



AgEcon SEARCH
RESEARCH IN AGRICULTURAL & APPLIED ECONOMICS

The World's Largest Open Access Agricultural & Applied Economics Digital Library

This document is discoverable and free to researchers across the globe due to the work of AgEcon Search.

Help ensure our sustainability.

Give to AgEcon Search

AgEcon Search
<http://ageconsearch.umn.edu>
aesearch@umn.edu

*Papers downloaded from **AgEcon Search** may be used for non-commercial purposes and personal study only. No other use, including posting to another Internet site, is permitted without permission from the copyright owner (not AgEcon Search), or as allowed under the provisions of Fair Use, U.S. Copyright Act, Title 17 U.S.C.*

The political economy of CAP reform post 2020: an attempt of a preliminary analysis

Aurora Cavallo e Giovanni Cannata

Universitas Mercatorum

DRAFT

1. Introduction

On June 2018, the European Commission presented legislative proposals on the Common Agricultural Policy (CAP) beyond 2020. In April 2019 the European Parliament's Agriculture Commission approved the report and the amendments on the CAP 2021-27. This vote is the last act of the European Parliament, before the European elections of 23 - 26 May 2019. The European Parliament has chosen not to proceed with the voting for the new CAP in the Strasbourg plenary session of April 2019, the last session before the European elections, leaving the future European Parliament full freedom to speak on the future of the CAP, the legislative process will then resume in September 2019. The frame of uncertainties linked to this phase of reform is particularly dense. We are witnessing a growth of the Eurosceptic movements that, even if they do not succeed second the forecasts to overturn the majorities in the community bodies, will deeply affect the EU action. The Brexit process has shown the weight of the costs of “non-EU” in terms of access to the EU trade area and the whole system of policies and rules. The emphasis of trade negotiations has moved more visibly from multilateral to bilateral deals and agricultural prices have fallen substantially, due to macroeconomic and geopolitical factors and other forces, just to mention the environmental issue we will consider the role of the Sustainable Development Goals of United Nations and the centrality that climate change is assuming in the public debate of the MS.

On the other hand, the process of approving the EU budget (Multiannual Financial Framework 2021-27) runs parallel to the most critical stages of the CAP reform process - as often happened in the history of the CAP - until the autumn of 2019, this will contribute to conditioning the outcomes.

Anyway, by changing the composition of the Parliament and the Commission, it is not possible to predict to what extent the proposals, presented by Commissioner Hogan, will actually be maintained. The recent reform proposal essentially preserves the CAP system and direct payments, preserved also thanks to a reduction in the intervention for rural development. But the most relevant theme of the proposal is the establishment of strategic Plans and their role in the transfer of implementation decisions to Member States (MS). The new proposals of future CAP defines new governance structures - in terms of relationships between the First and the Second Pillar and the implications of the national strategic planning - new approaches and assess tools, linked to the role of indicators and targets, and re-design the subsidiarity mechanism and the distribution of competences between EU and MS. New evidence arises in political science views that need to be addressed. The reform proposal EU of agricultural policies generates heterogeneous costs and benefits across MS and thus heterogeneous preferences among legislators seeking electoral support in their countries.

This paper considers the general theories ‘new political economy’. (Downs, 1957; Buchanan and Tullock, 1962; Stigler, 1971; Peltzman, 1976; Olson, 1983; Becker, 1983) and the public policy perspective on agricultural policy (Swinnen and Van der Zee, 1993; Swinnen, 1994, 2008, 2010, 2018; de Gorter and Swinnen, 2002; Daugbjerg and Swinbank, 2012; Grant, 2012) to read the post-2020 CAP reform proposals and extract and assess some general questions.

This phase of the evolution process of CAP beyond 2020 is very preliminary – in between agenda setting and policy formulation - with such a broad frame of unknowns, it is very difficult to collect stylized facts. But it is also true that in such a critical phase in the history of the EU it is useful to reason in an approach of political economy around the relations between MS and EU. In this sense the

CAP continues to represent an ideal field of analysis to propose interpretative schemes of the relations between MS and EU arena. In the future of the EU process and in its alternate phases, the reflections concerning the relations between a sovereign EU for certain policies of sovereign states in other policies (Fabbrini, 2017) will play a key role in the research agenda.

The paper, firstly, introduces the evolutionary framework of the CAP reform process from the 1980s to the present, so focus on the EU. Finally it enters into the merits of the CAP Reform beyond 2018 proposals and proposes an analysis of some key themes. Finally, some summary considerations are presented.

2. 1980s-2018: objectives, policy instruments and values in the CAP's evolution

The CAP has been undergoing continuous reform since the 1980s. Hence, in a long-term perspective, the European agricultural policy scholars continue to talk about reform by assigning a unitary design over time to the transformations of the logic of public intervention in European agriculture in a process of reform in a reform process lasting almost forty years.

What changes in the CAP objectives in the last season of reform? That is, how did the formulation of objectives in the evolution of the CAP contribute to defining the tools?

The objectives of the CAP identified in art. 39 of the Treaty of Rome are linked to the increase in agricultural productivity, the assurance of a fair standard of living for the agricultural population, the stabilization of markets and security of supply, to guarantee consumers prices reasonable. The 1990s represented a long transition phase for the CAP, which resulted in greater exposure of European agriculture to competition on world markets and a progressive process of reorientation of support from unconditional forms towards selective instruments, linked to virtuous behaviour of producers, aimed at preserving the environment and rural areas. The Mac Sharry reform introduced a strong reorientation of agricultural policies, through the design of a new paradigm (De Benedictis and De Filippis, 1998) of intervention that marked the evolution of the CAP. Respect to the objectives outlined in the art. 39 of the 1957 Treaty of Rome and those contained in the next reform document, the Reform of 1993 conserve the concerns on the improvement of competitiveness on the markets and their contribution to the economic cohesion of the Union. The objective of environmental sustainability, in fact, begins in the 1990s - the reform of 1993 coincides with the 1992 Rio Earth Summit, which launches the principle of sustainable development. The Mac Sharry Reform confirmed a redefinition of the objectives of the CAP, attributing a strong role to agriculture in the production of healthy and quality food and in the conservation of the environment. The 1993 reform, among other things, significantly reduced market price support and introduced partially decoupled compensatory payments, linking a significant part of CAP support to land allocation.

Agenda 2000 identifies the need for a reform of the CAP towards:

- The increase the competitiveness of European agriculture through a realignment of domestic prices to world prices;
- Protecting consumers through greater product safety and quality;
- Ensure an adequate standard of living for the agricultural and rural population and a stable agricultural income;
- Create alternative sources of employment for farmers;
- Finally, the principle of environmental sustainability of agricultural production and the need to simplify the CAP and its management were affirmed.

The Agenda 2000 reform introduced a further decreasing price support, increasing partially decoupled compensatory payments and referring to a mid term review, as pointed out by Anania and Pupo D'Andrea (2015), no one at that time knew that this revision would have been the most relevant step in the reform process of the CAP.

With the Fishler Reform (EC, 2002) the objectives of the CAP are structured around:

- Strengthening the competitiveness of European agriculture,
- The promotion of environmentally friendly production methods, able to guarantee healthiness and quality of food,

- Equal living conditions and stabilization of agricultural incomes,
- Safeguarding the diversity of production methods and preserving the landscape and supporting rural communities,
- The simplification of agricultural policy and the sharing of responsibilities between the Commission and the MS,
- The justification for support through the provision of services that public opinion expects from farmers.

The most relevant innovation of 2003 Fischler Reform was the introduction of decoupled payments. The main tool was the introduction of the Single Payment (SP) scheme: each farm was to receive an annual payment equal to the average annual direct payments for arable crops and the meats it had received in the reference period 2000-2002. MS have been given the option – with a different application between EU15 and new MS - often referred to as regionalization, to distribute the total amount of support by paying all farmers in an area the same fixed amount per hectare. The alternative option to the regionalization of the SP era based on specific historical payments, this option was proposed in order to avoid the additional complications of redistribution within the MS. Decoupling the support of the CAP has led to a reorientation of the domestic price market and of production decisions by European farmers and, consequently, a marked reduction in the distortions of the EU and world markets caused by the CAP. They also helped reduce the pressure of agriculture on the environment.

The general objectives of Ciolos Reform (EC, 2011) were streamlined around three blocks: a viable food production, a sustainable management of natural resources and climate action and a balanced territorial development, that crossed specific objectives related to: enhance farm income, improve agricultural competitiveness, maintain market stability, meet consumer expectations and climate change mitigation and adaptation. A stated objective of the reform was the introduction of more selective support, with payments more equitably distributed between farms, sectors and regions: the most important changes introduced by 2013 Reform were related to the system of direct payments which since 2015 replaced the Single Payment scheme introduced the Fischler Reform. The system of direct payment had some mandatory components and others left to the MS and financed with a portion of each country's national ceiling for direct payments.

In this sense, the Ciolos Reform was characterized by being the first reform of the explicitly redistributive CAP (Matthews, 2013), addressing issues related to the distribution of direct payments between old and new MS, and between farms. The previous reforms, in fact, had always been reluctant to propose an explicit redistribution between the MS.

The 2013 Reform introduced limited changes to the II Pillar, this in part because the choices made in the previous Reform had proven to be effective in strengthening rural development to enhance the competitiveness of agriculture, promoting sustainable management of natural resources e climate action and balanced territorial development of rural areas, with the exception of the integration in a common framework of the European Regional Development Fund (ERDF), the European Social Fund (ESF) and the Cohesion Fund in the European Structural and Investment (ESI).

One of the most important innovations in the Ciolos Reform was the unprecedented degree of flexibility for a large number of voluntary measures and implementation decisions left to MS. Although this flexibility had to be exercised within a certain set of constraints, it was large enough to make it national quite different implementations of the CAP.

The general objectives of CAP 2021-27 (EC, 2018) focus on the economic viability, the support to the income of farms, on an enhanced environmental and climate performance, on the strengthened socio-economic fabric of rural areas, *fostering knowledge, innovation and digitalisation in agriculture and rural areas is a cross-cutting objective.*

The CAP beyond 2020 pursues the following specific objectives¹:

1. *Support viable farm income and resilience across the EU territory to enhance food security;*

¹ EC (2018, Brussels, 1.6.2018 COM(2018) 392 final, pag. 11.

2. *Enhance market orientation and increase competitiveness including greater focus on research, technology and digitalisation;*
3. *Improve farmers' position in the value chain;*
4. *Contribute to climate change mitigation and adaptation, as well as sustainable energy;*
5. *Foster sustainable development and efficient management of natural resources such as water, soil and air;*
6. *Contribute to the protection of biodiversity, enhance ecosystem services and preserve habitats and landscapes;*
7. *Attract young farmers and facilitate business development in rural areas;*
8. *Promote employment, growth, social inclusion and local development in rural areas, including bio-economy and sustainable forestry;*
9. *Improve the response of EU agriculture to societal demands on food and health, including safe, nutritious and sustainable food, as well as animal welfare.*

New objectives and new values of CAP 2020? How have the objectives of the CAP changed? How do we read the challenges for post-2020 European agriculture?

The changing character of the contemporary concerns poses important challenges to the conventional frameworks of analysis of agricultural policy making that need to be addressed in terms of political economy approach.

In the history of the CAP the consistency between objectives and tools of the different reforms is a key element of the analysis. The CAP beyond 2020 is part of the sign traced by the Reform of 2013, trying to strengthen the challenges related to the economic health of the farm, care for the environment, action over climate change, and attention to the EU's rural areas, especially in the areas of the bioeconomy, renewable energy, the circular economy and the digital economy.

The increase in the number of targets identified if on the one hand opens the CAP to an intervention on the complexity of the current framework; on the other it articulates a policy that seems to decline an intervention on the most articulated territory. In this sense, the multiplication of the specific objectives of the CAP beyond 2020 seeks an articulation that can only be delayed at national level. In fact, one of the main novelties of the Pac beyond 2020 reform proposal is represented by the introduction of a single Strategic Plan, the so-called “new delivery model”, at national level that includes interventions financed by the first pillar, direct payments and market measures, and from the second pillar, measures rural development, merged into a single framework available to the MS to achieve the common goals set at the EU level based on local specificities and needs. The nine specific objectives represent the basis from which the MS are called to construct their own CAP Strategic Plan, setting the targets whose progress will be evaluated by the European Commission. The process of transferring choices from the national level to that of the 28/27 national scenes started with the Fischler Reform has found a complete design.

If the flexibility was the legacy of the Ciolos Reform (Mattheus, 2013), initiated by the Fischler Reform, the proposal of June 2018 seem to complete that design, leaving the MS full autonomy of intervention. From the Fischler Reform to the Ciolos Reform, to the state of the current design the flexibility left to the MSs in how to implement the reform is the most relevant and coherent feature in the last evolutionary passages of the CAP. Even in the context of prudence that marks the path of path dependency of the CAP, the new paradigm - or the third - of the CAP coincides with the progressive and, perhaps final, nationalization of the CAP.

3. Right-wing populists, Brexit, climate action: the EU vote and CAP negotiation

In a preliminary reflection on the pressure factors that can affect the reform path of CAP beyond 2020, the following is an attempt to summarize those considered most relevant: the role of the European budget, the Brexit, the Environment Commission as an associate commission to the Parliament's Agriculture Commission, the weight of extreme right-wing parties and Eurosceptics.

The state of the art of agricultural negotiation has numerous elements that act as pressure factors. First of all, the financial issues always linked with the course of the CAP. As highlighted by Pupo D'Andrea (2019) the on going discussion, unlike 2014-2020, when the MFF did not fix the amount of resources for the CAP and profoundly oriented the course of the Reformation, this time the role of the financial

framework is exclusively linked to the definition of the CAP resources once defined the contribution to the budget of the MS and the Brexit.

The Communication on the Multiannual Financial Framework (MFF) 2021-2027 attributes to the CAP 365 billion euros at current prices, equal to 28.5% of the total EU-27 budget, with a decrease of between 5% and 12% compared to the current programming period; the resignation that will be reflected in Rural Development spending, balanced by MS co-financing and trying to safeguard, on the advice of the commissioner Hogan, direct payments. The Commission's proposal on the MFF must be approved by the unanimously, the vote is scheduled for December 2019, after it has received the approval of the European Parliament by an absolute majority. Therefore, the new Parliament, which will take office in July 2019, will be able to approve or reject the Council vote but will not be able to vote for changes. At present in the Council, positions between MS are still very distant and it is necessary to wait for the results of the vote to be able to open up to new forecasts.

With Brexit the departure of an important net contributor to the budget leaves a big gap in the EU budget. The Commission has proposed that MS should contribute more, but a group of richer countries from the Netherlands, Austria, Denmark and Sweden have already expressed opposition to the slogan "a smaller EU, a smaller budget". Uncertainty about future relations with the United Kingdom still leaves many uncertainties both in the budget and in the overall picture of EU governance. On the other hand, the Brexit negotiation has shown the risks and costs of the non-EU, probably contributing to reducing the success of the Eurosceptic parties in European public opinion. An element that can represent a significant factor of pressure is that the Parliament's agriculture committee has no exclusive competence. In fact, in light of the weight that the environmental issue covers in the CAP, the Parliament has established the matter was also the responsibility of Comenvi, considered a Comagri Associated Commission. The latter (Comagri), is responsible for the dossier but the Coevent who will express its own proposal, will be able to influence the timing of the debate and send its own rapporteur to the tables of the negotiation and will be able to bypass Comagri asking that the vote of its amendments to the text of reform are voted in Plenary (Devuyst, 2018).

In February 2019 the debate ended within the Environment Commission (Comenvi), of the European Parliament, called for the first time to express itself together with Comagri, which voted in April 2019 approving the report and amendments on the CAP 2021-27.

The European Parliament has chosen not to proceed with voting for the new CAP at its April 2019 session, the last plenary session before the European elections, thus leaving the new European Parliament the opportunity to express itself on the future of the CAP. The legislative process will resume in September 2019. The outgoing Comagri would like the new Parliament to use its opinions as a starting point for the July plenary vote, but there is no guarantee that this will happen.

A further particularly significant pressure factor is that the composition of the political groups in the new Parliament could be very different from the past.

At the moment there are eight political groups in the European Parliament. Political parties and members elected to Parliament form political groups because this is a way to gain influence, for example, in the selection of committee chairmen, as rapporteurs of committee opinions or to be able to propose amendments to the reports that will be voted.

At present, several polls are available on the composition of political groups in the next EP, these aggregate national surveys to predict the composition of the next political groups of the EP. Apart from the intrinsic uncertainty in the polls themselves, not all the national parties participating in the elections have declared the group with which they intend to align themselves if elected, which contributes to increasing uncertainty.

Firstly, the postponement of Brexit has an important role; in fact if until recently the projections assumed that Brexit would take place and that the United Kingdom would not participate in the EP elections, today we know that the calculation of seats - 705 seats against 751 - it must be done by keeping the UK vote. Alan Mathews (2019) recently published an analysis of the effects of changes in the composition of the new Parliament and the future of the CAP.

The Comagri of the current Parliament was dominated by the center-right European People's Party (EPP) and by the Center-Left Socialist and Democratic Alliance (S&D). The latest available EU political projections² assign 173 seats to the EPP, 149 to the S&D and 1010 to ALDE + En Marchè, registering for the first time in 25 years the loss of joint control of these two groups. At the same time, the number of seats held by green MEPs (EFAs) with 55 seats and Euro-skeptical parties (exENf) with 74 seats will increase.

The new Parliament must elect the new President of the Commission on the basis of the candidate proposed by the Council. It will have to decide whether to approve the conclusions of the European Council's MFF, including the budget foreseen for the CAP. And it must decide how to proceed on the CAP reform. It is possible that the new Parliament can take a different view on some of the key issues of the current legal proposal of the Commission positions can shift to direct payments, the priority of environmental issues and the need for more active market management tools.

The opinions of the AGRI committee were promoted by the rapporteurs of EPP, S&D and ALDE, and therefore if these three main parties retain the majority, the current arrangements are unlikely to change. What could significantly change the structures is not only a good result of the Eurosceptic parties but above all their fusion in a single platform - starting from the role of Salvini's EANP group - could have a greater power to influence future appointments, the work of the Comagri and the CAP legislation.

Starting from November 2019 there will be a new commissioner for agriculture, as noted the commissioners are appointed by their national governments. In Italy the League has already expressed Italy's intention to nominate a commissioner for agriculture.

According to Mathews (2019), the status quo will prevail, but there may be less support for the use of the CAP to address environmental and climate challenges in the next Parliament. The European People's Party (EPP) has proposed the maintenance of the current CAP until 2024 (EPP, 2017). Environmental issues have played a central role in the public debate in many European countries. The political groups of the next Parliament could probably discuss this issue.

The IEEP (2018) evaluated the posters produced by five European political parties - the EPP, the PSE, the ALDE, the Greens and the European Left - but the opinions of the Euro-sceptical right-wing parties that did not produce posters are not available European electoral elections.

Adelphi (Schaller and Carius, 2019), a German think tank and public policy consultancy on climate, environment and development, examined the electoral programs and electoral behaviour of the 21 strongest populist right parties in Europe on issues related to climate change. The report analyses the voting patterns of the three political groups of the European Parliament in which these 21 parties sit - ENF, EFDD and ECR - on 13 energy and climate related dossiers since 2015. The results display a variety of right-wing populist parties and attitudes towards climate and energy policy, from climate change denialists to conservative environmentalists to constitutional enemies on the extreme right. Two out of three right-wing populist members of the EU Parliament regularly vote against climate and energy policy measures, and half of all votes against resolutions on climate and energy come from the right-wing Populist Party spectrum. If the political trends discussed suggest that there may be less support than the CAP's role in addressing environmental and climate challenges in the next Parliament. However, the proposals respond to growing pressure from public opinion across Europe to tackle climate challenges and move food production towards a more sustainable development path.

Along with the role of Brexit, of the failure of the last season of negotiations, many other unknowns weigh on this vote.

The vote of 23-26 of May is expected to produce a highly fragmented EU Parliament, with long-dominant central-left and centre-right blocks, unable to form a coalition on their own, and a greater influence of smaller players such as liberals, greens and populists. The Right wing parties are expected to win one-third of Parliament's 751 seats, reflecting the global rise in nationalism. Therefore, if they are able to act as a cohesive block it is one of the big questions of this election.

² Politico EU projections of 25th of May, on <https://www.politico.eu/2019-european-elections/>.

In France the difficulties of President Macron and the crisis of *Gilets jaunes* could restore greater power to the Rassemblement National of Marine Le Pen. President Macron had written a letter a few months ago, listing some proposals to move the EU forward, including asking European partners to leave the seat of the Parliament of Strasbourg preserving only the Brussels one, and asking France to share with others MS its seat on the United Nation Security Council. This letter did not find its traditional support in Chancellor Merkel.

In Germany the advance of the greens on the one hand and the change of leadership of the CDU with the departure of Chancellor Merkel open up new uncertainties, along with the candidacy of Manfred Weber for the presidency of the Commission. The Franco-German axis, the architrave of the process of community integration, is in crisis and the electoral climate shows all the fragility of the EU.

The Austrian political crisis weakens the European populist parties and places a tombstone on an alliance between the populist rights.

The Austrian crisis has imposed a redefinition of the populist right alliances: the political end of Vice-Chancellor Strache, has undermined the possible alliances in the east, between Salvini, Orban, passing through Austria, perhaps giving new importance to the role of Marine Le Pen.

The proposal for the CAP Reform on the negotiating table in substance preserves the current CAP system. But it introduces some key elements that are likely to be at the centre of the negotiation: direct payments and a process of transferring the implementation decisions to the MS through the Strategic Plans. A central role in this reflection is assumed by the Strategic Plans.

The Strategic plans were from their presentation, the focus of attacks by farmers, environmentalists, national governments, even EU institutions. National governments say that, unless the accountability of the Commission, MS will develop policies to give their farmers an advantage over their neighbours, altering the competition between European agriculture. The environmentalist associations argue that plans to set strict rules at European level in favour of voluntary incentives will not make the agricultural sector greener. The European Court of Auditors expressed criticism and in November 2018 issued a negative opinion on the proposals, claiming that the environmental protection measures were weak and the general plans confused. Some Members of Parliament have complained that the reform will weaken Parliament's supervisory role in agricultural policy. In the current configuration, in fact, they have influence on the main legislation in the context of the Trilogue to three - negotiations with the Council and the Commission. Under the new plan, the Commission and the Member States will effectively manage agricultural policy between them. Parliament's lawyers have raised a number of legal questions in this regard.

Sotte (2019) highlighted the risks associated with the EU compliance system on the performance of the MS Plans based on a system of output, results and impact indicators. In fact, this mechanism represents the only device to preserve a unitary character of "common" Agricultural Policy. The risk is that the control of performance and achievement of objectives is weak (Pupo D'Andrea, 2019), or that we are in a situation of dispute over disputed indicators and objectives reached or missed, and therefore of permanent conflicts between MS and EU that would end up weakening the CAP, and with it the dialogue itself between the MS and the community institutions.

There are different interpretative dimensions linked to the design of the Plans. In the first place, the choice of the Commission seems to go over what started with the Fischler Reform and consolidated in 2013 with direct payments, which had contributed to designing more than 28 agricultural policies and beyond, in cases where together with the national design they proposed further regional and local proposals. While it is true that this proposal seems to respond to the demands for simplification and the accusations of centralization of powers by the Commission, with the democratic control of the Parliament, on the other hand it refers to the MS, which are largely lacking from the 1960s, the design of its agricultural policies. This would confirm the establishment of a CAP with a regulatory system, which leaves the MS a territorial declination of public intervention in European agriculture. Again, the choice could be grafted onto a broader horizon, and the CAP is a testing ground, in which transferring the implementation decisions in the field of agricultural policy, and their financing to the MS, we start a progressive dismantling of the CAP, according to which in a future revision would ask MS to pay it with their own budgets, freeing up resources for other policies: for example those linked to a serious

environmental policy, with particular regard to combating climate change, and those of cohesion - social, economic and territorial - for rural areas. This would have advantages, in terms of legitimization of the community and economic institutions for the MS contributors net of the CAP. This redefinition of community governance would re-propose a path of differentiated integration and redefinition of sovereignty between the EU and MS, with a sovereign Union for certain policies of sovereign states in other policies (Fabbrini, 2018; Campli, 2019; Sotte, 2019).

A particularly critical theme is that of the different administrative, analytical and strategic capacities of national administrations (Pupo D'Andrea, 2019) with different sensitivities and with a framework that respects different sensitivities with respect to climate and environmental issues, it would open up a role for national technocracies and of different levels of government, European, national and regional. In this direction, the role of the vote and the arrangements that will follow will define a geography of relations and powers between the Commission, Parliament, the Council and National governments that will play a key role in the CAP negotiations.

4. The post 2020 CAP reform proposals: some questions

It may be premature to draw up a frame of the stylized facts concerning the next reform of the CAP, and obviously the pressures and unknowns are perhaps more than ever unknown. More than looking at the glass ball, what we tried to summarize are the involved actors and possible pressures factors.

Still *Agricultural Policy*? The “new” politics of food and the political economy of CAP post 2020.

The agricultural policy agenda has been broadened with issues related to food. Just to name a few: the role of local (and urban) food policies, the social issues related to food, the novel food, the shift of influence from producers to consumer, the distribution of bargaining power in the supply chains. This contributes to changing the traditional agricultural policy decision making by involving new actors, new interest groups, new policies communities, new values and perhaps conflicts. Unlike the processes involved with the traditional paradigm of agricultural policies and in particular with the agricultural income support mechanisms (De Filippis and De Benedictis, 1998; Daugbjerg and Swinbank, 2012), food and related themes identify a much more fluid context. In which the action of interest groups and political decision-makers in the complex relations between national scenes and the common arena determines new and more indefinite assets. The same reorientation from a compartmentalised political sector, such as agriculture, towards a markedly decompartmentalised policy making process, according to Daugbjerg and Swinbank (2012), which is related to food and other public goods, solicits new interpretative questions.

Still holds the *agricultural exceptionalism*? The contributions related to agricultural exceptionalism (Coleman et al., 1997; Skogstad, 1998; Daugbjerg and Swinbank, 2009, 2011) of some years ago investigated the distinctive features of the primary sector by intervening extensively in markets. This exceptional institutional arrangements is undertaken in a relatively closed policy networks. To what extent the new CAP objectives, the crisis in the path of EU integration, the pressures of Member States and the forthcoming elections of the Parliament, in the context of budgetary issues and new EU priorities - terrorism, migrants, defence, international and external pressures - affect the CAP policy making process? In other words, it arises a fundamental question about how those exceptionalism holds in terms of the key question of “who benefit” (Grant, 2012)?

How the policy community are changing? The transformations that invest the CAP in the framework of the proposals of June 2018 create new balances in the bargaining policy and in particular in the roles of the policy communities. For instance, the role of farms union as well as the challenge of evaluating process, target and indicators for researchers and scholars.

Political factors and policy factors are combined and can help to explain the changes that have taken place in the modes of representation, of mobilization, pressure, action (Lizzi, 2008) of interest groups. Access mechanism have changed, as well as relations with parties, organizational characteristics, but above all the number and the type of involved actors with whom to interact outside and within agricultural policy making.

Pressures on CAP reform, traditionally, come from facts and constraints that can be categorised as two headings: factors internal and external to the EU, complex and sometimes interlinked. The CAP evolution teaches as optimal reform context (Pokrivcak et al., 2006), is the combination of an external change that moves policy preferences in a pro-reform direction.

A three level games (Putnam, 1988; Patterson, 1997)? By recovering the notion of the *win set* introduced by Putnam (1988), we can reason about how the degrees of freedom that the framework of internal pressures leaves to the action of government representatives in the negotiating context, conditioning the strategic positioning taken by the countries at the internal negotiation and the whole CAP reform process (Cavallo et al., 2006).

The activity of the national decision makers will be determined by the weight that the pressure groups (and the political action itself) play in the internal scenes: groups of heterogeneous nature with differentiated interests will determine minor constraints to the action of the representatives of the government, since they, comparing themselves with a wider audience of beneficiaries, they will enjoy greater flexibility in political action. These countries will therefore present themselves in international negotiations with a more extensive win set. To the extent that policy makers will not be “hostage” to national interests, they will be able to establish themselves in the common arena, holding a prominent negotiating position. On the contrary, if the structure of the lobbies is strongly concentrated and plays a decisive role in influencing the activity of national policy makers, it will happen that the latter, confronted with stringent internal constraints (level I), will see the possibilities of action eroded and consequently the set of strategies available. This will cause their realignment in the common scene, on defensive positions and, probably, will relegate them to a subordinate role in the negotiating tables. Ultimately, there would be an inversely proportional relationship between the extent of the win set of strategies of national governments and their negotiating position within the international political process. In this scenario, during the negotiation the space would open for a three level games where the regional and local scenes would have a role in orienting the choices of the National Plans, and therefore the same action of the MS in the negotiation.

This interpretative key looks at the formulation of the reform plan as the outcome of a negotiation process that allows, particularly in a traditionally long and complex negotiation such as the CAP, to understand the role played by national governments in influencing the course of the negotiation. The examination of the community political process in its three-stage dimension and of the win set can help to understand the negotiating positions taken by the MS in the negotiation, the evolution of a country's bargaining power and the dynamics within the framework of national interests, in a wider reflection that looks at the CAP as the cornerstone of the EU history.

Main references

- Becker G. (1983), A Theory of Competition among Pressure Groups for Political Influence, in *Quarterly Journal of Economics* 98(3): 371–400.
- Buchanan J.M. and Tullock G. (1962) *The Calculus of Consent*, Ann Arbor: University of Michigan Press.
- Campli M. (2019), “La nuova sfida per l’integrazione europea: aspetti istituzionali e conseguenze sulle attribuzioni e competenze tra Unione e Stati Membri”, in *Agriregionieuropa*, n. 56, Anno 15.
- Cavallo A., Correani L., Sorrentino A. (2006), “Assetto istituzionale e processo negoziale nella Riforma della PAC: un modello di giochi evolutivi”, *Rivista di Economia Agraria* n. 4, anno LXI, pp. 541-592.
- Daugbjerg C. and Swinbank A. (2012), An introduction to the ‘new’ politics of agriculture and food, in *Policy and Society* 31 (2012) 259-270.
- De Benedictis M. De Filippis F. (1998), “L’intervento pubblico in agricoltura tra vecchio e nuovo paradigma: il caso dell’Unione Europea”, *La Questione Agraria*, n. 71.

- de Gorter, H., and J.F.M. Swinnen (2002) “Political Economy of Agricultural Policies” in Gardner B. and Rauser G. (eds.) *The Handbook of Agricultural Economics*, Volume 2, 2073-2123. Amsterdam, The Netherlands: Elsevier.
- Devuyst P. (2018), “Agriculture Committee loses exclusive competence for Cap reform decisions”, *Ieg Policy*, 9 July.
- European Commission (2018), COM (2018) 392 final 2018/0216.
- Fabbrini S. (2017), *Sdoppiamento. Una nuova prospettiva per l'Europa*, Laterza, Bari.
- Grant W.P. (2012), Can political science contribute to agricultural policy?, in *Policy and Society* 31 (2012) 271-279.
- Olson M. (1983), *La logica dell'azione collettiva*, Feltrinelli: Milano.
- Patterson L. A. (1997) “Agricultural policy reform in the EC: a three level game analysis”, *International Organization* n. 51,1.
- Peltzman S. (1976), Towards a More General Theory of Regulation, in *Journal of Law and Economics* 19 (2): 211–40.
- Putnam R. (1988), “Diplomacy and Domestic Politics: The logic of Two Level Games”, *International Organization* n. 42.
- Schaller S. and Carius A. (2019), *Convenient truths Mapping climate agendas of right-wing populist parties in Europe*, Adelphi, Berlin.
- Stigler G. S. (1971), The Theory of Economic Regulation, in *Bell Journal of Economics* 2(1): 137–146.
- Swinnen J. (2018), *The political economy of agricultural and food policies*. Publisher: Palgrave Macmillan; New York, USA
- Swinnen J. (eds.) (2008), *The Perfect Storm: The Political Economy of the Fischler Reforms of the Common Agricultural Policy*, Brussels: Centre for European Policy Studies Publications.
- Swinnen, J. (1994), A Positive Theory of Agricultural Protection, in *American Journal of Agricultural Economics* 76(1): 1–14.