

9 Europeanization ‘from below’

The OMC process on social inclusion in the Swedish welfare state

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Introduction

The Europeanization of social policy has created a challenging, complex and fascinating situation for social non-governmental organizations (NGOs). The European Union (EU) has deployed a number of initiatives to encourage NGO participation in an emerging European polity. Social partners, voluntary organizations and citizen groups have gained key positions in new policy-making processes, such as the processes built on the open method of co-ordination (OMC), processes more inclusive to a variety of stakeholders and resting on the idea of reciprocal policy learning for every partner. The European Commission has encouraged the formation of EU-based networks and forums – e.g. in social inclusion policy and racism, xenophobia and age issues – aiming to encourage capacity building among national organizations and to help spread best practices. These initiatives have created new political opportunity structures at an EU level, thereby potentially challenging institutionalized patterns of policy-making in national contexts and pressuring national governments to introduce new forms of co-operation with organizations in the social field. Social NGOs now have the chance to take advantage of EU-related initiatives and transfer them to a national context, with the aim of strengthening their position (e.g. Della Porta *et al.* 1999; Ruzza 2004; Duffy and Jeliaskova 2005).

This chapter analyzes these issues from the perspective of the OMC process on social inclusion (e.g. Brandsen *et al.* 2005). It asks whether and, if so, how the OMC process for social inclusion has created new opportunities for social NGOs to take part in public deliberation and policy-making in Sweden. The chapter is based on analyses of Swedish National Action Plans on inclusion (‘NAPs/incl’), interviews with officials from the Swedish Ministry of Health and Social Affairs and interviews with representatives from social NGOs.

Of particular interest are the opportunities created for social NGOs representing marginalized groups. If the OMC process has given them greater scope for participation and influence at the national level, this change may also indirectly affect the conditions for active citizenship for the groups they represent. Do we see the development of new patterns of

interaction between these social NGOs and the national government? How has the Swedish government responded to opinions from the EU institutions such as the European Commission? Moreover, can the OMC process on social inclusion threaten institutionalized policy-making models in Sweden? The Swedish welfare state rests securely in a corporative tradition; i.e. social policy reforms include consensus building between the government and 'social partners' (organizations of employers and employees) but to a lesser extent between the government and social NGOs, citizens groups or voluntary organizations (Lewin 1992; Rothstein 1992). Can the OMC process on social inclusion change or modify this tradition, and provide social NGOs and citizens groups with greater possibilities for taking part in public policy-making or discussions on the direction of social policy?

The emergence of a new political opportunity structure

The 'social dimension' of the EU has developed far beyond what was perceivable some years ago and, since the late 1990s, EU institutions have repeatedly emphasized the importance of social policies in strengthening European integration (Kleinman 2002; Scharpf 2002). The European Council expressed these ambitions at its March 2000 meeting in Lisbon, and the resultant 'Lisbon strategy' included the ambition to not only become '... the most competitive and dynamic knowledge-based economy in the world, capable of sustaining economic growth with more and better jobs and greater social cohesion', e.g. by '... modernising of the European social model, investing in people and combating social exclusion' but also to decisively affect the eradication of poverty in the EU (European Council 2000a). The Council President even explicitly mentioned the ambition of significantly reducing the number of people at risk of poverty and social exclusion by 2010.

From the perspective of 'political opportunity structure' theory (McAdam 1996; Koopmans 1999), the consequent OMC process on social inclusion provided new opportunities for national social NGOs. These opportunities result not only from the introduction of new policy-making procedures but also from the acceptance of new policy ideas and beliefs at the EU level.

The Lisbon strategy was closely related to the adoption of OMC processes. Even though they play a fairly minor role in EU policy-making at large, they have gained great significance in policy fields closely related to national welfare state characteristics, such as employment and social policies. However, to consider the OMC process as completely new is misleading, because it largely constitutes the codification of practices developed previously in the European Employment Strategy and within economic policies (Hodson and Maher 2001; Mosher and Trubek 2003; Eberlein and Kerwer 2004). Given the growing academic discussions on OMC processes, we need to understand both the purpose and the practice of the process (De la Porte and Pochet 2002; Borras and Jacobsson 2004).

The OMC process does not rely on legal rules. It is a post-regulatory method of governance resting upon general procedures and standards. Hence it differs from the supranational law-making generally recognized as the trademark of EU policy-making (Jacobsson and Schmid 2002). This difference does not imply that legally binding regulations, directives and the European Court of Justice have lost importance but rather that they have been complemented by new forms of governance procedures. The OMC process provides flexibility for all actors; while it accepts differences in national contexts, it co-ordinates them through a set of mechanisms and instruments, thereby making policy influence based upon the process highly complex and difficult to discern. Even though joint objectives are agreed upon at an EU level, national governments have wide discretion for how to implement these typically broad and general objectives. Clearly, the success of the OMC process depends upon the willingness of national governments to follow the general ideas and objectives agreed upon within EU institutions. As the OMC does not allow EU institutions to use formal sanctions against national governments, the OMC process is largely a voluntary method of policy-making.

To further explain, the OMC process is based upon an idea of iterative, reciprocal policy learning for every partner, using instruments such as guidelines, indicators, national action plans, peer reviews and best practices. At the Lisbon meeting, the European Council stated that the OMC was based on four major elements: (i) the setting of short-, medium- and long-term guidelines for the EU, with specific timetables for their achievements; (ii) the establishment of performance indicators and benchmarks tailored to each member state and sector, to allow comparison of best practices; (iii) the translation of targets from the European to the national level; and (iv) periodic monitoring, peer review and evaluation, emphasizing mutual learning (European Council 2000a). These elements give us some insight into the functioning of the OMC process, in which the ambition is not only to spread best practices as a method for policy learning across the EU but also to create greater convergence in reaching EU goals, e.g. better jobs, greater social cohesion, less poverty.

The OMC on social inclusion provides opportunities for national social NGOs by presenting a number of policy objectives, issues and ideas for national governments to consider or even adjust to. The December 2000 Council meeting in Nice created a set of objectives for how member states were to fight social exclusion and poverty (Atkinson 2002). Member states agreed to complete biannual national action plans (NAPs) and to report on their strategies and actions for fighting social exclusion and poverty. Moreover, the Council encouraged all member states to fulfil the following four objectives (European Council 2000b):

- 1 To facilitate participation in employment and access by all to resources, rights, goods and services (i.e. to promote access to stable and quality

- employment, to mobilize training policies, and to promote the reconciliation of work and family life).
- 2 To prevent the risk of social exclusion (i.e. to put into place policies that seek to prevent life crises, indebtedness, exclusion from school and becoming homeless).
 - 3 To help the most vulnerable (i.e. to promote the social integration of those who face persistent poverty).
 - 4 To mobilize all relevant bodies (i.e. to promote not only the participation and self-expression of people suffering exclusion but also the dialogue and partnership between all relevant bodies, public and private).

The lack of greater detail in these objectives naturally gave member states an opportunity and a responsibility to interpret them according to national standards. As for the fourth, which is of greatest relevance for our discussion, the European Council in Nice explained that mobilizing all partners meant to

... promote dialogue and partnership between all relevant bodies, public and private, for example: i) by involving the social partners, NGOs and social service providers, according to their respective areas of competence, in the fight against the various forms of exclusion, ii) by encouraging the social responsibility and active engagement of all citizens in the fight against social exclusion and iii) by fostering the social responsibility of business.

(European Council 2000b)

The actual impact of these policy objectives is difficult to discern and it is unlikely that they have had any great impact, e.g. as the OMC process does not give the Commission the authority to make recommendations to member states. Nevertheless, despite these limitations the OMC process on social inclusion has put combating poverty on the political agenda across European member states, introducing detailed targets for poverty reduction and emphasizing that policy-making in this field ought to include all relevant stakeholders. These very acts encourage member states to develop improved common knowledge about how to combat poverty as a social problem of common concern for all European countries. The results have been wide-ranging discussions engaging both politicians and academics, including what indicators to use for measuring social exclusion and poverty, and the development of common databases (Atkinson *et al.* 2002).

Since the Lisbon and Nice meetings, the OMC on social inclusion has developed even further. In late 2005 the Commission presented the plan of streamlined OMC processes of social inclusion and social protection, as part of a revised Lisbon strategy (European Commission 2005). The following discussion will analyze the period *before* this streamlining began, specifically

the OMC process on social inclusion in Sweden. We can divide the Swedish experience into four different phases, starting before the introduction of the process itself, stretching over the completion of two NAPs (NAP 2001, 2003), and entailing the institutional innovation of a new platform for participation and consultation with stakeholders. The following analysis covers the broader process in Sweden and will include quotes from some of the stakeholders.

Social NGOs exploring the OMC before the government

The first phase of the Swedish OMC process on social inclusion started well before any formal decisions came out of Brussels. In the spring and summer of 2000, representatives from Swedish social NGOs were exploring what opportunities this process would provide and how they could best take advantage of them nationally. Representatives from national social NGOs, who knew what had occurred at the EU level, provided Swedish social NGOs with information and experience on the detailed content and implications of the OMC process.

Several Swedish organizations were represented in EU-based networks and forums, such as the European anti-poverty network, the European Disability Forum and the Euro-Diaconia, and in 2000 the OMC process on social inclusion was a debated subject in these networks and forums. Individuals from other Swedish organizations had central positions in EU institutions, e.g. as representatives in the European Economic and Social Committee, an EU advisory body.

These contacts and positions enabled the NGO representatives to get started before the Swedish government, clarifying their strategies, developing their capacities, and directing their efforts to mobilize partners. As a way of strengthening NGO capacities, one representative from the national Swedish co-operative institute invited other social NGOs to form a national network on social exclusion. A representative in the European Economic and Social Committee, this person had long experience in building national civil networks and conducting social economy activities. The planning took place in early autumn of 2000, with a threefold aim: (i) to explore the possibilities of the OMC process on social inclusion; (ii) to form a network capable of speaking to the Swedish government with one voice; and (iii) to become the one recognized actor for co-operating with the government in writing NAPS on social inclusion.

Even at this early stage, it was apparent that officials from the Ministry of Health and Social Affairs did not know much about the OMC process, nor did they show any great interest. Although the social NGOs invited representatives from the Ministry to discuss the EU initiatives, they were turned down. In contrast to the lack of Swedish government interest, these NGOs successfully mobilized a network giving the fourth objective high priority. It was called 'the Network Against Social Exclusion' (Network).

The Network consists of national social NGOs and voluntary organizations, representing marginal citizens with limited resources for full social participation in society. Some of these organizations provide services while others express a voice. Several member organizations are large, in terms of members and resources, and have a central position in Swedish social policy. Others are small, with few members and limited resources. The Network has aimed to establish itself as *one* collective actor for a spectrum of national organizations that previously worked individually with different agendas. To facilitate participation from an array of organizations, the Network remains informal, with no formal rights or obligations. Nonetheless, members of the Network hold key positions in their respective national organizations (general secretaries, chairpersons or senior advisers), a factor that has given the Network a high status among social NGOs.

The Network includes organizations belonging to the Swedish movement of people with impairments, religious organizations and communities, user organizations, client organizations, social economy organizations, immigrant organizations and ethnic associations. Although the Network attempted to include the workers union and the white-collars union, both declined the invitation.

NAP for and by the government

After these initial activities on the part of social NGOs, the Swedish OMC process entered a second phase: the Swedish government began to work on the first NAP on poverty and social exclusion at the start of 2001, and the Ministry of Health and Social Affairs and its unit for social services prepared the reports. Interviewed officials recalled how very pleased they were with the Network, which solved the problem of mobilizing all partners. However, despite several formal and informal meetings in spring of 2001, both partners described the relationship as conflict-ridden. The main issue was to what degree the Network would participate in the OMC process on social inclusion.

The Network wanted to be full partners in the formulation of the NAP, arguing that this kind of partnership was an explicit objective of the OMC process. The Network established different task forces to decide what issues to bring forward and how best to influence the OMC process. Ministry officials expressed uncertainty about performing the OMC process, including how to write an NAP, how to interpret the EU guidelines and what degree of autonomy a government enjoyed at a national level. Although their concern was hardly surprising at the very start of the process, government representatives stated that the expectations of Network participants were too high. The Swedish government defined the NAP as a document *for* the Swedish government and written *by* the Swedish government, as a state-of-the-art document. This position was later reflected in the final document, published in late spring 2001, mainly of describing Swedish social policy and the Swedish social model.

With regard to the objective of promoting dialogue and partnership with all relevant bodies, the plan mentioned that a

... large number of user and voluntary organizations has formed a network in order to influence, contribute to and monitor the efforts to implement the Swedish Action Plan Against Poverty and Social Exclusion. Consideration is currently being given to ways and means of establishing a dialogue between the network and the Government.

(NAP 2001: 25)

However, according to the Swedish government, the OMC process on social inclusion had limited significance for national policy-making. In the next NAP, the government explained that a national political reform process involved the identification of problems, investigations, political negotiations, budget considerations, a bill and, eventually, a parliamentary resolution enacting legislation. Yet for the Swedish government the

... context of the NAP against poverty and social exclusion was different, and the action plan was therefore more like a concise description of political strategy and action than a platform for new political reforms. This is why no new political initiatives were launched in the action plan and why it cannot claim to have determined the direction and scope of welfare policy.

(NAP 2003: 15)

The Network challenged this position. It argued that the Swedish government presented an inadequate picture of the Swedish welfare state, by failing to describe Swedish social policy from the perspective of social NGOs and voluntary organizations, and thereby implying that social policy was operated only by the state and governmental actors. To demonstrate both its criticism and its willingness to be partners and participants, the Network produced a 20-page alternative action plan, discussing its view of EU objectives, and gave the plan to the Ministry of Health and Social Affairs in April 2001. By presenting an alternative plan, the Network substantiated its claim that the Swedish government did not fulfil the common EU objectives to which it had agreed.

The Network sought support from the European Commission. In its 2001 *Joint Report on Social Inclusion*, the Commission stated that a major challenge would be to develop effective mechanisms for the involvement of stakeholders, not only in outlining NAPs but also in implementing and monitoring them (European Commission 2001: 8). In written correspondence, the Commission reported that several member states had developed interdepartmental structures, such as co-ordinating committees or agencies, gathering representatives from different administrative bodies (and in some cases from NGOs), as a way of strengthening the administrative structure

for fighting poverty and social exclusion. The Commission reported that Sweden presented its universal social policies, in combination with vigorous employment policies, as key measures for fighting poverty. The Commission stated that references

... are made in the NAP to the efforts which the Government and a large range of different bodies and interest groups at all levels have put in, although it is not possible to assess to what extent the participation of the bodies outside the normal administration has resulted in actual contributions to the NAP/incl.

(European Commission 2001: 112)

This criticism became significant in Sweden, because the government disliked the official EU reprimand. The Network used the same report to pressure the Swedish government, to 'open up' the OMC process on social inclusion. The Network also argued that its members had contacts with various EU-related networks and forums, which indirectly could put pressure on the Swedish government.

Different views on participation

The third phase of the Swedish OMC process on social inclusion started in spring 2003, when the Swedish government initiated the second round of preparing the NAP. This time the government adopted a slightly different stance on participation, expressing an aim to develop '... closer cooperation and partnerships at all social levels and a clear user perspective' (NAP 2003: 2). The government, said it had consulted with the Network and public authorities, keeping them informed throughout the NAP process. To substantiate this claim, the government attached two appendices to the NAP, one from the Network and one from the three biggest cities, which had been involved in developing local action plans as part of the European employment strategy and the Eurocities co-operation.

As to the objective of promoting dialogue and partnerships with stakeholders, the government expressed the ambition to strengthen partnerships between public and private actors, predominantly at the local level. The government claimed that the Network had an important role to play. It could raise awareness about the social inclusion process among the groups it represented, and it had the necessary local contacts for influencing efforts to combat economic and social vulnerability (NAP 2003: 42–3). To accomplish closer partnerships of this kind, the Swedish government expressed the intention of initiating a user committee in social vulnerability matters. The newly appointed Minister paid greater attention to issues of user involvement and participation than the former Minister and his proposal fit well with propositions from the European Commission, which had reported in the *Joint Inclusion Report* (2001) that some member states had already

developed innovative administrative structures for enhancing the participation of social NGOs. According to the government, members from the Network would play a major role, as the committee was to

... act as a body for consultations between the public sector and voluntary and user's organisations for the purpose of mobilizing relevant bodies in the efforts to combat economic and social vulnerability. The committee will function both as a forum for consultations and information exchange in connection with implementation of the NAP and will be a model for, and give legitimacy to, consultation arrangements at the local and regional levels.

(NAP 2003: 41)

The Network, according to interviews with members, continued to criticize the government throughout the spring of 2003 for not accepting it as a full partner in producing the next NAP. In its appendix to the NAP, the Network described itself as a forum for dialogue and exchange of experience among organizations with shared values in the fight against social exclusion. Moreover, the Network claimed to have experience in

... creating meeting-places and dialogue with users and many examples of good practice. It is necessary for representatives of central and local government to engage in direct dialogue with the most vulnerable. The Network can contribute to the establishment of this dialogue and ensure that it is conducted respectfully and on equal terms. We attach special importance to the fourth objective of the action plan, i.e. to mobilise all relevant bodies. We consider that this objective is an essential condition for achievement of the first three objectives.

(NAP 2003: 48)

The Network claimed that it was still important to work for a transparent framework for consultations and co-ordination which '... actively engages authorities and voluntary organisations in the formulation and implementation of the action plan at the national and local levels' (NAP 2003: 49). In other words, despite their differences, the Network and the Swedish government started to express more similar ambitions.

Institutionalized participation

The fourth phase of the Swedish OMC process on social inclusion started in autumn 2003. The government decided to initiate a forum for information exchange and consultations with user organizations, i.e. a 'user committee on social and welfare issues', with the special aim of highlighting the perspective of poor and socially excluded people. Above all, the committee

would strengthen user involvement and influence related to outlining and implementing the NAPs on poverty and social exclusion.

From the perspective of the Network, the establishment of this user committee represented substantial progress, because it gained access to a forum in which top politicians and public officials participated. The Minister chaired the committee, accompanied by his senior political adviser. The Director General of the National Board of Health and Welfare and higher officials from the Swedish association of local authorities also participated. However, the Network had the numerical majority. After some internal election procedures regarding gender, ethnicity and organizational positions, the Network put forward 11 people (later accepted by the Ministry of Health and Social Affairs) as its representatives. Although the delegation had no formal power to make decisions, the Swedish government still took some important steps in developing the participatory dimension of the OMC process.

Network members stated that they have generally been very pleased with the committee and the role of the Minister, who has shown personal interest in issues of user involvement. All the partners identified the committee as a possible model for how to implement the NAP locally and how to build local partnerships between public agencies and citizens' organizations. Moreover, all partners stated that the committee probably would not have been set up, had it not been for the OMC process.

However, the work of the committee illustrates some unresolved ambiguities. Instead of arguments and struggles over influence and participation ceasing, they began taking place within the committee. While the forum was formally presented as one of consultation and information exchange, Network members said that they had limited influence on the agenda. In spring 2004, the delegation held meetings, concentrating on topics of interest to the Minister. When the government invited external experts to meetings, Network members were not allowed to invite their own. In addition, the agenda for meetings was distributed only a few days in advance, restricting Network to limited preparation.

The government's behaviour in this context draws attention to the disadvantaged role of social NGOs in public policy-making. Some members of the committee even called it 'a hostage situation', in which they mainly functioned as 'experts' on the user perspective, answering questions from the Minister when asked. From its point of view, the government needed the committee to fulfil EU objectives. Other members of the committee believed that these problems merely resulted from the committee having just been established and not yet having found its procedure or form. They expressed a pragmatic approach, arguing that social NGOs had to accept some difficulties when working closely with public authorities, as a necessity for gaining additional influence. Moreover, some Network members criticized the Network itself for focusing only on establishing contacts with the government and failing to develop an agenda for further action.

Contrasting views on the NAPs from the government and social NGOs

Debates over visions and theories relating to the OMC process are ongoing. Some academics have stressed its participatory and deliberative qualities, in terms of facilitating a critical engagement of civil society actors, possibilities for voice and participation in public debate, and policy-making on the part of citizens or the organizations representing them (De la Porte and Nanz 2004). Others have emphasized that the abstract, theoretical and sometimes highly ideological promises of the OMC process sharply contrast with the process in practice – how national governments have handled it and what scope for effective voice, influence and participation it has given national social NGOs (Radaelli 2003; Jacobsson 2004). Key issues are the scope of the OMC process (as a political opportunity structure), its relative openness or closure, and its strength in a national context. This chapter shows that we can identify some ways in which the government and the Network strategically operated to ‘open’ or ‘close’ the process. Even though these examples come only from Sweden, they illustrate both the ambiguities and the tensions within the overall OMC process.

The OMC process on social inclusion has clearly contributed to new and enlarged opportunities for participation for social NGOs. The Swedish government has gradually adopted a more generous attitude towards the Network and its mobilizing objective. The best example is the introduction of the user committee as an institutionalization of participation and cooperation between the government and social NGOs. Therefore, we can conclude that this particular OMC process has opened new opportunities for social NGOs representing groups holding a marginal position in society to influence agenda-setting and public decision-making. Nonetheless, the Swedish government has used and still uses different strategies to limit or resist such NGO participation. The following three dynamics give us a framework for understanding the different positions and approaches of the government and the Network.

Reduced versus expansive approaches: one issue concerns the scope of the OMC process, especially whether to define it as a national or a European process. The Swedish government used different strategies to reduce the OMC scope within the Swedish national context, because it viewed the NAP process as external to Swedish social policy and therefore of limited importance. Accordingly, the government gave low priority and peripheral status at the Ministry unit for social services.

The Network, for its part, worked strategically to expand the OMC process beyond government control and to define it as an EU-related issue. The Network believed that the process was and should be out of the hands of national governments, as they had signed the Amsterdam treaty and taken part in developing the Lisbon and Nice conclusions. The Network also used its contacts and affiliations with EU-related networks to push the OMC

process beyond the complete control of the Swedish government. The conflict between the government and the Network was over the scope and ambition of the process: whether to understand it as one of limited importance for national policy-making or as one involving local, national and supranational actors.

Static versus dynamic approaches: another important issue concerns the nature of the NAPs – whether they are documents written by the government and for the government or joint products of the government and social NGOs. At first the Swedish government defined the NAP as a state-of-the-art document that did not describe future actions or welfare reform. Moreover, that only a few people at the Ministry were involved in writing the NAP meant that the Swedish government kept the NAP under very tight control and circumvented all social NGO claims for inclusion in policy-making.

The Network developed several strategies for involvement in discussing, writing and implementing the NAPs. Network members tried to prove their competence and experience by, for instance, producing an alternative action plan. They also challenged the government's view as they integrated the NAPs into their own activities, e.g. developing informational material based on the NAPs.

Passive versus active participation: although the OMC process on social inclusion builds on the objective of mobilizing all relevant bodies, in Sweden we see different views on the role of social NGOs. For instance, official documents described the user committee as a body for consultations between the public sector and voluntary organizations, serving as a forum information exchange. However, even though committee membership was a significant improvement for the Network, we question how the Swedish government defined contributions from the social NGOs. The government mainly perceived them as 'consultants' on user issues, with a possible mandate to function as 'experts'.

But the Network argued for recognition as a full partner, with the right to give input on its own initiative, express criticism, and have a recognized mandate to speak for its members. Some committee members said that the committee largely functioned as a government instrument for fulfilling EU objectives without giving social NGOs real opportunities for influence and co-determination. But others disagreed, either for pragmatic reasons or because they did not want to be critical. These tensions and disagreements within the Network and the committee will probably become even more apparent if members start to discuss more detailed and practical issues.

At the risk of making a complex process appear too simple and unequivocal, Table 9.1 summarizes these positions.

Table 9.1 can serve as a basis for some analytical reflections on different approaches to the OMC process on social inclusion in Sweden. The emerging issues are in line with experiences from other European member states, despite some differences in the details (e.g. De la Porte and Nanz 2004; Jacobsson 2004; De la Porte and Pochet 2005).

Table 9.1 Contrasting views on the national action plans (NAPs)

	<i>Government position</i>	<i>Network position</i>
Scope of the OMC process: a limited or expansive understanding?	The OMC as an external process, of limited significance for Swedish policy-making	The OMC as a European and multi-level process, beyond the sole control of the national government
Nature of NAPs: static or dynamic approaches?	NAP of limited significance for Swedish welfare reform; a state-of-the-art document	NAP as a document of action and reform; a document for discussion, debate and education in society at large
What role for social NGOs: passive or active participation?	Social NGOs as informants, consultants or possibly experts on the user perspective	Social NGOs as full partners, with a right to critical voice

Conclusion

When making social policy, the Swedish welfare state has rarely included organizations representing poor, marginalized or excluded groups. Social partners (along with a few large social NGOs) have been selected to represent the greater society in discussions with the national ministries. One obvious reason is that poverty has not been a high-profile issue in Sweden. Although social redistribution and economic equality are important political aims, fighting poverty has hardly been identified as a separate issue requiring a specific arsenal of anti-poverty measures. Swedish social policy rather rests upon the assumption that poverty is a residual problem best combated through active employment-promoting policies combined with an encompassing system of social benefits. Given this history, and because the OMC process on social inclusion contains some controversial and challenging components for the Swedish welfare state, some of the government's controlling responses and strategies begin to make sense.

The OMC process has been a catalyst for encouraging new patterns of cooperation among social NGOs and for strengthening their position with the government. The EU expects member states to mobilize and involve even marginalized groups in the policy-making process, rather than defining them only as target groups for welfare state provisions and interventions.

This chapter finds that the OMC process on social inclusion has provided social NGOs with a reason to mobilize, develop a common agenda and act collectively. As we have seen, the Network's overarching ambition is to reach internal consensus and speak with one voice to the Swedish government. The Network is something very new in the organizational landscape of Swedish social NGOs. Although broader networks, umbrella organizations and informal constellations have existed earlier, this is the first all-embracing network, gathering social NGOs from a wide number of policy

areas. It is also the first network that aims to become *one* powerful actor, too powerful for the government to ignore. In that respect, the OMC process not only reflects existing structures of co-operation among social NGOs but also appears to transform them.

The OMC process on social inclusion has emerged as an important component in the Network's overall engagement and negotiation with the government, because the Network is the one actor that has managed to establish closer, more reciprocal contacts with the Ministry. Given existing analyses of the corporative dimension of the Swedish welfare state, that the social partners did not participate in these discussions is remarkable.

These institutional innovations have been further encouraged by the relative redefinition of poverty policies in Sweden, especially as the OMC process on social inclusion strongly urges member states to reduce their poverty levels. In sharp contrast to its policy discourse, the Swedish government in 2001 adopted a parallel objective to reduce poverty. The Social Democratic government explicitly formulated the goal of cutting the number of people receiving social assistance by 50 per cent by 2004 (based on 1999 calculations) – the first time a Swedish government presented a national goal for social assistance.

Even though the Swedish government failed to accomplish its objective, it is striking that the objective was announced at the same time as the first round of NAPs. For instance, an important aspect of the OMC process is that each national government has to present its plans for and achievements on fighting poverty before its European colleagues and face their response. Possibly Swedish politicians did not want to be 'shamed and blamed' for not taking poverty issues seriously (Jacobsson 2004). This is not to claim a causal link between EU objectives and the Swedish government's actions; policy influence between the EU and member states occurs in much more complex and subtle ways. From a broader perspective, however, these political and discursive changes in Swedish politics might make it easier for marginalized groups (and the organizations representing them) to take part in the public deliberation on policy responses to their situation.

Given these considerations, and in contrast to some previous studies, we argue that the OMC process on social inclusion has had an impact on the Swedish welfare state (see e.g. Halleröd 2003). The OMC process has provided social NGOs representing marginalized groups in the Swedish welfare state with new opportunities to demand participation in making national policy relevant to their situation. Swedish organizations have used the OMC process to their advantage as a new structural setting to explore and develop. Moreover, these organizations have proven to be skilful, competent actors as they adopted the multi-level and multi-actor style of the EU polity. This relative success demonstrates the importance of applying an analytical perspective that focuses on activities 'from below' in EU policy-making, particularly in analyses of the relationships between the EU and national welfare states.