EP) for assessing the Agency’s progress (Council of the EC, 1999, 2).

The Arthur Andersen evaluation assessed the 1994-2000 EEA performance in a positive light, affirming the need for the Agency and EIONET (IEEP and EIPA, 2003, 26-27). The evaluation praised the network for linking the agency to capacity-building at the national level. It argued that the Agency’s work needed to fit more closely with the principal clients’ needs, but that it could not serve all users and nor policy areas given extremely limited resources. Acting as a monitoring device for the principals, the review argued that the EEA’s role needed to shift from providing stand alone products (such as reports) to providing services to the policy-making actors. Such a recommendation could encompass a strong element of task expansion involving influence over the policy process (Ibid). The 2003 Review (IEEP and EIPA, 2003) also triggered an explicit Council statement enshrining the EEA’s independent role as serving the entire EU (EEA Actor Interview, 2007; Commission, 2003).

Another active PA mechanism was the EEA Management Board, which acts as body representing the various principals (member state representatives, Commission officials and EP-selected appointees). The Board must approve the EEA work programme and various organisational/staffing decisions, and it acts as conduit of information and network between the EEA and its principals.
The core PA relationships have evolved as have the mechanisms (the nature of the Management Board has become more diffuse with enlargement). The relationship with Commission DG for Environment, the key interlocutor between the Commission and the EEA, has ambiguities given the Commission’s traditional role as guardian of the treaties and the fact the EEA budget is located within the DG Environment Budget. The DG has special control over EEA and can make proposals. This has led to a perception among some DG officials that the EEA is taking the DG’s money and accordingly obligated to do its bidding (EEA actor interview, 2007; IEEP and EIPA, 2003, 62-63). An effort by the EEA leadership in the 1990s to enlist the EP as a PA counterweight to the Commission exacerbated matters without stimulating the desired MEP interest (EP official interview, 2007).

The policy role has been core in the EEA evolution away from simply writing reports and maintaining information integrity. This moves the Agency into tension with the Commission’s policy role as an agent. In the 1990s, the Director Generals of DG Environment viewed themselves as the chief client and actor responsible for policy and that the EEA should focus on data collection. The 1998 and 2000 budget discussions led the DG to push heavily for the EEA downgrading lower priority tasks (IEEP and EIPA, 2003, 38-40, 61-62). Nevertheless, the EEA actors understand that the question of data and the provision of environmental information are ambiguous; data gathering is not a neutral activity. Even mere data organising raises issues of how policy problems are perceived and how policy works (EEA Interviews, 2007).

Since 2000, the Commission and the EEA have constructed a more collaborative relationship although differences in opinion remain about the EEA role in policy implementation and effectiveness (IEEP and EIPA, 2003, 42-42). This partly reflects a politically more discrete and sensitive EEA approach and senior management
relationships to the DG, compared to the 1990s (EEA and EP official Interviews, 2007; IEEP and EIPA, 2003, 60-62). Regular interaction at both the top and lower management level has aided mutual communication and understanding (EEA Interviews, 2007).

This suggests substantial government learning over time about discerning the boundaries of the EEA roles (EEA Interview, 2007). One illustration was the EEA commitment to the operation of an Environment Data Centre. High level Commission leadership had promoted this objective to share management of databases amongst the EEA, DG Environment, Eurostat and the Joint Research Centre; the EEA conducted an internal reorganisation to solidify its co-operation (EEA, 2006, 50). One of the core internal changes within the EEA has been a restructuring of its teams and mid-level management and increased focus on technical and management training (EEA Interview, 2007). The 2001-2004 restructuring increased mid-level management to supervise project managers and to provide more focused groups for studying issues, as well as data integration across policy sectors and environmental themes (EEA, 2004, 26-28). This move was partly a signal to the principals about the EEA commitment to fundamental aims-centred data collection and to interacting with the Commission, Eurostat and other institutions. The Commission’s thinking also has evolved: its 2003 review acknowledges the importance of EEA’s role and accepts a potential extension of EEA support activities ‘along the entire range of stages of the policy cycle’ (Commission, 2003, 10; EEA interview, 2007).

Service to the entire Community raises the question of the other PA relationships and potential government learning: the EEA has developed gradually stronger links to the Council and groups of like-minded member states (IEEP and EIPA, 2003, 42). The EEA has undertaken various collaborative efforts, including the development of
conferences and the provision of background notes. Changes in EU policy demands found in the system have supported this expanding EEA policy role (IEEP and EIPA, 2003, 28-29). Thus the Cardiff process and the Sixth Action programme generated particular policy requests (by the clients/principals) that the Agency could respond to with specific information. Since 1998, the EEA has worked with the Commission and Council Presidency in actual policy development, in such areas as the Greenhouse Gas Monitoring Mechanism; EEA staff made presentations to the informal Environment Councils (IEEP and EIPA, 2003, 32). The EEA made two initial efforts to assess the policy effectiveness of packaging waste implementation and on urban waste water treatment directives.

The EP Environment Committee views the EP as a client (principal) and has asked the Agency for a number of ad hoc reports. The Committee laid out the need for background material on Commission legislative proposals and on related member state activity. Part of this request was a conscious EP effort to boost the EEA scope to conduct a level of discrete, limited policy analysis; a memorandum of understanding between the EEA and EP concretised this effort (EP official interview, 2007).

The EEA has exploited its role as a network agency to build closer ties with actors inside and outside the EU policy-making process. The EEA officials carefully adhere to the original Regulation, which has the ambiguity to give limited scope for task expansion (Interviews, 2007). For the EIONET to function properly, the EEA must interact with member state officials, scientific experts, and civil society stakeholders as well as the EU institutions.

EEA officials adhere to the Regulatory requirement to engage with international organisations. They engage with third countries and international institutions in a way
to showcase EEA policy knowledge as well as ideas about networking and data
collection, based on the EU experience (EEA Interviews, 2007).

Compared to the policy developments in packaging waste and urban waste water
treatment, the EEA focus on Climate Change takes a more traditional form, but even
this suggests a certain policy engagement. The main focus is to help monitor and
assess the EU progress in achieving its agreed greenhouse gas emission policy targets.
Its new strategy has a number of short-term objectives, including the creation of an
Environmental Data Centre in the area of Climate change in 2009; this will contribute
to the gathering of country information (EEA, 2009, 11, 19).

The EEA also seeks to provide analysis for the planning of a European low-carbon
economy as well as the provide support information for the latest attempt at an
international climate settlement, which meets in 2009 in Copenhagen. The low-
carbon economy analyses include the study of integrated mitigation and adaptation
outlooks, as well as analysing future scenarios across a wide range of developments.
Special attention is also devoted to improving and maintaining information and
indicators of the climate change impacts, looking at current trends as well as
hindcasting and forecasting Europe’s climate (EEA, 2009, 19). Concerning the
climate change issue, the EEA’s positioning reflects its more standard PA
relationship, providing data as well as a small amount of policy analysis to the
Commission, member states and the EP.

The EA Evolution and Consequent Position for the Climate Change Challenge

Since its 1996 creation/amalgamation, much of the EA learning effort has been
internal governmental learning. The EA staff had to make sense of the EA’s complex
new structure and features (e.g. matrix structures, see McMahon, 2006, 156-157). The
1996-1998 transition also witnessed the lack of management consensus about the
agency’s tasks and processes. The communication and co-ordination problems and unfamiliarity generated a substantial period of low morale (Interview, EA Official 2007; House of Commons Select Committee, 2000). Many EA staff complained that the move had destroyed the sense of mission that they had possessed previously (Interview, EA officials, 2007). An additional challenge facing the EA was the complexity in the principals that the EA must answer to. The principals included the Government in London as well as the relevant House of Commons and the Welsh Assembly.

From 2002 to 2009, the EA has undergone considerable changes: there has been a considerable personnel movement, which partly explains the gradual ease in tensions (Interview, EA officials, 2007). The Head Office sets agency policy and defines how localities interpret legislation, but the regions conduct the direct regulation. The EA management restructured the headquarters into 3 strands: policy setting unit, the unit translating policy into detailed instructions for regions and the Science Department. The reorganisation’s aim has been to ensure that a consistent policy and set of instructions trigger an undeviating decision-making process at the regional level (Interview with EA official, 2007; House of Commons Environment Committee 2006, 16-17).

Reorganisation has also reflected a larger reality that the agency has had to respond to budgetary pressures. In 2007, the Agency had to implement a 5% efficiency target set by the government as well as a short-term severe spending cut being carried out by DEFRA to meet a recent overspend in the agriculture area (Interviews, EA official, consultant 2007). National pressures are not solely budgetary: the UK government has set a premium on quantifiable targets to demonstrate agency efficiency. Currently, the Agency is considering how to plan long-term cuts in various areas. However,
some areas, e.g. increased flood defences (arguably reflecting a new kind of policy problem), are ring-fenced but also an enormous drain on agency resources and effort (Interviews, EA official, consultant 2007). Such external constraints as 2007 flooding and the DEFRA budgetary crisis have disrupted EA planning.

Within the EA one can discern an instrumental learning that has some social learning elements: there has been a major rethink of how the agency regulates industry. The limited social learning is most concretely demonstrated by the modernising regulation initiative, which existed within the Agency even before becoming a priority of the New Labour government. This is partly recognition that the management of regulation must be done to maximise efficiency, given the kind of constant resource constraints mentioned above (DEFRA 2003, 12-16; House of Commons Environment Committee 2006, 13-15).

There is some evidence of the EA leadership and representatives working hard to shape both international and regional networking and thinking. The EA Chief Executive Harman gave considerable attention to the Networks of the Heads of Environmental Protection Agencies; making the EA one of the primary leaders. The network discusses various issues, including how agency leaders conduct both political and policy strategy with respect to their respective contexts (Interview EEA actor, 2007). The Agency has helped drive some of the group’s stances, including the 2006 Prague meeting statement declaring regulation’s positive impact. With DEFRA, the EA is also very active in the Implementation and Enforcement of Environmental Law (IMPEL) network and the EEA networking activities. The EA pushed the better regulation agenda heavily in these fora (Interview, EA officials, 2007).

The EA’s EU and International Relations office undertakes a number of networking projects around the world. Networking on a multilateral and bilateral process is a clear
priority to extend the EA impact. One must avoid overstatement as the relatively small staff and budget devote considerable focus to large national priorities (e.g. flooding, waste management and so forth, Interview EA Official, 2007).

The recognition that the EA is a competent authority for implementing EU regulations necessitated Agency involvement in the discussion of new EU measures. However the policy community recognised by the end of 2000 that the EA involvement varied significantly depending on the policy area and, on the whole been relatively reactive and less strategic in the past (Consultant interview, 2007). Nevertheless, over time the Commission has learned to listen to the Agency and recognise that it has a significant voice distinct from the government (Interviews, Consultant and EA officials, 2007). This separate identity from the principal, the UK government, has gained recognition internationally. The Agency has taken an evidence-based approach to its argumentation that the Commission finds useful; the EA has also pushed the better regulation agenda in the EU fora (Interview, EA officials, 2007). The EA influenced the EU process formulated, for example, the general structure and specific (e.g. groundwater) provisions of the Water Framework Directive - Interview, EA official, 2007). Similarly, the EA has helped articulate the UK promotion of risk-based calculations in the formulating environmental management, such as the Contaminated Land Directive (Interview, EA official, 2007). Although the EA has an EU strategy as well as Concordat of Understanding to undertake various roles at the EU level, its engagement with the Commission on policy issues is prescribed (Interview, EA official, 2007; House of Commons Environment Committee 2006, 29). DEFRA is careful of its policy-making and EU representative role; it takes Agency people to support its Council negotiations, but the Agency does not solely represent the UK.

The EA also must maintain the Ministerial (the principal) line (Interview, EA
officials, 2007). In its care over its role, DEFRA makes much of the effort to network with both the Commission and other EU institutions such as the EEA. The EA has to keep its efforts of networking from competing with DEFRA’s efforts. These networking efforts constitute government learning as the EA actors seek to reshape the boundaries of their roles and responsibilities with respect to external actors. In this context, the EA approach to climate change has a striking element of a balancing act. There was some debate about whether the EA had responsibility for climate change policy beyond its tremendous responsibility for climate change adaptation, in the form of flood control. The main EA focus is on enforcement, but it has increasingly seen its general UK policy role as a champion for environment (Interviews, EA officials, 2007). However, the lack of a remit to engage with energy and transport sectors sets natural constraints on the EA policy engagement on climate change.

Assessing the EA’s traditional strengths, there is less scope for the EA role in modelling of climate change since there is a very advanced and healthy activity in other institutes within the UK. But the EA does have the scope to be involved in assessing how the changing climate will evolve. One of the key strengths of the EA is its advanced integrated catchment strategy, which allows officials to obtain data on rainfall and temperature. Therefore the EA focus is less to deal with mitigation issues than with the monitoring and adaptation roles while the mitigation fights occur at the EU and UK ministerial levels.

The EA balancing act, applicable to its general situation and its role in climate change can be neatly summarised in looking at budget resources. On the one hand, the EA role in the UK policy adaptation towards climate change is fundamental. A central, and ring-fenced, part of the EA budget deals with flood control, identified as being a
consequence of greater uncertainties caused by the changing water patterns. There has been more promise of UK money to deal with flood risk. Indeed there was some Agency concern in the fact that government pondered whether a standalone flood agency would be more suited to dealing with the future flooding challenge; however the government review covering flood policy did not embrace this idea (Interview, EA officials, 2007). This possibility seems to have moved off the agenda, but it suggests the general insecurity of context facing the agency.

This is much truer of the wider agency situation, where substantial cuts are being planned; these are affecting both the policy sectors as well as the science wings of the Agency, many of which deal with activities with linkages to climate policy and climate adaptation. The 2008 EA restructuring preserved climate change as a separate programme (Interview, EA official, 2007). More than one official interviewed for this project has suggested a trend across the policy offices is to try and incorporate climate change in their descriptions of the projects they are hoping to fund (Interviews, EA officials, 2007). Various efforts were made to link current projects to this new interest. In terms of the EA strategic documents, the EA has pronounced the need for increasing the work on adaptation, planning to initiate an Adaptation Programme by April 2010, which would be incorporated into the agency’s next Corporate Strategy (EA, March 2009).

The network links with the Commission did help the EA to convince the Commission to accept the UK approach to flood risk management. Here the EA worked closely with DEFRA. EA has large investment in mapping flood risks, but the Commission proposed a flood risk proposal that was substantially different from the UK one. The EA representatives managed to explain what the UK was doing and persuade the Commission to tweak its draft to allow the EA to keep its system in place.
Conclusions

The comparison of three very different agencies has limitations: it matters that the USEPA involves a cabinet level leadership, and that both it and the EA are powerful regulatory bodies. In contrast the EEA is a small agency managing a large network. It is problematic to overemphasise the changes in the EEA: the overall EEA impact on the environment, compared to the other two agencies, is quite small.

Nevertheless, interesting comparisons abound. All three agencies started as political ideas capturing the environmental spirit of the particular context. These ideas were very thoroughly negotiated and transformed in a way suggestive of Moe’s depiction of the structural choices and negotiations that occur at the start of an agency’s history. In all three cases, coalitions of actors arrayed themselves to give the agency more or less scope, often due to an institutionalist desire not to radically transform existing bodies and networking relationships. The consequence of these discussions was that the consensus could only establish an environment agency burdened with a weight of diverging responsibilities and expectations but also a set of problematic paths.

The subsequent histories warn against a straightforward presentation of a PA relationship. In all three cases, multiple principals created complex dynamics that the agency could work to its favour, as suggested in government learning. They also suggest strong restraining conditions for any potential entrepreneurship and learning. In the EA and EEA cases, the dynamics created by competing agents who might be principals looms large.

With the widest regulatory scope, the USEPA has had to act within a number of overarching constraints set by the principals. In recent decades, this was not simply a
case of having political appointees in charge of each major unit. The Executive has asserted control through the mechanism of the OMB and the process of approval for initiatives as well as through budgetary allowances. To some extent, however, this has been mitigated by the reality of multiple principals, particularly Congress as well as multiple constituencies. The multi-level nature of the USEPA also increases the scope for discretion and ‘shirking’ at the more local level.

The EEA has far less regulatory scope and is much more marginal in terms of policy impact. Nevertheless, the reality of the multiple principals has created opportunities for growth; at the same time the EEA must follow a careful balancing act as it faces not only multiple principals but other competing agents (a key one being the Commission where the staff also sees themselves as principals over the EEA). This ambiguous sense of principal versus competing agent also strikes a chord in the EA history where DEFRA has been strong in protecting its prerogatives.

In terms of learning approaches, the agency histories suggest some government learning. Government learning suggests that agency officials will learn to adapt to political and organisational contexts. Such learning across the entire agency is much clearer in the EA and EEA cases. Both agencies underwent substantial management and organisational changes that reflect agency adjustment to internal developments and external pressures; this in itself is not learning but institutional adaptation as well as perhaps ‘sedimentation’ as defined by Streeck and Thelen. Simultaneously both agencies have invested heavily in network and building relationships with the principals that they are most heavily engaged; this purposive networking behaviour suggests more strongly government learning. The EEA has advanced farther in this task expansion - in part because it had the greatest distance to travel: its growing presence in policy analysis compares starkly with the EA’s large, inherited regulatory
responsibility. Inherent in this learning was an increased appreciation of the role of networks and information which takes the form of lesson drawing. By contrast, the massive, multi-level organisation of the USEPA suggests that localised learning might have happened but is harder to identify systematically beyond the individual offices. There is some evidence for social learning being generated by the agencies in isolated cases, but it is less clear how systematic across each agency such learning is. On the issue of climate change, it seems more a case that the social learning has occurred at the EU, UK and US levels in the respective executive bodies and governing political parties, and that the agencies have responded accordingly. The illustration of the EA pushing hard for new understandings of making regulations more efficient, which involves some re-thinking of policy values and principles, suggests that a social learning track, which then informs instrument learning (lesson drawing).

Also requiring further systematic study across various policy issues is the question about whether the agency relationships with their principals reflect either the classical PA or another scenario. In all three cases, the neat PA relationships are challenged at the very moment of institutional design, strongly supporting Moe’s argument. However it is less certain that Moe’s long-term pessimism is merited in these cases over time.

Efforts by key principals to monitor and control agency behaviour are in evidence. In the USEPA, the major aspects of climate change policy was clearly defined by the positions taken in the principals, particularly the Presidency; it is only when the US executive loss the Supreme Court case that the shift to greater regulatory intervention occurred. The evolution of the USEPA relationship with its principals suggests that the OMB has increasingly been wielded to maintain control, but the changes depend more on the principals and the actions they pursue.
In the EEA’s case there are periodical EEA reviews, the Management Board, and the founding Regulation itself. In the EA case, DEFRA controlled the policy decisions, as well as the EA budget and access to the EU. Both of these agencies have shown a concerted effort to improve their internal organisation but also to reach out to their specific principals as well as other actors through networking. This suggests that some expansive coalition building is altering but perhaps not yet transforming the principal-agent relations in both cases. However, the relative newness of these organisations (1989 and 1996) suggests some scope for the future.

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