Index

20-20-20 plan  74
‘1999 crisis’  31–2

Abramoff, Jack  135
Acid Rain Program  61, 72
Ackerman, B.A.  107, 133
agencies  23, 25
agent  26, 31, 36–42, 45, 131
agriculture  15, 17–18
see also farming
Alesina et al.  15
allocation rule  48–9, 58–9, 71, 131
allowance price  104
allowances  62–5, 102–5
America  60–62, 72, 110, 134–5
Andersen, B.  102
Andersen, P.  49
Andreasen, Marta  32–3
anti-corruption see anti-fraud
anti-fraud  25–6, 32, 45, 131
Aspinwall, M.  7
asymmetrical political pressure  19, 22
asymmetric information  36, 40, 43
asymmetric organization  3, 87
asymmetries  103, 105
auctions  57–8, 71, 92–3, 103

babbling equilibrium  119–21
Bache, I.  11–12
backloading  102
Bain, J.  54–5
Baliga, S.  37, 40
Baptists  111, 128, 133
Barrett, S.  109–10
barrier to entry  54–5
Barroso, José Manuel  74
Bayesian equilibrium  113, 118
Becker, C.S.  49
behavioural codex  34
beliefs  118, 120–21, 127
benefit
marginal  66, 69, 96, 105
net  20, 66–7, 69, 96, 100
biologists  108, 111–16, 118, 129, 133–4
‘black fish’  124
Blowing the Whistle (van Buitenen)  32
Bootleggers and Baptist theory  110–11, 128, 133
Bower, Joseph L.  94
Brandt, U.S.  104, 110–11
bribes  34, 40–42, 44–6, 131
brown industries  91
brown power plants  92–4, 105, 133
Brussels–Strasbourg Euroshuttle  14
Buchanan, J.M.  84
budget  15–18, 24, 27, 38, 43, 45
affect of fraud  25
affect of redistribution policies  8, 130
‘budget catch model’  24, 27–30, 45
budget discharge  13
budget maximization  28, 45, 131
Buitenen, Paul van  32
bureaucracy  23–46, 131
business organizations  14
Buzek, Jerzy  25
cap-and-trade system  47–8
CAP (Common Agricultural Policy)  17, 81, 84, 106, 123, 130
carbon dioxide (CO₂) emissions  47–8
carbon dioxide (CO₂) permits 92, 102–3
carbon market 49
carbon trade 110
carrot–stick approach 109–10
catch 113–14, 117–18, 124, 133
CEFIC (European Chemical Industry Council) 60
CEMBUREAU (European Cement Association) 59–60
cement industry 59–60
centralization, power 11–22, 130
CEPF (Confederation of European Forest Owners) 59
CEPI (Confederation of European Paper Industry) 59
ceramic industry 59–60
CERAMIE-UNIE (European Ceramic Industry Association) 59–60
Chang et al. 23
Chari, R. 6, 13
cheating 49–50, 62, 65–72, 131–2
and incentives 64
and permits 61
chemical industry 60, 71, 87
climate change 109–10, 128–9, 133
climate plan 74
coal-based technology 79
coalition 110, 128, 133
collective action 86–7, 89–90, 132
collective good 86–7
the Commission 11–15, 22, 24–5, 130, 135
and bureaucratic corruption 31–3
and EU ETS 48, 60–61
on fraud 50
and OLAF 35–6
and TACs 124
commissioners 24
Common Fisheries Policy (CFP) 108, 111–14, 123–5
common pool problem 27
comparative advantages 81
competition 23–5, 71, 73, 132
competitive advantage 73, 128
competitiveness 75, 78, 80, 93
compliance mechanisms 109
Confédération Générale de l’Agriculture (CGA) 17
contracts, fictitious 33
Copa-Cogeca 87–8
corporatism 7, 135
corruption 30–42, 44–6, 72, 131
and EU ETS 61, 70
lowering risk 135
problems 25–6
variation among EU countries 62
Corsi, Elena 94
costs
of cheating 68, 70
enforcement 49
marginal 49, 106, 116
marginal reduction 53–4, 62
reduction 78–9
transaction 21
Council of Ministers 12, 14
countervailing lobbying 91–106, 132–3
Crawford, V.P. 113
Cresson, Edith 31–2
crime, optimal level 49
decentralization, power 11, 21, 135
decision-maker 14, 113–15, 117, 119, 123, 129, 134
and beliefs 118, 120–21, 126–7
defence 15–16
Défense des Exploitants Familiaux (MODEF) 17–18
DEI 93
Delmas, M.A. 77
democratic deficit 7, 12–13, 135
Denmark 12
Deposit Guarantee Schemes Directive 34
Directive 2001/77/EC 83
DONG Energy 92–4, 104
double-dealing 40
double entry bookkeeping 32
Dür, A. 91
<table>
<thead>
<tr>
<th>Term</th>
<th>Page(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>eco-labelling</td>
<td>77</td>
</tr>
<tr>
<td>economic growth</td>
<td>25, 131</td>
</tr>
<tr>
<td>economic net gain</td>
<td>85</td>
</tr>
<tr>
<td>economic rents</td>
<td>51, 55–7, 71, 89, 99, 132</td>
</tr>
<tr>
<td>effort</td>
<td>94–7, 100–102</td>
</tr>
<tr>
<td>electorate</td>
<td>43</td>
</tr>
<tr>
<td>electricity</td>
<td>82–3</td>
</tr>
<tr>
<td>electricity producers</td>
<td>58–9</td>
</tr>
<tr>
<td>emissions</td>
<td>48, 74, 92, 107, 110</td>
</tr>
<tr>
<td>reducing</td>
<td>77–8, 128, 132</td>
</tr>
<tr>
<td>emissions trading</td>
<td>47, 71, 132</td>
</tr>
<tr>
<td>energy</td>
<td>78–9, 92–4, 110, 128–9</td>
</tr>
<tr>
<td>wind</td>
<td>74, 82–4, 89, 133</td>
</tr>
<tr>
<td>enforcement</td>
<td>49, 60–70, 124</td>
</tr>
<tr>
<td>entrants</td>
<td>52, 55–6, 71, 108</td>
</tr>
<tr>
<td>entry barrier</td>
<td>54</td>
</tr>
<tr>
<td>environmentalists</td>
<td>107–11, 128, 133</td>
</tr>
<tr>
<td>environmental protection</td>
<td>16–17, 128</td>
</tr>
<tr>
<td>environmental quality</td>
<td>107, 111, 128, 133</td>
</tr>
<tr>
<td>EPA (Environmental Protection Agency)/US</td>
<td>61</td>
</tr>
<tr>
<td>EREC (European Renewable Energy Council)</td>
<td>83</td>
</tr>
<tr>
<td>EUAs (European Union Allowances)</td>
<td>48</td>
</tr>
<tr>
<td>EU ETS (EU Emissions Trading Scheme)</td>
<td>47–72, 102–5, 131–3</td>
</tr>
<tr>
<td>EURELECTRIC</td>
<td>58–9</td>
</tr>
<tr>
<td>EUROFER (European Confederation of Iron</td>
<td>59</td>
</tr>
<tr>
<td>and Steel Industries)</td>
<td></td>
</tr>
<tr>
<td>Eurogramme</td>
<td>33</td>
</tr>
<tr>
<td>‘euro groups’</td>
<td>19, 22</td>
</tr>
<tr>
<td>European Committee of the Folketing</td>
<td>12</td>
</tr>
<tr>
<td>European Court of Justice</td>
<td>124</td>
</tr>
<tr>
<td>European Dream</td>
<td>8, 130</td>
</tr>
<tr>
<td>European Parliament</td>
<td></td>
</tr>
<tr>
<td>European People’s Party (EPP)</td>
<td>34</td>
</tr>
<tr>
<td>European Petroleum Industry Association</td>
<td>89</td>
</tr>
<tr>
<td>European Transparency Initiative</td>
<td>6</td>
</tr>
<tr>
<td>Eurostat</td>
<td>33</td>
</tr>
<tr>
<td>EWEA (European Wind Energy Association)</td>
<td>83</td>
</tr>
<tr>
<td>exploitation of the resource</td>
<td>27</td>
</tr>
<tr>
<td>external costs</td>
<td>72</td>
</tr>
<tr>
<td>extreme expert equilibrium</td>
<td>119–21</td>
</tr>
<tr>
<td>extreme experts</td>
<td>113, 119–20, 126</td>
</tr>
<tr>
<td>farming</td>
<td>19, 74, 78, 80–82, 84, 87–9, 132</td>
</tr>
<tr>
<td>and the EU budget</td>
<td>15</td>
</tr>
<tr>
<td>and first-mover advantages</td>
<td>77</td>
</tr>
<tr>
<td>in France</td>
<td>17–18</td>
</tr>
<tr>
<td>Fédération Nationale des Syndicats d’Exploitants Agricoles (FNSEA)</td>
<td>17</td>
</tr>
<tr>
<td>fictitious contracts</td>
<td>33</td>
</tr>
<tr>
<td>Financial Instrument for Fisheries Guidance</td>
<td>124</td>
</tr>
<tr>
<td>fines</td>
<td>61–2, 65</td>
</tr>
<tr>
<td>first-mover advantages</td>
<td>73, 75–8</td>
</tr>
<tr>
<td>fisheries regulation</td>
<td>49</td>
</tr>
<tr>
<td>fishery organization</td>
<td>116</td>
</tr>
<tr>
<td>fishery policy</td>
<td>108, 111–29, 133–4</td>
</tr>
<tr>
<td>Folketing</td>
<td>12</td>
</tr>
<tr>
<td>foreign relations</td>
<td>15–16</td>
</tr>
<tr>
<td>formal institutions</td>
<td>18</td>
</tr>
<tr>
<td>fossil fuels</td>
<td>93</td>
</tr>
<tr>
<td>Fouloy, Christian D.</td>
<td>5</td>
</tr>
<tr>
<td>France</td>
<td>17–18</td>
</tr>
<tr>
<td>fraud</td>
<td>25, 50, 131</td>
</tr>
<tr>
<td>free-rider incentives</td>
<td>49, 86, 109, 132</td>
</tr>
<tr>
<td>free trade</td>
<td>8, 130, 136</td>
</tr>
<tr>
<td>FuelsEurope</td>
<td>59</td>
</tr>
<tr>
<td>gas</td>
<td>59, 94</td>
</tr>
<tr>
<td>General Committee for Agricultural</td>
<td></td>
</tr>
<tr>
<td>Cooperation in the European Union</td>
<td>87–8</td>
</tr>
<tr>
<td>George, S.</td>
<td>11–12</td>
</tr>
<tr>
<td>Germany</td>
<td>17</td>
</tr>
<tr>
<td>GHGs (greenhouse gases)</td>
<td>47, 58–60, 71–2, 110</td>
</tr>
<tr>
<td>reduction</td>
<td>74, 132</td>
</tr>
<tr>
<td>Gilligan, T.</td>
<td>113</td>
</tr>
</tbody>
</table>
Index

Monnet, Jean 13
Morgan, J. 113
Multi Annual Guidance Programmes (MAGPs) 123–4
Murphy, J. 2

Nash equilibrium 97–9
net benefit 20, 66–7, 69, 96, 100
net gain 86–7, 132
Nevill, J. 112
Niskanen, W.A. 23–4, 45
non-extreme experts 120–23
non-governmental organizations (NGOs) 14
Nordhaus, W.D. 103

O’Donovan, D.H. 6, 13
OGP (Association of Gas and Oil Producers) 59
oil 59, 94
OLAF (Office de Lutte Anti-Fraude) 25–6, 32, 35–6, 38, 46, 131
Olson, M. 18–19, 43, 85, 87, 89–91, 103
one-sided lobbying 96, 101–2
open access 27
openness 43–4
optimal level of crime 49
organic farming 74, 78, 80–82, 84–90, 132
overfishing 124–5, 129

paper industry 59
Parliament, EU 5, 13–14, 22, 24, 130–31, 135
and budget 45
and corruption 25, 33–4
partial analysis 6
path-dependency 125
permit price 92, 94, 105
permits 47–8, 51–2, 60–62, 92–3, 110
grandfathered 53–8, 71
Pezzey, J.C.V. 85
pluralism 6–8
political corruption 30

polluters 92–3
pollution 51, 53, 56, 91
posterior beliefs 118
power 1–2, 130–31
power centralization 11–22, 130
power decentralization 21
PPP (polluter-pays principle) 91–3
precautionary principle 112
price distortion 99–101, 103
principal 43
principal–agent models 36–7, 131
principal–agent theory 23
principal–supervisor–agent model 26, 38–46, 131
prior beliefs 118
Prisoner’s Dilemma 99, 106, 109–11, 133
privileged groups 103–4
product development 73
product life cycles 75–8
profit 54, 61, 110, 112, 114, 116, 128
and agricultural groups 18
and countervailing lobbying 95–6, 99, 101
and fishermen 123, 125–6
and interest groups 2
and market protection 107
and principal–supervisor–agent 41, 43–4
and supervisor 38, 42
zero 52, 55–6
property rights 27, 49, 53
protection 107–8, 111, 128, 131, 133
public goods 17, 24–5, 27–9, 86, 131
pulp and paper industry 59
‘ratchet effect’ 29
rational choice theory 2, 6, 84–9, 107, 110, 112, 131–2
and supervisor 38, 42
rational ignorance hypothesis 35
REACH (Registration, Evaluation and Authorization of Chemicals) 87
recovery measures 129
redistribution 8, 130
registration 4, 135
renewable energy 74, 78–9, 92–4, 110–11, 128–9, 133
wind turbines 82–4, 89
rents, economic 51, 55–7, 71, 89, 99, 132
reporting 135
research and development (R&D) 77
reversal, incentive 125–7
Riker, W.H. 84
Ringius, L. 110
Rome, treaty 123
Rose-Ackerman, S. 30–31
sanctioning 46, 61–2, 135
Santer, Jacques 31
Schjødt, E.B. 18
Schmidt-Brown, Dorte 33
Schüller, D. 91
SEAP (Society of European Affairs Professionals) 5
self-regulation, voluntary 5
Severin, Adrian 33–4
small-group advantage 19, 22
Sobel, J. 113
Social Democrats 34
Solbes, Pedro 33
Spain 17
special interest groups 3–5, 10, 15, 91, 134
see also interest groups
spillover effect 136
sponsors 23, 45
Statkraft 93
STECF (Scientific, Technical and Economic Committee for Fisheries) 124
steel 59
stocks 117–18, 120, 124, 126
depletion 123
high 114, 122
low 113, 121, 127
stock sizes 112, 114, 119–20, 126–8, 134
low 129
and marginal costs 116
and profitability 125
Storting 14
Strasser, Ernst 33–4
structural funds 15–16, 130
subsidies 81–2, 89, 111, 133
fish 113–14, 123–9
sugar 106
sulphur dioxide (SO2) 61
Sunday Times 33–5
supervisor 26, 37, 40, 43
and corruption 38, 41–2, 44–5, 131
Sutinen, J.G. 49
Svendsen, G.T. 18, 49, 104, 110–11
switch point 75, 78–80, 132
symmetric information 3–4
TACs (total allowable catches) 124
targets, emissions 59, 70, 72–3, 78, 84–5, 89, 132
and 20-20-20 plan 74
and cheating 67
and chemical industry 60
and electricity 82–3
taxes 50, 52, 79–80, 103–4
Thaler, Zoran 33–4
Thatcher, Margaret 14
Tirole, J. 37, 40, 42, 45
TPS (tradable permit system) 51, 53–7
‘tragedy of the commons’ 29, 70
transaction costs 21
transparency 4–6, 42–4, 97, 136
Transparency Initiative 4–6
Transparency International 6, 25, 31, 62
Transparency Register 6
Treaty of Rome 123
truth-telling 64–5, 114, 120–23, 131
Tullock, G. 84
two-sided lobbying 96–102
**Index**

<table>
<thead>
<tr>
<th>Term</th>
<th>Page(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>UCLA UCLAF (Unit for the Coordination of Fraud Prevention)</td>
<td>25–6, 32</td>
</tr>
<tr>
<td>UK</td>
<td>124</td>
</tr>
<tr>
<td>uncertainty</td>
<td>67, 72</td>
</tr>
<tr>
<td>unilateral actions</td>
<td>110</td>
</tr>
<tr>
<td>US</td>
<td>60–62, 72, 110, 134–5</td>
</tr>
<tr>
<td>Uslaner, E.M.</td>
<td>25</td>
</tr>
<tr>
<td>Varjopuro et al.</td>
<td>103</td>
</tr>
<tr>
<td>VAT (value-added tax)</td>
<td>50</td>
</tr>
<tr>
<td>Vernon, R.</td>
<td>75</td>
</tr>
<tr>
<td>Voluntary Energy Efficiency programme</td>
<td>60</td>
</tr>
<tr>
<td>voluntary registration</td>
<td>4</td>
</tr>
<tr>
<td>voluntary self-regulation</td>
<td>5</td>
</tr>
<tr>
<td>Warner, C.M.</td>
<td>26</td>
</tr>
<tr>
<td>waste of resources</td>
<td>99–101, 103, 106, 132–3</td>
</tr>
<tr>
<td>welfare loss</td>
<td>99–100, 105, 133</td>
</tr>
<tr>
<td>whistleblowers</td>
<td>35, 46, 131, 136</td>
</tr>
<tr>
<td>White Paper, 1997</td>
<td>82</td>
</tr>
<tr>
<td>wind energy</td>
<td>73–4, 79–80, 133</td>
</tr>
<tr>
<td>wind farms</td>
<td>94</td>
</tr>
<tr>
<td>wind turbine producers</td>
<td>77, 82–4, 86, 89–90, 132</td>
</tr>
<tr>
<td>Xanthaki, H.</td>
<td>35</td>
</tr>
<tr>
<td>Yandle, B.</td>
<td>110</td>
</tr>
<tr>
<td>Zalba, Pablo</td>
<td>33–4</td>
</tr>
</tbody>
</table>