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ABSTRACT   This article examines the role of formally independent regulatory agencies (IRAs) in policy-making, focusing on six cases concerning the revision of crucial laws related to the competencies of the investigated IRA. These cases were selected from three small European countries (the Netherlands, Sweden, Switzerland) and two policy areas (finance and competition). After collecting documental and survey information on the participation and weight of each actor, the Actor-Process-Event Scheme was used to obtain a synthetic measure of agencies' centrality in the course of each policy process. My hypotheses on the centrality of agencies are then tested with a two-step Qualitative Comparative Analysis. Results suggest that de facto independence from the political decision-makers is a necessary condition for the maximal centrality of agencies in policy-making, whilst non-professionalization of the legislature and low independence from the regulatees are jointly sufficient for explaining this outcome.

KEY WORDS   Agencies; APES; independence; policy-making; QCA; regulation.

1.   INTRODUCTION

The focus of this paper is on formally independent agencies that possess regulatory competencies (IRAs). Not all agencies are regulatory agencies: some have only executive tasks; others are simple consultative organizations for policy-makers. Not all agencies are formally independent; some are in subordinate relationships with public administration and ministries. Instead, IRAs are defined as 'governmental entities that possess and exercise some grant of specialized public authority, separate from that of other institutions, but . . . neither directly elected by the people, nor directly managed by elected officials' (Thatcher and Stone Sweet 2002: 2). Additionally, I am interested in the most powerful and institutionalized agencies, particularly those with a specific organizational model (chairperson or director, board or similar body, own secretariat), which benefit from the broadest array of regulatory competencies, such as rule-making, supervision, adjudication, and sanctioning.

   This institutional model has been extensively adopted in almost all regulatory fields in Western countries. And, where older agencies were already established, their competencies and their formal independence have been strengthened

(Gilardi 2002). The diffusion of IRAs is related to the fact that since the 1980s, the post-war settlements of 'welfare capitalism' have been severely challenged, but in an unexpected way. While several studies emphasize how the spread of liberalization and privatization restrains the room for political manoeuvre, and other scholars point out the increase of deregulation, the approach of the regulatory state (Majone 1994), or, more broadly, regulatory capitalism (Levi-Faur 2005; Levi-Faur and Jordana 2005), underlines the expansion and intensification of stricter regulatory arrangements with competencies of execution principally delegated to non-majoritarian regulators (Coen and Thatcher 2005). In Western Europe, the spread of IRAs is due to a mix of factors concerning the mechanisms of emulation among countries, top-down initiatives – above all, European Union policies – functional pressures for improving the credibility of national policies, and political strategies, such as blame shifting (Gilardi 2005b). We shall expect that IRAs play a key role in policy-making. First, IRAs should possess the technical expertise and exclusive pieces of information that can be considered useful for developing the 'best solution' to a given problem. Second, their agreement can be considered necessary by the political decision-makers in order to ensure the proper implementation of the new laws. Third, agencies can be included in order to legitimize a preformatted solution developed by the political actors in favour of a given reform.

Accordingly, the development of the regulatory state in Europe (Majone 1997; Moran 2002) and the transformation of West European policy styles (Richardson 2000) fostered a wave of research on the impact of agencification on policy-making. A common finding is that the expansion of regulatory governance may lead to unintended consequences and to the alteration of the modes of political interaction (McGowan and Wallace 1996; Pollitt and Bouckaert 2004; Wilks and Bartle 2002). Wilks and Bartle demonstrate that competition agencies, although created essentially for symbolic purposes and not expected to be factually dynamic in rule-making or implementation, have gradually redefined their roles so as to exert a material impact on market economies. There is also evidence that contextual factors shape the functioning of agencies beyond statutory prescriptions, implying potential implementation problems (Christensen and Yesilkagit 2005; Christensen and Laegreid 2005; Hood *et al.* 2001; Peters 2001; Pollitt *et al.* 2004). Similarly, some studies emphasized the changes introduced by IRAs in decision-making processes, which have dramatically opened up, in contrast to closed processes before delegation (Coen and Thatcher 2005; Thatcher 2002b). As a consequence, it seems that independent authorities have become the 'third force' in regulation, in terms of constituting a separate group of actors from elected politicians and regulatees (Thatcher 2005).

However, a number of crucial questions are still on the table, namely concerning the factors explaining the varied role of IRAs in policy-making, from a systematic comparative perspective that entails an investigation of the whole policy process. One of the major reasons for these gaps in the literature is

plausibly the absence of a way of conceptualizing the role of agencies that can be used in cross-national and cross-sectoral studies. In an effort to address these issues, the role of agencies will be made operational in this article with a measure of agencies' centrality in policy-making, assuming that central actors hold a key role in the process (see section 3.3). Hence, my research questions can be summarized as follows:

1 Are IRAs more central in the policy-making process than other actors?
2 In which stages of the policy-making process are IRAs the most central?
3 What explains the expected variations in the centrality of IRAs in policy-making?

The rest of this paper is structured as follows: first, I will present five theoretical expectations to explain variations in the centrality of agencies in policy-making. Second, I will present the logic of the comparison. After discussing how to compare different decision-making processes and case selection, I will operationalize the 'dependent' variable – the centrality of IRAs in the course of the decision-making processes – with the Actor-Process-Event Scheme. The Qualitative Comparative Analysis (QCA) follows. According to the analysis, de facto independence from the political decision-makers is a necessary condition for the maximal centrality of agencies in policy-making, and the combination of non-professionalization of the legislature and low independence from the representative of the regulated sector (i.e. the regulatees) is jointly sufficient for explaining this outcome.

2. HYPOTHESES

Hypotheses are presented separately; nonetheless, I leave open the possibility of finding complex causal patterns, in line with the partially inductive focus of the QCA technique, oriented towards exploration and discovery (Schneider and Wagemann 2003). The first hypothesis is descriptive; hypotheses 2 and 3 relate to remote explanatory factors; and hypotheses 4 and 5 refer to proximate factors (Schneider and Wagemann 2006).

Hypothesis 1: The centrality of IRAs in policy-making. In European countries, many regulatory functions are delegated from elected politicians and ministries to highly specialized formally independent regulatory agencies, which benefit from a unique acquaintance with the regulated sector, according to a fiduciary principle (Majone 2001a). In addition to their statutory competences of rule-making, supervision, and sanctioning, agencies are likely to initiate new legislative procedures, offer their expertise to the decision-makers, and ensure implementation of the new rules. We expect IRAs to be integrated extensively in the political processes, more than extra-parliamentary commissions, in which experts and interest groups participate mainly for consultative purposes, and more than ordinary agencies, which are subordinated to their principal (i.e. the ministerial level).

- *IRAs are expected to hold the most central role in the course of the political decision-making processes in their area of competence.*

Hypothesis 2: The political-administrative culture. I focus on agencies that enjoy formal independence from elected officials, that is, those that have statutory prescriptions of separateness enshrined in their constitutions. However, not only formal rules but also informal norms (Peters 2001) are expected to affect the role of agencies in substantive policy-making. Indeed, the perceptions of the appropriate role of organizations are encapsulated in the institutional ethos, practices, and expectations (March and Olsen 2004). We can distinguish between a vertically integrated system and a model in which a strict separation between political decision-making and administrative implementation exists. In the former case, no limitation to the inclusion of IRAs in the policy-making process exists. Conversely, we may expect that, in the latter case, equally formally independent agencies have fewer opportunities to influence the policy-making process because of a different logic of appropriateness, which characterizes the decision-making process as an exclusive competence of the ministerial departments.

- *The presence of a 'monocratic' system is expected to lead to the higher centrality of IRAs in policy-making, unlike a dual model.*

Hypothesis 3: The professionalization of the legislature and administration. We can distinguish between specialized, professionalized legislatures and a less professionalized parliamentary model in terms of resources and staff (Huber and Shipan 2002). In countries where the legislature is more professionalized, legislators should have the capacities and ability to write detailed, policy-specific legislation. This also depends on the extent to which political decision-makers can rely on civil servants who are directly under their hierarchical control for dealing with complex issues on the political agenda. On the contrary, if members of parliaments only have part-time positions that are relatively lowly paid, independent agencies should be intensively included in the course of the decision-making processes because of the constant need for expertise and technocratic legitimacy. Agencies are indeed highly specialized bodies that possess a distinctive expertise capacity in the field owing to their usually vast resources, their technical competencies, and their regular interaction with the regulated sector.

- *IRAs are expected to be highly central in policy-making where the legislature is non-professionalized.*

Hypothesis 4: Sector-specific opposed to general regulation. Delegating public authority to regulatory agencies is expected to improve the efficiency and quality of the regulatory process (Majone 2001c). Namely, in technically complex areas, the political decision-makers increasingly rely on experts (and private actors) to shape public policy (Héritier and Eckert 2008; Majone 2001b; Pollack 2002). Therefore, we can expect that the agencies' centrality in policy-making

should be higher in a technical sector, such as finance, than in general competition regulation, which is considered a more politically salient issue. In the former case, we might suppose that delegation to IRAs can be seen as the taken-for-granted technocratic tool for developing the 'best' regulatory policy by providing reliable pieces of advice to decision-makers. Conversely, in the latter case, IRAs can either not be involved or, from a more strategic point of view, formally included in a process in order to legitimate the prior position of the political actors that are in favour of a given reform without being truly influential to the development of the new law.

- *Sector-specific IRAs are expected to play a very central role in policy-making, unlike general regulators.*

Hypothesis 5: De facto independence. De facto independence of IRAs characterizes the effective autonomy of agencies during their day-to-day regulatory action (Maggetti 2007). First, a high level of de facto independence from the political decision-makers should be related to the need for including agencies in the process, as independent agencies detain crucial pieces of information that are plausibly essential for policy-makers. Instead, non-independent agencies should not necessarily be integrated in policy-making, because, owing to the permanent contacts and structural commonalities with the political decision-makers, the latter would previously possess the relevant information. Second, a low level of de facto independence from the regulatees is expected to lead to the inclusion of agencies in the decision-making process in order to overcome ex-ante their potential veto in later stages of policy-making. Indeed, the political decision-makers will plausibly perceive those agencies, which are 'captured' by regulatees' interests, as credible veto players (Tsebelis 2002) that might challenge the implementation of the new rules.

- *(a) High de facto independent IRAs from the political decision-makers should be central actors in policy-making.*
- *(b) Low de facto independent IRAs from the regulatees should be central actors in policy-making.*

3. METHODOLOGY

I will first adopt a comparative logic close to a 'most similar system design' to select a set of countries (Przeworski and Teune 1970) by comparing cases as similar as possible, those that differ only in those 'independent' variables ('causal conditions', in QCA terms), which should explain the variation of the 'dependent' variable ('outcome condition'). This method, combined with QCA (Ragin 1987), can be used to identify necessary and sufficient causes leading to the outcome (Mahoney 2007). This technique relies on Boolean algebra to perform a diversity-oriented systematic comparison. Each case is conceived as a combination of dichotomized (present/absent) causal conditions that leads to the given outcome. Given the number of cases and the nature of

variables, this method is particularly suitable for my piece of research. In addition, this allows the researcher to examine the hypotheses with a model that should correspond to the ontology of existing about the causal structure of the social world (Hall 2003), as described in terms of complex (i.e. multiple and conjunctural) causation (Ragin 1987, 2000), with interaction effects among contextual variables (Lieberson 1985, 1992), and 'equifinality' (Bennett and Elman 2006), that is, the assumption that different (combinations of) explanatory conditions could lead to the same outcome. Starting with these premises, we first need a number of policy-making processes 'as similar as possible' in which a relevant regulatory agency is expected to be included.

3.1 Modelling and comparing the decision-making processes

Here, the term *policy-making* is understood narrowly as law-making and conceptualized as the entire decision-making process of adopting/revising a new law (in the domain of the related IRA), from the agenda-setting to the policy implementation. How can we compare different political decision-making processes? A cross-countries and cross-sectoral comparison of decision-making processes is considered feasible. However, this enterprise is not straightforward, because the existent models of decision-making are extremely heterogeneous (Peters 1998). Moreover, it has been noted that any notion defining processes or institutions can hardly be applied as such to different cases, because its meaning is decisively contingent to the context in that processes and institutions are embedded (Rose and Mackenzie 1991). Finally, we should be aware of the risk of 'conceptual stretching', which Sartori derived from the inherent trade-off between the number of cases to which a concept can be applied and the precision of the categorization (Sartori 1970).

Nonetheless, it is possible to deal with these shortcomings. First, we shall start from a number of decision-making processes that are structurally 'as similar as possible' (across and within the countries) in order to distinguish the relevant variations due to the pertinent variables (Przeworski and Teune 1970). Similarly, in order to exclude any endogenous selection bias, we need to focus on some substantially comparable pieces of legislation. Third, we have to compare processes by dividing them into a number of events, which can be considered as functional equivalents across cases (Collier and Mahon 1993). In other terms, the policy cycle can be divided into a number of stages, which are not necessarily sequential (Howlett and Ramesh 2003).[1] Finally, we must compare our findings with the empirical literature in the field in order to distinguish trivial from relevant explanatory factors.

As a result, I decided to focus on a peculiar type of decision-making process, that is, those in small corporatist European states. Here, many shared characteristics among models of policy-making ensure a high level of comparability. For instance, they show a constant co-operation between the government/administration, the representatives of economic and social interest groups and political parties, in many crucial policy areas (Katzenstein 2003).[2] Moreover, the

pre-parliamentary phase is traditionally considered as crucial, as it predefines to some extent the scope of any possible decision taken by the more politicized parliamentary arena (Kriesi 1994; Papadopoulos 1997).

3.2 Case selection and causal conditions

Hence, I chose a number of small corporatist countries with a similar ideal-type of decision-making process. I selected three countries which fulfil these criteria: the Netherlands, Sweden and Switzerland.[3] The three countries can be seen as regimes close to the parliamentary type, (but) characterized by relatively weak executives (Siaroff 2003). Moreover, we can consider that the political decision-making process in Sweden, Switzerland and the Netherlands is, on the whole, consensual and corporatist-oriented (Lijphart 1999). On the one hand, political decision-making in all the selected countries is traditionally open and includes administrative actors and representatives of organized interests. On the other, the three countries present the fundamental characteristics of a consensus democracy, where co-operation between political parties and groups is institutionalized in order to simultaneously achieve a number of goals relating to economic and social policy (Armingeon 2002). Moreover, as required by **hypothesis 1**, the Netherlands, Sweden and Switzerland have a long tradition of extra-parliamentary commissions and expert committees.

The political-administrative culture (**hypothesis 2**) is made operational through the following distinction. The *Dutch* civil service is habitually presented as relatively depoliticized and shaped by a high level of formalism and legalism. It is comparatively quite small and fragmented (Andeweg and Irwin 2005). While agencies normally enjoy a high level of formal autonomy, the system is described as 'monocratic', that is, the public administration is subordinated to ministers, who are political executives with strong decision powers within their portfolio (Christensen and Yesilkagit 2005). In *Sweden*, the system is characterized by a principle of dual functioning that implies a strict separation between policy formulation, relying on ministries, and policy implementation. Agencies are perceived as autonomous, and often as performing semi-judicial functions, even if informal linkages with politicians exist (Peters 2001; Pierre 2004). In *Switzerland*, even if many implementation competencies are delegated to the cantonal level, factually they often overlap with the central administration (Kriesi 1995). The civil service, even if relatively depoliticized, is subordinated to the relevant departments and enjoys an important role in ordinary legislative processes (Ruffieux 1975).

Hypothesis 3 refers to the professionalization of the legislatures. In *the Netherlands*, the Second Chamber is composed of full-time members who enjoy a high level of professionalization. Specifically, the parliamentary committees are composed of parliamentary members who are considered to be valid policy specialists. Concerning the public administration, the recruitment is based on a position principle, which implies a high level of specialization (Andeweg and Irwin 2005). In *Sweden*, the parliament is strong (Colomer

1996) and disposes from considerable resources and overall professionalism (Copeland and Patterson 1994). The public administration is centralized, professionalized, and coherent (Kriesi 1994). The *Swiss* parliament is a semi-professional institution where each legislator combines professional activity with parliamentary duties and disposes from limited resources and staff. According to Kriesi, this weakens the assembly which lacks time, information, and competences (Kriesi 2001). Public administration is small and decentralized, frequently relying on extra-parliamentary commissions and quasi-state implementation agencies (Varone 2007).

Next, two different policy areas are selected so as to introduce more variation in the dataset and precisely to test **hypothesis 4.** The need to rely on agencies' expertise in policy-making is said to be related to the degree of technicality (either factual or politically constructed) of a given issue. It can be assessed through the distinction between highly technical sector-specific regulation and general regulation (Maggetti 2007). Therefore, I focus on two kinds of IRAs that are comparable pertaining to their organizational model and formal competencies (Gilardi 2008; Thatcher 2002a), that is, sector-specific banking and financial commissions (regulating an issue perceived as highly technical) and general competition authorities.

Agencies must also possess a similar formal independence (Gilardi 2002, 2005a) for which they should display a consistent variation concerning de facto independence from the political decision-makers and from the regulatees (Maggetti 2007) (see Table 1). For the operationalization of this latter condition, which is needed to test **hypotheses 5a and 5b,** I use data derived from Maggetti (2007) in which de facto independence is seen as a synthesis of two components (the self-determination of agencies' preferences and their

Table 1 Formal and de facto independence of independent regulatory agencies

IRA	Label	Formal independence	De facto independence from the political decision-makers	De facto independence from the regulatees
Konkurrensverhet	sweco	0.41	1	1
Wettbewerbskommission	swico	0.45	1	0
Nederlandse Mededingingsautoriteit	netco	0.46	0	1
Eidgenössische Bankenkommission	swibk	0.48	1	0
Autoriteit Financiële Markten	netbk	0.53	1	0
Finansinspektionen	swebk	0.54	0	1

autonomy during the activity of regulation), and a survey-based measurement is proposed. At the end, for each one of the six countries/sectors, I focus on an agency in a decision-making process that refers to the development of a crucial piece of legislation in the range of competencies of the related IRA in the years 2000–2006 (Table 2).

3.3 Conceptualizing the outcome condition

The 'explanandum' is the role of IRAs during the political decision-making processes under investigation. In order to obtain a single measure, I combine a structural and a reputational approach by asking the crucial actors the following questions: (1) Which actor participated in a given phase of the decision-making process? (2) What was the weight of each actor? The derived synthetic measure, aggregating participation and weight, is **the centrality of IRAs** in the course of a given decision-making process. This measurement can be further interpreted thanks to more detailed information on the participation and weight during any phase of the process.

Table 2 Case selection

Sector	Country	Piece of legislation	IRA	Label
Banking and financial sector	Netherlands	Act on the Disclosure of Major Holdings and Capital Interests in Securities-Issuing Institutions, 2006	Autoriteit Financiële Markten	netbk
	Sweden	Banking and Finance Business Act, promulgated in 2004	Finansinspektionen	swebk
	Switzerland	Stock Exchange and Securities Traders Act, revised in 2006	Eidgenössische Bankenkommission	swibk
Competition	Netherlands	Competition Act, revised in 2005	Nederlandse Mededingingsautoriteit	netco
	Sweden	Competition Act, revised in 2004	Konkurrensverhet	sweco
	Switzerland	Act on Cartels, revised in 2003	Wettbewerbskommission	swico

Concretely, the centrality of the political actors in the course of each decision-making process will be systematized and compared with the Actor-Process-Event Scheme (APES) (Serdült and Hirschi 2004; Serdült *et al.* 2005), an analytical tool that allows transforming process information into structural data in order to execute some simple operations of Social Networks Analysis. The APES is a two-dimensional graph that links the participating actors with the different stages of the political process under investigation. In the process axis, we need to select the crucial events that comprise one or more stages of a policy cycle (Howlett and Ramesh 2003).[4] In the actor axis, we can distinguish whether an actor participates in an event and place a value on the weight of his participation. The second step is the transformation of the APES into a policy network.[5]

Thus, we have to transform this matrix into an actor-actor one, with the adequate procedure in UCINET (Borgatti *et al.* 2002), to obtain the symmetric relations between all pairs of actors.[6] The result should represent the policy network derived by process data. We then have a matrix that provides parsimonious, clear, and comparable data that we can analyse using the classical Social Network Analysis tools. In this paper, I calculate the Freeman's centrality degrees of all participating actors and compare the range of values as ordinal categories within each policy network with the aim of discovering which ones play a crucial role (Knoke 1990). Freeman's measure is adequate for examining centrality regardless of the holistic properties of networks, as it is reasonable when studying decision-making processes.

3.4 The assessment of the outcome condition

To assess the outcome condition, which refers to the centrality of each agency, I focus on every actor who participated in the decision-making process based on both theoretical literature and existing documentation about the specific cases.[7] The next step is the partition of the policy process into a series of events starting with the existing literature over each type of decision-making process: Andeweg and Irwin (2005), Peters (2001) for the Netherlands; Colomer (1996), Kriesi (1994) for Sweden; Kriesi (1995), Sciarini (2002), Sciarini *et al.* (2002), Papadopoulos (1997) for Switzerland. Then, the reading of the story is improved by information given by the actors themselves and archive documents.[8]
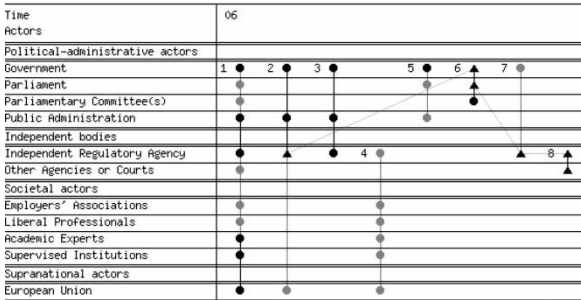
For each process, I identified a number of crucial actors, starting from a small number of electronic and telephone interviews, and written documentation.[9] Then, different categories of those crucial actors are interviewed by survey inquiry in order to gain knowledge about the participation and weight of each actor.[10] Non-participation in a given event is coded 0. According to the reputational data, participation is coded 1 when the actor is in a merely passive phase (e.g. consultations) and when the actor is considered as scarcely influential to the event (i.e. an average value of 1, 2, or 3 on the aggregated seven-point weight scale from my survey inquiry). Participation is coded 2 when the actor is considered influential to a certain extent (4, 5), and it is

coded 3 when the actor is considered to be strongly influential (6, 7) with respect to the process.[11]
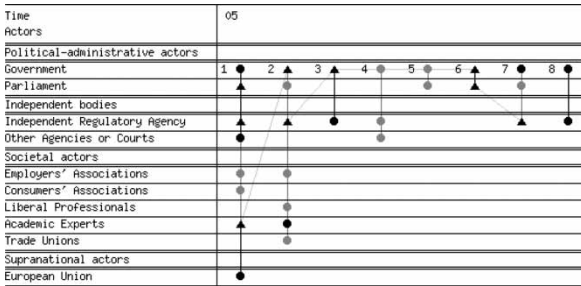
4. THE ANALYSIS

4.1 Assessing centrality
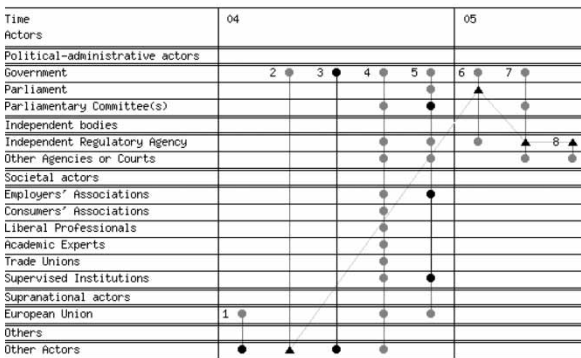
Table 3   The netbk

Time	06
Actors	
Political-administrative actors	
Government	1 2 3 5 6 7
Parliament	
Parliamentary Committee(s)	
Public Administration	
Independent bodies	
Independent Regulatory Agency	4 8
Other Agencies or Courts	
Societal actors	
Employers' Associations	
Liberal Professionals	
Academic Experts	
Supervised Institutions	
Supranational actors	
European Union	

Actors	Centrality
Government	72.000
IRA	70.000
Public Administration	53.000
European Union	42.000
Academic Experts	35.000
Supervised Institutions	35.000
Parliament	34.000
Parliamentary Comm.	28.000
Other Agencies or Courts	25.000
Liberal Professionals	21.000
Empl./Prod. Associations	21.000

Table 4   The netco

Time	05
Actors	
Political-administrative actors	
Government	1 2 3 4 5 6 7 8
Parliament	
Independent bodies	
Independent Regulatory Agency	
Other Agencies or Courts	
Societal actors	
Employers' Associations	
Consumers' Associations	
Liberal Professionals	
Academic Experts	
Trade Unions	
Supranational actors	
European Union	

Actors	Centrality
IRA	90.000
Government	87.000
Parliament	68.000
Academic Experts	62.000
Other Agencies or Courts	32.000
European Union	30.000
Empl./Prod. Associations	27.000
Consumers Associations	16.000
Liberal Professionals	11.000
Trade Unions	11.000

Table 5   The swebk

Time	04	05
Actors		
Political-administrative actors		
Government	2 3 4 5	6 7
Parliament		
Parliamentary Committee(s)		
Independent bodies		
Independent Regulatory Agency		8
Other Agencies or Courts		
Societal actors		
Employers' Associations		
Consumers' Associations		
Liberal Professionals		
Academic Experts		
Trade Unions		
Supervised Institutions		
Supranational actors		
European Union	1	
Others		
Other Actors		

Actors	Centrality
Government	37.000
IRA	37.000
Parliamentary Comm.	34.000
Other Agencies or Courts	29.000
Supervised Institutions	29.000
Empl./Prod. Associations	29.000
European Union	23.000
Other Actors	20.000
Parliament	16.000
Trade Unions	11.000
Liberal Professionals	11.000
Academic Experts	11.000
Consumers Associations	11.000

Table 6   The sweco
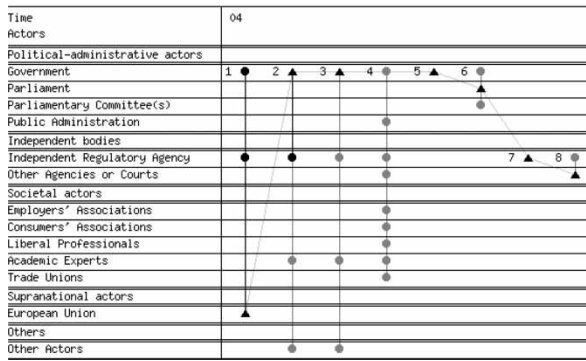
Actors	Centrality
Government	43.000
IRA	36.000
Academic Experts	19.000
European Union	12.000
Other Agencies or Courts	11.000
Other Actors	11.000
Consumers Associations	8.000
Trade Unions	8.000
Liberal Professionals	8.000
Public Administration	8.000
Empl./Prod. Associations	8.000
Parliament	6.000
Parliamentary Comm.	4.000

Table 7   The swibk
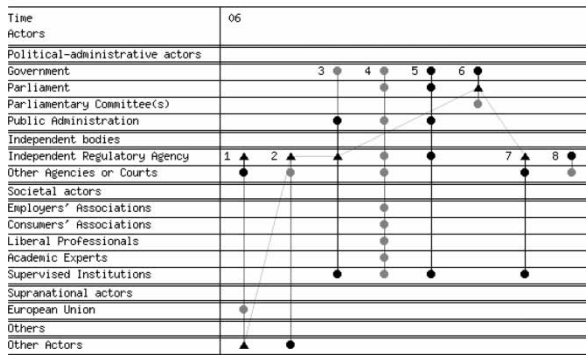
Actors	Centrality
IRA	81.000
Supervised Institutions	47.000
Government	40.000
Other Agencies or Courts	40.000
Public Administration	37.000
Parliament	34.000
Other Actors	26.000
Liberal Professionals	9.000
Academic Experts	9.000
Consumers Associations	9.000
Empl./Prod. Associations	9.000
European Union	8.000
Parliamentary Comm.	5.000

Table 8   The swico
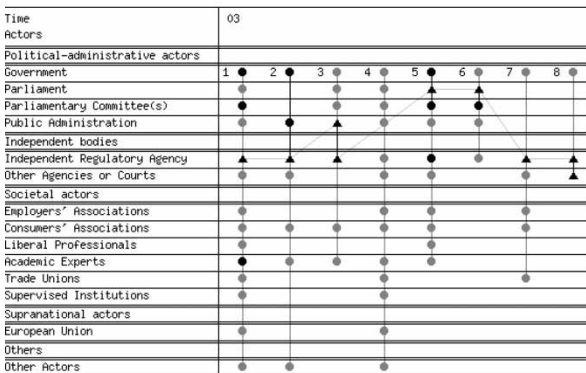
Actors	Centrality
IRA	168.000
Government	120.000
Parliamentary Comm.	94.000
Public Administration	93.000
Parliament	91.000
Academic Experts	80.000
Other Agencies or Courts	73.000
Consumers Associations	71.000
Empl./Prod. Associations	51.000
Other Actors	40.000
Trade Unions	37.000
Liberal Professionals	32.000
Supervised Institutions	30.000
European Union	30.000

Tables 3-8: APES Legend	
● (grey)	Low weight (1,2,3) / passive participation
● (black)	Medium weight (4,5)
▲	High weight (6,7) → maxcentral

I employed the APES software (Serdült *et al.* 2005) to draw the Actor-Process-Event Schemes (Tables 3–8) and derive the corresponding data matrices. Freeman's centrality degrees of participating actors were then calculated using the appropriate procedure in UCINET (Borgatti *et al.* 2002) so as to compare the relative centrality of actors within each policy network. As a result, we obtain the following typology concerning the agency's centrality in the investigated decision-making process:

1.	*The agency is clearly the unique central actor (maxcentral).*	• Eidgenössische Bankenkommission	(swibk)
		• Wettbewerbskommission	(swico)
2.	*The agency is a central actor together with another actor (normally, the government).*	• Nederlandse Mededingingsautoriteit	(netco)
		• Finansinspektionen	(swebk)
		• Autoriteit Financiële Markten	(netbk)
3.	*The agency is still important, but it is definitely not the central actor.*	• Konkurrensverhet	(sweco)

We can observe that each agency holds a central position in all the investigated decision-making processes. Specifically, it appears from the APES that IRAs are not only central in the implementation phase, but are extensively included during all the decision-making processes, thus supporting **hypothesis 1**. For instance, the netco, the swibk and the swico are also highly central in agenda-setting and preliminary investigations.

4.2 QCA and results

Data, as coded for the QCA analysis, are presented in Table 9. Then, I offer the results of the analysis for remote factors and proximate factors using the

Table 9 Data

	Remote conditions		Proximate conditions			Outcome
case	dual	profess	expert	defindpdm	defindreg	maxcentral
sweco	1	1	0	1	1	0
swico	0	0	0	1	0	1
netco	0	1	0	0	1	0
swibk	0	0	1	1	0	1
netbk	0	1	1	1	0	0
swebk	1	1	1	0	1	0

Table 10   Truth table – remote factors

| Case | Remote conditions | | Outcome |
	dual	profess	maxcentral
sweco, swebk	1	1	0
swico, swibk	0	0	1
netco, netbk	0	1	0

Table 11   Truth table – proximate factors

| | Remote conditions | Proximate conditions | | | Outcome |
case	profess	expert	defindpdm	defindreg	maxcentral
sweco	1	0	1	1	0
Swico	0	0	1	0	1
netco	1	0	0	1	0
swibk	0	1	1	0	1
netbk	1	1	1	0	0
swebk	1	1	0	1	0

Quine–McCluskey algorithm included in the Fs/QCA software (Ragin *et al.* 2006). As suggested by Schneider and Wagemann (2006), a two-step analysis is executed in order to reduce complexity so as to mitigate the problem of limited diversity and accurately model the causal structure of the argument. First, we discover remote factors that enable the occurrence of the outcome (Table 10). Second, we combine proximate factors with the remote conditions in a more precise analysis in order to find out necessary and sufficient combinations of conditions (Table 11).

4.2.1 *Remote factors*
In this step, we explain outcome 1, while outcome 0 is set as 'false'; remainders are set as 'don't care' in order to obtain a parsimonious statement on outcome-fostering context (Schneider and Wagemann 2006). At this stage, no *necessary* conditions are discovered. However, the analysis shows that a single remote condition is *potentially sufficient: 'profess',* that is, the non-professionalization of the legislature. Following Schneider and Wagemann, this condition is then included into the dataset for analysing proximate factors.

4.2.2 *Proximate factors*
In this second step, we explain outcome 1; outcome 0 is set as 'false', and remainders are also set as 'false' (which means that no simplifying assumptions

are allowed on the logical remainders), applying stricter analytical criteria and parameters in order to obtain the more complex and precise solution (Schneider and Wagemann 2006). The QCA solution shows that a single *sufficient combination* of conditions leads to the outcome of maximal centrality of IRAs.[12] Specifically, the combination of conditions that (in the small universe here represented) jointly explains the maximal centrality of agencies in policy-making is: the non-professionalization of the legislature, coupled with scarce de facto independence from the regulatees and agencies' high de facto independence from the political decision-makers.

profess * *defindreg* * *DEFINDPDM* → *MAXCENTRAL*

(swico + swibk)

This latter condition (*DEFINDPDM*) also appears to be individually *necessary* for the outcome. This point is consistent with prior knowledge, because the two latter conditions display a constitutive relationship (Maggetti 2007). In other words, a low de facto independence from the regulatees usually implies a high de facto independence from the political decision-makers. This is the case of the swibk and the swico, in opposition to the sweco, where both conditions are present.

4.3 Discussion

The solution must be interpreted as a causal whole. Yet, we can discuss the role of each single condition in relation to our theoretical expectations. The results of the QCA analysis do not support **hypothesis 2**; in fact, the political-administrative culture is not helpful in explaining the outcome of maximal centrality of agencies. Similarly, there is no data to maintain the idea that sector-specific regulators are more central in political decision-making than general regulators, disconfirming our **hypothesis 4**. Conversely, evidence corroborates **hypothesis 3**, showing that a non-professionalized parliamentary system, which is a characteristic of the Swiss political system, seems to lead to the higher centrality of agencies in policy-making. The other condition that is jointly sufficient to explain the outcome of maximal agencies' centrality is the low de facto independence from the regulatees (and the related necessary presence of high de facto independence from the political decision makers), which is in line with our expectations with reference to **hypotheses 5a** and **5b.** This is the case of the swibk, the swico, and, to a certain extent, the netbk.

This result can be interpreted as follows. When non-professional legislators, who suffer from a lack of material and symbolic resources, have to cope with a regulator which might challenge the later stages of the policy-making process (owing to its low de facto independence from those being regulated), they will have strong incentives to include ex-ante this agency in policy-making for obtaining relevant information and in order to overcome any possible conflict or resistance during the implementation process. However,

the ultimate empirical validation of the causal relations identified above will imply a further step, that is, a qualitative and systematic study of sequences of causal mechanisms influencing the role of each participating actor in the course of the political processes, such as the 'process tracing' analysis (George and Bennett 2005).

5. CONCLUSION

In West European countries, we observe an increasing phenomenon of delegating political power from democratic institutions to various non-representative bodies that are not democratically responsive to citizens. The most important and widely diffused type of such bodies corresponds to formally independent regulatory agencies. These agencies often accumulate several powers: rule-making, monitoring, adjudication, and sanctioning. This article presents a systematic study of their role in policy-making. Specifically, I studied six decision-making processes in three corporatist European countries (the Netherlands, Sweden, Switzerland) and two policy domains (finance, competition). First I combined a structural with a reputational approach, drawing from both documental and survey information about the participation and weight of each actor in the course of the decision-making process under investigation to obtain results about the centrality of IRAs in the course of the related process. My theoretical expectations were then tested with a two-step QCA (Schneider and Wagemann 2006).

Results show two crucial empirical findings. First, in line with my first hypothesis, IRAs are highly central in the course of each political decision-making process under scrutiny. As the Actor-Process-Event Schemes (Serdült and Hirschi 2004) clearly show, agencies are not only crucial in the implementation phase, but they also actively participate in the entire processes, especially in agenda-setting and pre-parliamentary discussions. Second, following the QCA, a combination of variables that is jointly sufficient to explain the maximal centrality of agencies in policy-making is identified (confirming hypothesises 3 and 5): non-professionalization of the legislature and scarce de facto independence of the IRA in charge from those being regulated. Moreover, the high de facto independence from the political decision-makers is a necessary condition for the outcome. This is the case of the Swiss Federal Banking Commission in the course of the revision of the Stock Exchange Act of 2006 and the Swiss Competition Commission during the revision of the Act on Cartels of 2003. In addition, it should be noted that hypothesis 2, on the role of the politico-administrative culture, and hypothesis 4, on the distinction between sector-specific and general regulation, are not supported by the results.

From this piece of research, we can derive two main insights. First, IRAs are the most central actor in policy-making related to their area of competence, more than experts commission, organized interest representatives, and ordinary agencies subordinated to the ministerial level. This point corroborates the arguments about the rise of an age of 'regulocracy' (Levi-Faur 2005) and

'agencification' (Christensen and Laegreid 2005). At the same time, it suggests that the activity of formally independent regulators is not limited to the implementation of the delegated *regulatory* competencies (i.e. market supervision and technical regulatory functions), but, very interestingly, it shows that they are developing a key *political* role in law-making. Second, it appears that the level of de facto independence – the distinctive feature of IRAs – may affect their centrality in policy-making, but only in combination with other variables. Indeed, external factors, such as the professionalization of the legislature, can alter the impact of agencies on the decision-making processes. In this regard, further in-depth research is needed, especially concerning the mechanisms underlying the causal relations identified above.

Biographical note: Martino Maggetti is a teaching assistant and Ph.D. candidate at the Institut d'Etudes Internationales et Comparées, Lausanne University, Switzerland, and visiting researcher at the Centre for Regulatory Governance, Exeter University, UK.

Address for correspondence: Martino Maggetti, Centre for Regulatory Governance, University of Exeter, Amory Building, Exeter, Devon EX4 4RJ, UK. email: Martino.Maggetti@unil.ch

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NOTES

1 For instance, the formulation of a solution does not always follow the emergence of a specific problem (Olsen 2001).
2 Even if corporatist arrangements have to face tensions generated by several political developments, such as economic internationalization and European integration, some studies emphasize the 'greater not lesser reliance on previous structures of national intermediation' in these countries (Schmitter and Grote 1997: 1).
3 There are some important differences which should not be neglected – on the one hand, the varieties of corporatism (Falkner *et al.* 2004), and, on the other, the ongoing reconfiguration of national decision-making structures in consensus democracies (Häusermann *et al.* 2004).
4 The definition of these events depends on the parameters of the political system and on the peculiar characteristic of the process under investigation.

5 The APES allows us to create a data matrix containing data about event participation (two mode actor-event matrix). This is built by filling the cells with a zero (0) in case an actor did not participate in an event or with a value (e.g. 1) if an actor participated.

6 Excluding the diagonal, which is meaningless here.

7 See Tables 3–8.

8 The functional sequence of events is as follows: (1) agenda-setting; (2) preliminary investigations; (3) working out the draft; (4) consultation; (5) draft modification; (6) decision; (7) monitoring/implementation; (8) sanctioning/evaluation.

9 Sources are annual agencies' reports; agencies', public administrations', and parliaments' websites; drafts of the new pieces of legislation; expert commissions' reports; parliamentary debates documentation; specialized press articles; agencies', public administrations', and parliaments' press releases.

10 Sources of data concerning the outcome conditions are detailed questionnaires, received between March and August 2007, and sent to: the relevant services within the investigated agency; the offices in charge in the public administration; the chancellor/chairperson/members of the parliamentary commissions in charge.

11 Individual answers are aggregated first at the level of each category and then among categories. Concerning participation, I take into account any actor even if only one interlocutor mentions him. Concerning weight, I take the simple average (at the higher value). If a respondent does not mention an actor who is, however, mentioned by others, I consider that the former gives him the lowest weight.

12 This result is very robust, because I tested in the first step three of the four possible combinations (the non-observed combination being empirically very rare). In the second step, I tested six of the 16 possible combinations. However, when the necessary condition (defindpdm) is excluded from the dataset, I obtain the combination profess*defindreg, which is virtually identical to the one offered above and is based on six observed cases out of eight. In addition, the non-observed cases refer mainly to a number of combinations that are, as said, not empirically plausible (or irrelevant) (e.g. a low de facto independence from both the political decision-makers and the regulatees) (Maggetti 2007).

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