

Preface

Since the end of the 1990s, the European Union (EU) has been gradually introducing the so-called 'open method of co-ordination' (OMC), consolidating it in the Lisbon Summit of March 2000. What was initially a co-ordination mechanism to be used in the implementation of economic and monetary union enshrined in the Maastricht Treaty, and in the 'employment chapter' of the Amsterdam Treaty, has been notoriously expanded to other 'first pillar' areas. Presented in Lisbon as a way of improving European policies in addition to (and not as a replacement for) other conventional instruments of EU policy-making, it is still unclear how this method will unfold in the future, and what its impact will be within the overall context of the EU.

The OMC generally follows these steps: common guidelines, goals and/or benchmarks are set up by the Council; member states develop annual action plans to achieve the goals; these plans are monitored and evaluated collectively in a peer review process; finally, guidelines are reviewed and overall results assessed. These procedures are quite atypical for conducting public action at EU level. Atypical because they do not fall under the methods of the EU used hitherto, namely, the regulatory/redistributive tradition of the Community method, or the diplomatic tradition of international co-operation under the second and third pillars.

This special issue looks into various aspects of the OMC, and seeks to grasp its true nature and likely effects in the EU. It is the collective aspiration of the authors to point out the theoretical, empirical and methodological challenges that this new method poses to the study of the EU. With this in mind, this *JEPP* issue covers a wide spectrum of questions, including, for example, to what extent the OMC is 'old wine in new bottles', what sort of governance philosophy is behind its new procedures and techniques, what its potential impact in terms of effective problem-solving and deliberative democratic processes will be, and what sort of risks/weaknesses and strengths can be found in benchmarking exercises, so central to the OMC. Therefore, the first two articles deal essentially with general and theoretical considerations, the next

four are more empirical in nature, and the last one addresses some methodological aspects.

The novelty of the method and the many policy areas in which it has been unfolding are two major reasons why empirical evidence is still of a preliminary nature. Nevertheless, the results of this collective work cannot be said to be inconclusive: preliminary results are, in fact, important steps in the direction of a fully-fledged research strategy. Such a strategy is obviously to be inserted within the contemporary (massive) efforts dedicated to the study of the new modes of EU governance.

The first article, by Susana Borrás and Kerstin Jacobsson, opens this special issue by discussing what the OMC is about, developing some considerations about the likely effects of the OMC on the policy, politics and polity dimensions of the EU, and pointing out some theoretical challenges ahead. It is argued that the method is new when compared to the previous tradition of 'soft law' under the Community method, and that it is the response to a set of specific circumstances in the history of the EU. Even if the method is being implemented differently across policy areas attending to distinct co-ordination problems, the truth is that this method has some likely effects related to policy learning processes, to the politics of partial delegation of power, and to the constitutional dimension of the EU. Conclusions indicate that, if successfully delivering what it promises, the OMC will expose the limits of conceptualizing the EU as a 'regulatory state' along the traditional Community method, and will unleash new dynamics in the process of European integration, by expanding the functional limits of the EU, and by exercising an impact upon national institutions even in the absence of EU-level formal institutions.

The next article by Jens Henrik Haahr discusses whether, and how, the OMC can be understood as an example of advanced liberal government. Haahr's Foucauldian approach stresses the instrumental nature of the open method which, it is argued, is a tool for shaping and linking free individuals' perceptions of a specific governmental rationale. This social-constructivist analytics of government does not provide answers as to what extent the OMC will eventually change social behaviour. Its contribution is instead in the deconstruction of the logics and notions of government behind the OMC. Such an analysis is undertaken by studying the visibility, technology, identity and utopian dimensions of the new method in the European political context. The conclusion is that the OMC suffers from the same ambivalence as conventional advanced liberal governments, since government is an activity that enables and enforces agency, and at the same time limits and conditions this agency.

Dermot Hodson's article is the first of the empirically based contributions of this special issue, and it focuses on the management of economic and monetary union. The author examines the multilateral surveillance mechanism, which can be seen as a particular version of the OMC. Co-ordination here is an explicit attempt to avoid the economic instability of twelve heterogeneous economies following a single monetary policy. The empirical focus of this

article is on the extent to which the OMC can be an effective way of dealing with this particular co-ordination problem, a problem with many political and economic uncertainties. In relation to this, Hodson examines the literature of political economy which considers that consensus and deliberation bring added value to the macroeconomic policy mix, and develops Mancur Olson's theoretical considerations about peer pressure. From this perspective the case of Portugal's excessive budget deficit in 2002 is examined in detail, as a good example of the strengths and weaknesses of the multilateral surveillance mechanism.

The article by Robert Kaiser and Heiko Prange examines another competitiveness-related policy area where the OMC is being used, namely, research and innovation policy. With a focus on multi-level governance in the EU, these authors examine the ability of the open method to contribute to effective vertical co-ordination between different levels of government and enhance policy learning processes at these levels. Their findings indicate that this will be the case if actors at all levels take part in the OMC policy process, and if the OMC takes into account national and regional diversities when defining benchmarks and other contents.

Caroline de la Porte and Patrizia Nanz's article on pensions and employment policies deals with the welfare-related areas of the Lisbon process, where the OMC is supposed to contribute to the social dimension of the European project. The authors focus on the important aspect of whether and how the OMC can be explained by theories of deliberative democracy, and to what extent the OMC in the areas of pensions and employment truly introduces transparency, participation and responsiveness. From the evidence available, the article concludes that the OMC is still to a high degree a top-down process, and has not really been able to integrate various social actors in the processes.

Alexander Caviedes takes another stance in his study. This contribution focuses on why the OMC has not been used in immigration and asylum policy areas despite attempts in this direction. The author argues that the existing problems of negative externalities, given the highly diverse national regulatory regimes in immigration and asylum policies, and the potential for mutual learning processes, make the case for introducing soft forms of co-ordination. The proposed guidelines by the Commission are carefully studied as a way of repackaging the socio-economic and security concerns in different policy strands, which might help member states to take a more decisive step towards soft co-ordination. However, concerns that this might lead to fully-fledged EU law have so far prevented governments from making effective use of the OMC in this highly sensitive policy area. In other words, this article shows with absolute clarity the limits of using the OMC.

The last article of this special issue focuses on some methodological aspects of the OMC, particularly the strengths and weaknesses of benchmarking. Arrowsmith, Sisson and Marginson start by tracing the evolution of benchmarking from a business managerial tool to a tool in public policy-

making. The use of benchmarking in the world of private corporate business indicates that learning and continuous improvement have typically gone hand in hand with coercion and control inside firms. This latter element is not obvious in the OMC. The EU has increasingly used benchmarking in the three variants identified by the authors. However, defining 'best practice' is a difficult task, not because of the technology of benchmarking, but rather because of the essentially political nature of such a process. The conclusions summarize the findings and point to the possibilities of increasing downward and upward accountability as a way of minimizing the implicit weaknesses of benchmarking.

In the concluding remarks the guest editors take up again four issues regarding the OMC, namely, the nature of the OMC given its diversity across policy areas, the ways in which compliance and effectiveness can be analytically addressed, the extent to which the OMC is fulfilling its new democratic ideals, and the limits and potentials of the OMC.

Susana Borrás and Bent Greve