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GOVECOR Project Mid-Term Review, Brussels, January 10-11, 2003
Comments on Kerstin Jacobsson and Åsa Vifell, “Employment Policy
Coordination: Between Deliberation and Discipline?”

A. Introduction

1. It is a great pleasure to be invited to comment on the work of Kerstin Jacobsson and Åsa Vifell, who are among the most knowledgeable and insightful analysts of European employment policy coordination and the OMC more generally.
2. And it is also something of a challenge, since I agree with so much of what they have written on the subject, here and elsewhere.
3. Yet there are nonetheless some differences of interpretation between us, which I will highlight today, while also offering some observations on the broader framework of the GOVECOR project as a whole.
4. Given the limited time available, I will concentrate my remarks on 4 main points:
 - a) The dramatic expansion of OMC into EU social protection policies as a spillover from economic and employment policy coordination
 - b) The relationship between deliberation, bargaining, and discipline in OMC processes
 - c) The involvement of different groups of stakeholders in OMC processes
 - d) The impact/influence of OMC on EU Member States and its implications for broader discussions of convergence and “fusion”.

B. Spillover of OMC into Social Protection

1. Among the major concerns of the GOVECOR project is the identification of spillover effects into other policy fields at EU and national levels from the new Treaty-based economic and employment policy coordination processes (e.g. from EES to ESF).
2. Yet little explicit attention is devoted in its reports to one of the most significant and unexpected developments of the past few years: the rapid extension of EU policy coordination into the social protection field, as evidenced by the creation of the Social Protection Committee and the development of OMC processes for social inclusion, pensions, and (incipiently) health care.
3. These developments can be interpreted as a classic case of spillover, both negative and positive. Negatively, as Jacobsson and Vifell remark in their committees paper, the creation of the SPC and the new OMC processes in social protection can be understood in significant part as a response by Social Affairs ministers and officials to pressures from economic and employment policy coordination on their core policy domains like pensions and social insurance/assistance. Thus one of the central – and largely successful -- aims behind the new OMC processes in pensions, social inclusion, and health care is to ensure that social protection goals like adequacy, quality, access, and equity, are not lost sight of in the quest for financial sustainability and higher employment rates. Positively, the EES in particular offered an attractive model of how a non-coercive form of policy coordination emphasizing mutual learning and exchange of good practices could be applied to a politically sensitive field like social protection characterized by wide institutional variations across EU member states, where harmonization is considered by many to be neither practicable nor desirable.

4. As a result of these developments, both academic observers and policy actors increasingly speak of an EU “socio-economic policy triangle”, and much of the debate on “gouvernement économique” has been recast in terms of “socio-economic governance”. We can see this, for example, both in the Convention, where disagreements over the scope of economic governance resulted in the formation of a new working group on Social Europe, and in emerging plans from the Commission and the Council for the streamlining and synchronization of economic, employment, and social protection policy coordination around the spring European Council.

5. These observations are not intended as a critique of the Jacobsson-Vifell paper, whose authors are well aware of the developments in question. But they do suggest that the interactions between economic, employment, and social protection policy coordination should be more systematically integrated into the GOVECOR project, especially as some of the most interesting and promising extensions of OMC are taking place in the latter area.

C. Deliberation, Bargaining, Discipline

1. In their stimulating paper on the role of committees in OMC processes, Jacobsson and Vifell focus on the question of how far these contribute to a new mode of governance based on deliberation and mutual learning rather than strategic bargaining among EU Member States. They conclude that although a significant amount of deliberation and mutual learning does take place within these committees, there is also a great deal of strategic bargaining among national representatives; that the space for genuine discussion and exchange of views is increasingly restricted within the Employment and Social Protection Committees by the need to produce formal written texts; that it seems easier to reach consensus on technical rather than political issues; and that frank exchange of views is paradoxically greatest in those committees (like the Economic and Financial Committee, and to a lesser extent the Economic Policy Committee) which are the least intellectually open and transparent to public scrutiny.

2. I can confirm from my own research on the Employment and Social Protection Committees that their members do operate to a large extent as national representatives, and often arrive with political mandates on issues of particular concern to Member State governments. But I am not entirely convinced by the rest of their analysis. Thus as Jacobsson and Vifell acknowledge, OMC processes in employment and social protection have also contributed to the development of a normative consensus about common concerns, common challenges, and common objectives. These are far from technical questions, and the agreement of formal texts by the committees (typically on the basis of Commission drafts) is crucial to the surprisingly rapid progress which has been made in developing a common EU approach in these areas. I would also argue that diversity rather than homogeneity among the participants has often played an important part in advancing the policy debate, both within the separate committees themselves and in the interaction between them (e.g. the case of pensions, where it is increasingly recognized that no single model – funded/unfunded, defined contribution/defined benefit – is intrinsically superior, that adequacy of provision needs to be given equal weight alongside financial sustainability, and that increasing the effective age of retirement may be at once the most equitable and the most efficient means of defusing the future pension burden.)

3. Part of the difficulty here may be that Jacobsson and Vifell's conception of deliberative governance rests primarily on a Habermasian theoretical framework that draws overly sharp distinctions between instrumental or strategic action (bargaining) on the one hand and communicative action (arguing or reason-giving) on the other. Alternative theoretical frameworks such as Cohen and Sabel's conception of directly-deliberative polyarchy, in which ends and means are continuously refined in relation to one another through discursive yet disciplined comparisons of different approaches to practical problem-solving, may thus be better suited to capturing the interpenetration of these elements within the OMC.

4. A similar observation may be made about Jacobsson and Vifell's distinction at the end of their paper between deliberation and discipline as dimensions of the EES/OMC as a mode of governance. In this sense, we may say that OMC should be seen as a form not only of disciplined deliberation but also of deliberative discipline, insofar as it obliges EU Member States to explain to one another and their own citizens how (and why) they are (or are not) advancing towards commonly agreed goals. This last dimension of public accountability, I agree with them, so far remains weakly developed within most, if not all, OMC processes, thereby restricting their effectiveness, at least for the moment.

D. Stakeholder Involvement

1. This brings me directly to the question of stakeholder involvement. To realize its theoretical promise as a new mode of EU governance, OMC would need to involve a wide range of local and civil society actors within and across Member States. Officials within the Commission, especially DG EMPL, as Jacobsson and Vifell note, are convinced of the desirability of such broad stakeholder involvement, and have actively sought to foster it in a variety of ways. Yet so far this has only developed to a relatively limited extent, especially in the case of the EES. Why?

2. One reason concerns the ambivalence of the Member States towards participation of local/regional authorities and non-state actors in the formulation (as distinct from the implementation) of NAPs, especially in countries where the responsible officials consider these more a report to the EU than an operational policy-making document. According to my interviews, the Commission would clearly have liked to propose a stronger obligation for Member States to involve local/regional authorities in drawing up their employment NAPs, but was inhibited from doing so by fear of provoking a political backlash against such a violation of national sovereignty/subsidiarity.

3. A second reason concerns the ambivalence of the Social Partners. Although trade union confederations and employers' organizations alike are generally supportive of the EES at both European and national level, each favors certain of the guidelines and opposes or has reservations about others. In most Member States as at EU level, therefore, unions and employers want to be consulted about the drafting of the guidelines and the NEAPs – and sometimes complain loudly when they are not -- but they are rarely willing to take responsibility for the implementation of particular provisions. At the same time, moreover, both parties remain anxious to defend the special constitutional status in EU policy making conferred upon them by the Social Dialogue against infringement by other actors, including NGOs.

4. Yet in each of these areas, there are promising signs of change. Both local/regional authorities and civil society organizations have become increasingly aware of and active towards the OMC as the EES becomes progressively institutionalized and the newer social inclusion process develops, especially as the latter includes mobilizing all the relevant actors among its primary objectives. Thus employment RAPs and LAPs are proliferating in many member states, while networks of local and regional authorities are engaging with the EES and social inclusion OMC more and more at both national and EU level. The European Anti-Poverty Network has played a key interlocutory role within the social inclusion process from the outset, and is also increasingly seeking to influence the EES at both EU and national levels, as Jacobsson and Vifell observe for example in their report on Sweden. The role of these groups in the OMC strikes me as a key topic for future research, which should also investigate the activities of women's organizations, who appear particularly well-placed to take advantage of the EES's commitment to equal opportunities, gender mainstreaming, and expanded child care provision.

E. Impact, Convergence, Fusion

1. My final comments concern the impact of the EES/OMC on policy making in the Member States, and its implications for broader discussions of convergence and fusion tendencies within the EU.
2. I strongly agree with Jacobsson and Vifell's remarks on the methodological difficulties of assessing the impact of the EES on the Member States, since the latter's policy orientations had often begun to shift before the inception of this process, whose guidelines they also helped to define themselves. Hence, as I have argued elsewhere, it seems better on the whole to speak of a two-way interaction rather than a one-way impact.
3. I also agree with Jacobsson and Vifell that the influence of the EES/OMC has been greatest in the areas of promoting improved horizontal and vertical policy integration/coordination within and across Member States, and in reshaping frames of reference and approaches rather than specific policies and programs. But I don't think that either of these effects is captured particularly well in relation to individual countries by the standardized checklists and soft quantitative indicators provided in the GOVECOR interim report, which often struck me as rather partial and subjective both in relation to the national reports themselves and to other recent assessments, such as those produced for the EES mid-term evaluation. (A broader criticism of the national reports would be that they do not seem to have made full use of the vast body of material produced by the EES evaluation, nor with the exception of the Irish report to explain any divergences of interpretation with the official assessments.)

4. But even insofar as the EES/OMC may be seen as a promising tool for promoting convergence of objectives, performance, and policy approaches across the EU, we should not conclude that it has or will result in greater isomorphism among the Member States or “fusion” between them and EU institutions. Not only may the same broad policy approach be interpreted and implemented differently by individual Member States, as Jean-Claude Barbier among others has argued in the case of labor market activation. But the OMC itself depends on and can be expected to foster continuing institutional differences among EU Member States as a basis for and consequence of experimentation and mutual learning in responding to common concerns and challenges. In this sense in particular, the alternative between fragmentation or fusion does not seem fully adequate to capture the emergent pattern of closer interdependence and continuing diversity among EU Member States produced by the increasing prominence of OMC as a new mode of governance.