NewGov

NEW MODES OF GOVERNANCE PROJECT

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NEWGOV
New Modes of Governance

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Classifying and Mapping OMC in different policy areas
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Summary

This analysis provides a systematic map of open method of coordination (OMC) processes across sixteen policy areas. The proliferation and variety of OMC's appears as key features of its development as a new mode of governance and several hypotheses accounting for these patterns are systematically mapped and examined. Using content analysis of the documentary output of the main EU level institutional actors, a diachronic examination of OMC process with the context of the Lisbon strategy shows how selective political energies are shared among OMC's and how these energies can be seen to wax and wane over time. We conclude with a discussion of the main findings and examine potential crossovers with partners within the cluster and wider project.

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0. Introduction

Specific objectives regarding NEWGOV scientific objectives

This paper addresses the issue of the open method of coordination (OMC) from the dual perspective of its mapping and its classification. Working within the overall theoretical framework defined by the Consortium (Rhodes 2005) and the specific concerns of Cluster One (Wessels 2004) we will attempt to; a) provide extensive empirical data for subsequent analysis by other members of the cluster and b) examine working hypotheses by suggesting answers to the 'theoretical puzzle' presented by the method.

Initial explorations of the emergence of new modes of governance by cluster one highlighted the need for a systematic cross-policy area comparison of OMC processes. The implementation plan of the cluster sets out several primary objectives regarding the open method of coordination:

- to map the use of the open-method of coordination in different policy domains
- to analyse the form and function of OMC in different policy domains
- to explore the manner in which different EU institutions are engaged in or excluded from OMC processes. (Description of work)

To map is to chart, thus the bulk of this paper will present empirical data on the development of the OMC, its instittuionalisation at EU level and will try to shed some light on the OMC as governance issue that is central to the project. The main sections will present OMC's organised by policy areas (section 3.1) and elements of institutional commitment to OMC and the Lisbon strategy (section 3.2). Because OMC's processes are, as a rule, both weakly constitutionalised and institutionalised we have employed documentary analysis of (European) institutional communications (Presidency conclusions, Commission proposals, Council of Minister press releases and so forth) to represent political energies surrounding the method. Given the variety and number of concurrent OMC's, our persistent research question is how to account for the proliferation of certain processes and demise of other by situating the method firmly within the Lisbon strategy. This final section will draw results and hypotheses together and confront them will the scientific objectives of the project.

1. Situating OMC within the theoretical framework

1.1 OMC and New Modes of Governance

A first analytical distinction is required to separate the OMC *qua* new mode of governance and OMC processes as iterations of this new mode. Whereas a general understanding of the features of OMC would place it within the paradigm of 'new, soft modes', closer inspection of particular instances of OMC show that the picture is more complex. As pointed out by several authors (Radaelli 2005, Rhodes 2005) the distinction between new and old, hard and soft modes of governance is one of degree rather than of category. OMC processes may all operate within weakly constitutionalised areas of Community competence (that is, after all, their raison d'etre), they collectively display aspects of 'old' governance (treaty-basis of employment strategy), 'new' governance (enterprise scoreboards), hard (financial penalties for fiscal surveillance) and soft (voluntary targets for research policy).

Figure 1.1 Policy convergence capacities

1. Simple benchmarking and/or recommendations

2. Voluntary binding policy objectives + benchmarking & peer pressure

3. Voluntary binding policy objectives + benchmarking & peer pressure + structured coordination process

4. Legally binding policy objectives (sanctions for non-compliance)

5. Legally binding regulations

Lowest

Policy Convergence capacity

Highest

Source: Rhodes (2005)

Rhodes (2005) provides a single explanatory variable (policy convergence potential) conjugated in several incremental stages. Applying this template, all OMC's would appear all along the continuum of new modes of governance from simple benchmarking through voluntary objectives and structured coordination procedures. This approach can allow for the categorisation of different OMC's along the continuum but tell us little about the OMC itself *qua* governance. Similarly, the analytical framework of Falkner (2004) allows for the categorisation of all modes of governance and the distinction between different OMC's (with some appearing if boxes I, IIII or IV) but does not capture the specificity of OMC as a distinct mode of governance.

Figure 1.2 Implementation frameworks

Legal Instrument

		Binding	Non-binding
	Rigid	I. Coercion	III. Targeting
Implementation	Flexible	II. Framework Regulation	IV. Voluntarism

Source: Falkner (2005)

The 'scope conditions' (Rhodes 2005) for the emergence and impact of new modes of governance offer a rich conceptual framework for understanding the emergence of the open method of coordination qua method. These are a) historical policy failure, b) external conditionality, c) uncertainly and d) functional interdependence.

Quite how OMC operates within these conditions is one of interpretation. Firstly, as the method works on the level of perceptions, the scope condition of its emergence under 'policy failure', i.e. 'that policy makers realize that a policy is not working' (ibid:16) is more a 'final' cause than an 'formal' cause. Under OMC, policies are failures only compared to other (better) policies. That is to say the perception of failure comes after the OMC process is up and running. Secondly, 'external conditionality' would seem to be a feature of all rational policy transfer and, while it certainly applies to OMC, it does not provide a definitional characteristic that would distinguish OMC from any other mode of governance. Thirdly, a 'high degree of uncertainty' as to the course of action to be taken would seem to apply specifically to OMC. As discussed below, OMC is a low commitment process that can be used to sound out actors'

preferences without engaging them in an incremental legislative procedure. This ability to test uncertain political waters is a key feature of OMC and is certainly a formal condition for its emergence. Finally, 'functional interdependence' of policies across member states is clearly a scope condition for the appearance of certain OMC but, again, the rationality of policy transfer depends on the construction and interpretation of that interdependence. OMC Youth policy may well respond to the functional logic of 'creating the right conditions to enable young people to play a full part in the life of democratic, open and caring societies' (CEC COM(2001) 681 final), it is also intended to 'create a common vision and give a better idea of youth-related issues, and will make it possible to work more effectively, collaboratively, and by deciding on common objectives' (ibid:5). OMC therefore seeks to create the conditions of functional interdependence.

1.1 Methodological approaches

Therefore, *a priori* definitions of new modes of governance provide a rough template for classifying OMC but their useful usefulness breaks down when applied across all instances of OMC. In the following section we shall present an *a posteriori* approach and search for structuring trajectories and patterns as they have appeared in the iteration of OMC during five years across fourteen policy areas.

Empirical induction

Mapping the open method across its multiple instances initially requires a purely inductive approach for two reasons. Though the Lisbon Council conclusions provided a template for the method, different processes operationalise the method differently sometimes introducing new elements while ignoring others. As a soft mode of governance par excellence, OMC's do not leave a distinct 'footprint'. Although traditional 'hard' modes of legislation have their dedicated monitoring bodies that track the advancement of procedures (e.g. Prelex for ongoing procedures), information on most OMC's is garnered by careful web searches on europa.eu.int and other EU sites. This prima facies evidence can show patterns of execution but presents additional puzzles: why so many OMC's, why so few 'proper' OMC's?

Content Analysis

A second (related) methodological approach is that of content analysis of Community documents. Contrary to hard legislation, OMC's rely mostly on discursive resonance within policy spheres to operate. Simply put, OMC is about changing ideas in the absence of law. The method is given life through the selective political energies of institutional actors. We investigate this selectivity through an analysis of the occurrence of key terms in multiple Community documents. This mapping is conducted for the period from the launch of the Lisbon strategy (and baptism of the open method) in March 2000. The data is presented with several important caveats but does allow for supplementary prima facies evidence of how OMC is used and by whom.

Critical Analysis

A third methodological tool is used to make sense of the empirical data and is suggested by Rhodes (2005) who reminds us that 'issues of power should be at the forefront of our quest to understand how and why new modes of governance emerge and to evaluate their consequences for governability, accountability, responsiveness and legitimacy' (Rhodes 2005:6). The shift from older to newer forms of governance 'raises questions of who sets the trajectory of change' (ibid:6) that, we hope, will be central to our account of OMC processes. As mentioned above, the method operates at the level of ideas. Its toolbox of (amongst others) per-

formance measurement, guidelines, benchmarking and peer reviews achieve policy change by shifting the rationality of policy goals. Jocabsson (2004) refers to discursive regulatory mechanisms to describe the building of new system of governance. By analysing OMC as a discursive regulatory mechanism and placing it firmly in the context of the Lisbon strategy, trajectories of change and their consequences appear.

A veritable 'Lisbon dramaturgy' is created by the strategy. This 'policy narrative' (Radaelli 1998) is constituted discursively by reference to common endogenous and exogenous pressures necessitating novel policy trajectories. The strategy is a one-act play (2000-2010) with ten scenes (Spring Councils) and whether outcome is tragedy, farce or epic victory, the Lisbon strategy is discursively articulated as a form of political theatre, with its heroes and villains, friends and enemies, where the EU is a fight against itself and its competitors.

2. Current academic acquis regarding the OMC

The OMC Research Forum hosted by the European Union Centre at the University of Wisconsin-Madison currently (last consulted 20 July 2005) archives over 160 presentations and peer-reviewed articles on OMC. Needless to say, the academic community's imagination has been captured by the promise and threats of the method. The coining of the expression 'open method of coordination' by the Lisbon summit (2000) crystallised scholarly attention around emerging modes of governance that feature alternative steering modes to the established Community method. The Community's use of such modes (summarised in table 1) is characterised by the reliance on non-legislative means of achieving their objectives. Accordingly, the coordination of economic policies between member states under the Broad Economic Policy Guidelines (BEPG) is tackled by non-binding country-specific recommendation from the Commission and adopted by the Council.

Table 2.1 Pre-Lisbon non-binding coordination initiatives

Area	Title	Origin	Origin
Economic policy	Broad Economic Policy Guidelines	Maastricht Treaty	1992
Employment policy	European Employment Strategy	Luxembourg summit	1997
Structural reform	Cardiff process	Cardiff summit	1998
Macroeconomic dialogue	Cologne process	Cologne summit	1999
Fiscal surveillance	Stability and Growth Pact	Protocol to Amsterdam Treaty	1999 (entry into force)

Dubbed 'soft modes' of governance, the rationale and appraisal of these processes have presented a puzzle for the academic community than seems to gravitate around two loci. Firstly, an essentially legal problematique raises the question of how these new modes impact existing modes of governance. Secondly, a more political analysis examines how they impact existing policy trajectories.

2.1 OMC *qua* new mode

Although most authors situate the origin of new, soft modes of governance before the appearance of the open method of coordination, if one is to judge by academic output, is has been

anointed the new mode par excellence. The ideal-type of soft modes (c.f. Héritier 2001) involves the voluntary participation of private and public actors in intergovernmental target setting and peer reviewing under Community supervision. The ideal type of OMC procedure involves the consultative definition of common objectives followed by the identification of shared indicators and benchmarks, the elaboration of non-binding action plans and periodic policy evaluation managed by the Commission (see Table 2). The discussion of OMC as new governance highlights two potential impacts of OMC on the traditional community method.

OMC as substitutive of the Community method

Those authors (see, for example, Radaelli 2003, Maher 2004, Syrpis 2002, Kaiser and Prange 2002) analysing the impact of OMC on the Community method (CM) weigh the advantages of OMC against its danger to the transparency, accountability and legitimacy of EU governance. As OMC's do not follow legally established procedures and are rather ad hoc in their execution, '[t]he democratic components or real-world OMC are weak in terms of participation, domestic salience of the process (as shown by media coverage and political interest), transparency of the discussions (only dedicated researchers have an idea of how indicators were chosen and agreed), communicative rationality, and democratic deliberation' (Radaelli 2003).

The typical account of OMC as substitutive of the CM goes like this. Under the CM, the presence of veto-players and ratchet decision-making can lead to either to the paralysis of the policy-making process or the reluctance of member states to engage in further, irreversible supranationalisation of domestic policies. Added to this the implementation deficit of legislation approved under CM, (c.f. Faulkner 2005) this method can lead to policy failures and the search for alternative (better) governance modes. The emergence of OMC is therefore in the wake of the insufficiencies of the older traditional mode and its application to new areas of European governance is seen as an attempt to avoid the inefficiencies associated with the latter. However, the hypothetical efficiency gains of OMC are traded against the loss of democratic embeddedness of the CM. Therefore, if OMC is an alternative community method, it has a flawed democratic pedigree and could represent a footloose, potentially corruptive mode of governance. This understanding of OMC as a possible dilution of CM is indeed echoed in the Constitutional Treaty provision for 'cooperation between the Member States and (…) the coordination of their action in all social policy fields (Article III-213)'. Firstly, reference to the Open Method of Coordination as such is avoided outright (the 'constitutional effect' is circumvented). Secondly, the declaration in the Final Act annexed to Treaty qualifies the nature of such coordination stating that any such action by member states is of a 'complementary nature,' and 'shall serve to strengthen cooperation between Member States and not to harmonise national systems (Declaration on Article III-213)'. The dual concern of preserving both the integrity of the Community method and the division of competence between member states and EU institutions is present in the Convention's final formulation.

This line of enquiry highlights the trade off implicit in the recourse to a extra-treaty forms of cooperation. Whereas these procedures may represent a gain in decision-making efficiency, they may deepen the perception of a democratic deficit in EU governance.

OMC as complementary to the Community Method

Another strand of academic literature (Hobbs and Njoya 2005, Zeitlin 2004, de la Porte and Nanz 2004, Hartwig and Meyer 2002, Jacobsson and Vifell 2003) examines the potential of OMC to enhance the quality of EU governance by gains in input legitimacy. The topic of 'OMC as a deliberative mode of governance' examines the emergence of a third way in EU legislation that plots a course between hard modes (the Community method) and simple inter-

governmental cooperation. The third way entails the solving of common problems by bringing together stakeholders and dipping into a 'market of ideas' and drawing out *ad hoc* policy solutions that respond to the specificities of the problems.

The deliberative nature of OMC, its openness, allows for the reflexive definition of objectives and thereby ensures better regulation as stakeholders are, by the very presence in the decision making process, co-opted into policy goals. The iterative procedures of OMC involve civil society at strategic moments in policymaking, allowing EU institutions to dynamically review policy goals in a way that is beyond the Community method. This 'added value' of OMC feeds into the debate on the democratic deficit separating citizens from EU institutions. An earlier attempt to introduce elements of reflexivity into the EU legislative procedures in the form of comitology was limited to hyper-selective addition of policy 'experts' into the policymaking arena. And while this mode might indeed have yielded better regulation, the democratic referential of comitology was so narrow as to make it, in terms of improving the perception of democratic governance, a counter-productive effort. OMC, it is argued, represents an improvement on comitology as it formally includes (at least in its ideal form) elements of civil society that would otherwise be voiceless.

Somewhat counter intuitively, some authors argue that 'the only way to democratize the Community Method old or new from this perspective is to demand of the technocrats, particularly in the Commission, that they disclose the ideological valence of their proposals, thus instigating the kind of partisan clashes in the Euro-polis typical of electoral debate in contemporary mass democracies' (Sabel and Zeitlin 2003). Thus the method opens a broadside to public opinion, presenting them with policy alternatives that can be debated and, ultimately, voted on.

Lastly, the open method is understood as complementary to the community method as it adds a new instrument the toolbox of the EU and can serve to prepare the ground for further integration. As OMC operates beyond the formal limits of the sacrosanct 'community competence', it begins initiates the process of policy coordination through a convergence of policy goals. While OMC is portrayed elsewhere as a problem-solving instrument, this version sees it as a pathfinder for new areas on Communitarisation. The initial condition for integration is the political will to act together. As OMC functions at the level of ideas, it can prime the pump of new community action.

2.2 OMC as policy trajectory

A second broad strand of academic analysis focuses less on issues of democracy and efficiency issues and centres on the policy output imputable to OMC processes. The vast body of literature on OMC is concerned with sectorial fields with employment policy receiving most attention. The recurrent tension running through this line of investigation is whether OMC is primarily a means of fostering competitiveness or improving social welfare.

OMC as a Competitiveness fostering exercise

Whereas critics of EU policymaking as 'constitutionalised neoliberalism' were actor-based, centring on the power of institutions such as the European Court of Justice and Commission (Gill), the European Roundtable of Industrialists (Apeldoorn), a notable body of literature analyses OMC as an essentially ideational mechanism delivering neoliberal reforms of social policies at a reduced political cost. Basing their understanding of governance on the Foucaudian concept of 'governmentality', these authors (Jacobsson 2004, Savio and Palola 2004, Haahr 2004, Chamlers and Lodge 2003) see the OMC as a 'discursive regulatory mechanism' (Jacobsson 2004) that redefines social policy in the light of economic performance.

The governmentality of OMC involves a) the discursive construction of common economic and social challenges (global competition), b) the removal of distributive politics from the political arena (problem-solving replacing contestation) c) the creation of a new policy rationality (through statistical/technological remodelling, redefining policy choices in the light of challenges), d) the convergence of policy content towards a liberalising agenda (workarism, flexibility, employability, active aging etc.). The hegemonic concept of competitiveness demands that taken for granted social polices choices such as the pensionable age, an acceptable level of risk of unemployment are rethought and (ultimately) redesigned with economic analysis of costs and benefit brought to the fore.

Whereas traditional community methods imposed policy objectives 'from above', the OMC operates through the internalisation of the exigencies of global challenges thereby leading to a redefinition of what is politically possible and desirable. 'The most effective form of political control is to make one's conception of the world hegemonic, to set the political agenda in such a way that ideology becomes conceived of as natural or normal (Jacobsson, 2004:366). The focus on employability in the European Employment Strategy, it is argued (Jacobsson, 2004), imposes a supply-side perspective on labour markets i.e., markets are ill served by the current supply of labour (price, quality) necessitating a new emphasis on adaptability, flexibility, etc.

OMC introduces new techniques of governance (benchmarking, monitoring. etc.) based on the comparative measurement of performance. Performance is understood as the proximity to 'best practice', itself identified as the most economically efficient player. This comparative exercise is accompanied by the subsumption of hitherto autonomous policy areas (e.g. education) into the master discourse of economic competition. OMC is thereby used as an indirect means of regulation, of achieving performance in the form of efficiency measured in terms of productivity (see Haahr 2004)

OMC as a Welfare fostering exercise

A contenting strand of literature argues that OMC allows social goals to gain political purchase on economic policy making. Without it the EU would pursue a uniquely market-making agenda to the exclusion of social objectives. The institionalisation of OMC social inclusion is pointed to as evidence of OMC's role in promoting welfare fostering policies at EU level. The systematic inclusion of civil society (e.g. anti-poverty associations) in the process, the use of common indicators, the establishment of concrete targets can serve to force uncooperative member states to act when before there was little inceptive to do so. The strategic use of OMC performance techniques by non-institutional actors can displace traditional domestic policy choices in favour of new and better regulation. Similarly, the inclusion of welfare enhancing objectives in the employment strategy (childcare provision, gender equity) paints a more complex picture of the social purpose of OMC's.

The impact of OMC on European welfare states is examined by several authors and is seen by some (Jessop 2002, Chalmers and Lodge 2003) as being instrumental in moving from a Keynesian welfarism to Schumpterian workfarism. The desirability of such a movement is object for debate as is the ability of OMC to operate such changes. However, the majority of academic commentators concur that the impact of OMC on social policy in the EU is minimal (either because it is too early to measure a OMC effect, or that OMC is incapable of transforming embedded systems).

3. Mapping the Open Method of Coordination

The open method of coordination was specifically conceived within the political economy of the Lisbon strategy and designed to help achieve the strategic goal of making the Union 'the most competitive and dynamic knowledge-based economy in the world' (Council conclusions 2000). As such, it was to delivered change at national level without the need for implementing legislation at EU level. The means of achieving coordination are 'soft' in the sense that actors' behaviour will voluntarily change under similarly understood conditions. As noted above, the underlying rationale of the method is that member states face identical exogenous pressures to which they react to according to differing endogenous capacities. The Lisbon presidency established a shopping list of instruments designed to achieve consensus on the way to solve common challenges. The method involves:

- fixing guidelines for the Union combined with specific timetables for achieving the goals which they set in the short, medium and long terms;
- establishing, where appropriate, quantitative and qualitative indicators and benchmarks against the best in the world and tailored to the needs of different   Member States and sectors as a means of comparing best practices;
- translating these European guidelines into national and regional policies by setting
- specific targets and adopting measures, taking into account national and regional differences;
- periodic monitoring, evaluation and peer review organised as mutual learning processes. (Lisbon European Council, 2000: paragraph 37)

Policy coordination under loose conditions of consistency (looser obviously that those required by a directive) has meant that each policy area has its own tailored OMC. This make systematic mapping a delicate exercise. Two difficulties of classification present themselves immediately; when is an OMC an OMC? What distinguishes proper OMC's from simple exercises in coordination? As an extra-community method, the right of initiative and implementation of the process is shared between a number of actors (European Council, Commission, Council of Ministers). Therefore the 'ownership' of the process, significant for its future development but also its classification, is complex, as our analysis will show. Also, although the Lisbon Presidency set out a description of what the method entailed however, the set of policy instruments associated to each policy domain varies from the complete (Employment) to the more sparse (Immigration). Traditional forms of classification relying on CELEX and PreLex data is not very helpful as the process, once launched by the European Council, is not tracked systematically by any European body.

Information on OMC's has been gathered from the institutional websites and data databases and put together in an attempt to observe patterns or trends in OMC development. We have therefore resorted to a purely inductive effort at classification and use a working definition that the method as 'anything the Commission, European Council or Council of Ministers says it is'.

3.1 POLICIES: Analytical table of OMC policy processes

The results of the inclusive approach are presented in Table 2. The OMC processes are organised by policy field and distinguished primarily by their operationalisation of any of 13 'Lisbon instruments' associated with the method. A number of observations are necessary. Firstly, a Treaty basis, where applicable is included in the table (row one) even when it is extremely weak. As Community legislation in the field of education is not allowed this has not been an obstacle to the development of, for example, OMC education as articles 149 and 150 TEU provides for measures 'encouraging cooperation between Member States' in education and 'support and supplement the action' in the field of vocational training. The Treaty foothold,

even though is precludes legislation, serves as a primary justification for fostering cooperation at a EU level of the type OMC is designed to encourage. The origin of OMC process is mapped in row two. Since the term 'open method of coordination' was coined during the Lisbon summit of March 2000, only processes initiated after this date can be systematically referred to as OMC's. Thus, we include other 'OMC-type' process (as several previous coordination procedures clearly inspired its design) but note the origin of the process in their respective European council summits. Thus OMC immigration was mooted during the Tampere European Council in October 1999 but was not given the 'OMC treatment' until 2001 (COM(2001)387).

Row three maps the existence of budgetary leverage in order to distinguish OMC's Research and Development (R&D), Sustainable Development (SDP), and Fiscal surveillance (Stability and Growth Pact (SGP)). Only EU R&D policy disposes of a meaningful budget to promote coordination. Funds are distributed to individual member states that carry out research under strict conditions of cooperation with other member states. Framework Programme 6 and 7 also require participants to institutionalise coordination in semi-permanent 'networks of excellence' and 'integrated projects'. The SGP can be said to have budgetary leverage as the protocol provides for fines levied on non-coordinating member states'. Finally, SDP has been conditionally associated to the granting of cohesion and structural funds.

The European Court of Justice's leverage in a policy areas is a convenient means of classifying traditional methods of policy making and has only been include in the table (row four) to identify two areas where the ECJ has clear-cut (Stability and Growth Pact) or latent (Sustainable Development) influence. The provisions for SGP under article 104 TEU is justiciable as recent case law involving the Commission (C-27/04) against the Council has showed. Also, in the area of the environment and sustainable development the use of common targets for emission may provide grounds for action against member states if they are shared with other processes like the Kyoto protocol. This dimension (the role of the ECJ in OMC's) is not explored here but could be an interesting line of enquiry for further research.

Each OMC is more or less associated with both a specific Commission DG and Council formation. This leads to a connected observation that there is a close correspondence between the organisation of DG's and OMC's. Obviously, as OMC supervisor, the Commission will be systematically involved with all OMC's. However, the sectorial division of certain OMC's (Information Society, Enterprise, and although not included in the table, Tourism) would seem to respond to a logic of 'One DG, One OMC'. As the method is easy to roll out in its initial stages, a degree of 'me too' might explain why some OMC are organised as separate processes although there is clear overlap (and not simple synergies) with others. A Council formation is associated with each OMC process as they are involved with the definition of indicators, not to mention the management of the Lisbon Strategy.

Table 3.1 Analytical table of OMC processes by policy area[1]

Table 3.1 Analytical table of OMC processes by policy area (italics denote pre-Lisbon OMC's)

Process	Macro-Economic Policy	Employment	Fiscal Surveillance SGP	Immigration	Taxation	Better regulation	Training/Education	Enterprise
Treaty basis	Strong Art. 99	Strong Art. 125-130	Strong 104 (Excessive Deficit Procedure)	Weak Art. 61, 63	Weak Art 91, 92, 93	None	Weak Art 149, 150	Strong Art 95, 157,
Process announced	Treaty Provision Maastricht 1992	European Council Luxembourg 1997	Treaty Provisions Jan-99	European Council Tampere Oct 99	ECOFIN Nov 99 (Primarolo group) Feira Council 2000	European Council Lisbon Mar 2000	European Council Lisbon Mar 2000	European Council Lisbon Mar 2000
Community budgetary leverage	No	No	Yes	No	No	No	No	No
ECJ involvement	No	No	No	Yes/No	No	No	No	Yes/No
DG	ECFIN	EMPL	ECFIN	JAI	TAXUD	SG	EAC	ENTR MARKT
Council formation	EcoFin	EPSCO	European Council Ecofin	JHA	Ecofin	Ecofin	EYC	Competitiveness
INSTRUMENTS								
Established Common Objectives	Yes	Yes	Yes	In preparation	Yes	No	Yes	Yes
Indicators	Yes	Yes	Yes	No	No	In preparation	Yes	Yes
EU Targets	Yes	Yes	Yes	No	No	Certain areas	Yes	Yes
MS targets		Certain MS	Yes	No	No	Certain areas	No	Yes
Benchmarking	Yes	Yes	Yes	No	No	No	Yes	Yes
Best practice	No	Yes	No	Certain areas	Yes	Certain MS	Yes	Yes
Guidelines	Yes	Yes	Yes	Certain areas	Yes	Certain areas	Yes	Yes
Community Action Programme	Yes	Yes (Luxembourg Triennial)	No	In preparation (ARGO, Hague 2005-2010)	Yes (Fiscalis programme 2007)	Yes (Better lawmaking 2002-)	Yes (2010 programme)	Yes (Entrepreneurship Action Plan)
National Action Plans	Yes (annual)	Yes (annual)	No	In preparation	No	Certain MS	No	No
National Strategies	Yes	Yes	No	Yes	No	Certain MS	No	No
Peer review process	No	Yes	Yes	No	Yes (1999)	In preparation for 2005	No	No
Scoreboards	No	No	No	Yes (Tampere biannual scoreboard)	No	No	Yes	Yes
Council recommendation	Yes	Yes	Yes	No	No	No	No	No
Commission recommendations	Yes	Yes	Yes	No	No	No	No	No

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1   Iitalics denote pre-Lisbon OMC's.

Process	Information society	Research and Development	Social inclusion	Sustainable Development	Healthcare	Youth	Pensions	Tourism
Treaty basis	Weak, Art 156, 157	Strong, Art 163-173	Strong, Article 136, 137 and 144	Strong, Art 6, 175, 95t	Weak, Art 152(2), (4)	Weak, Art 149	Weak, Art 42, 137, 140, 308	Weak, Article 3
Process launched	European Council Lisbon Mar 2000	European Council Lisbon Mar 2000	European Council Stockholm Mar 2001	European Council Gothenburg Jun 2001	European Council Gotenburg June 2001	Commission White Paper Nov 2001	European Council Laeken Dec 2001	Council Resolution of 21 May 2002
Community budgetary leverage	No	Direct	No	Indirect	No	No	No	No
ECJ involvement	No	No	No	Yes	No	No	No	No
DG	INFSO	RTD	EMPL	ENV ENER	SANCO	EAC	EMPL	ENTR
Council formation	TTE	Competitiveness	EPSCO	Environment Council	EPSCO	EYC	EPSCO	Competitiveness
Established Common Objectives	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No
Indicators	Yes	Yes	Yes	Yes	No	No	No	No
EU Targets	Yes	Yes	Not all MS	Yes	No	No	No	No
MS Targets	No	No	Certain areas	Proposed (Kyoto)	No	No	No	No
Benchmarking	Certain areas	Yes	Yes	No	No	No	Certain areas	No
Best practice	Yes	Yes	Yes	Implicit	Certain areas	No	Implicit	No
Guidelines	Yes	No	Yes	No	No	No	No	No
Community Action Plan	Yes (i2010)	Yes (FP7)	Yes (Combat social exclusion 2001-2005)	Yes (Environment 2010)	Yes (Public health 2003-2008)	Yes (Youth programme 2007-2013)	No	No
National Action Plans	No	No	Yes (every 3-4 years)	No	No	No	No	No
National Strategies	No	No	Yes	No	No	No	Yes	No
Peer review process	No	Informal	Yes	No	No	No	Yes (2002)	No
Scoreboards	Yes	Yes	No	Yes	No	No	No	No
Council recommendation	No	No	No	No	No	No	No	No
Commission recommendations	No	No	No	No	No	No	No	No

Prima facies observation of the development of the method can identify a set of 13 instruments ranging from Guidelines to National Action Plans in the OMC toolbox. These instruments have been distilled from the list of measures set out by the Lisbon Council. To the 'officially' prescribed 1) guidelines, 2) peer reviews, 3) indicators, 4) benchmarks, 5) best practices, 6) targets, we include 7) community action programmes, 8) national action plans, 9) national strategies, 10) scoreboards, 11) common objectives, plus 12) Commission and 13) Council recommendations (although these only apply to atypical OMC's) as elements allowing the classification of OMC's. The findings in Table 1 illustrate the disparity in use of instruments across policy fields. The OMC's have been organised by date, earliest on the left (BEPGs), the newest to the right (Pensions).

Comparing and classifying OMC policy processes

The 'ideal type' of OMC features key elements of these Lisbon instruments. Although there is no strict hierarchy among instruments, there is a sequential relationship between 1) common objectives, 2) indicators, 3) targets, 4) action plans and 5) periodic peer reviews. The other Lisbon instruments are essentially derivative of these key elements (benchmarks are derived from indicators, scoreboards from targets, best practice from peer reviews, guidelines from objectives). OMC development proceeds from common objectives establishing a field of common concern. Progress towards objectives can be measured once common indicators are established. Indicators allow comparison of performance of member states that is, in turn, used to set targets. Once the targets are set member states or the EU draw up action plans to meet the objectives. Peer reviewing allows badly performing member states to draw lessons from best practice. Without these key elements an OMC is, at best, 'cheap talk' (Borrás and Greve, 2004).

All OMC's have declarative common objectives, usually adopted during the European Council conclusions. However, the absence of common indicators (and consequently, targets) in OMC's Immigration, Taxation, Better regulation, Healthcare, Youth and Pensions suggests that the elaboration of OMC's stalls at the definition of indicators. The absence of indicators has not meant the action plans have not been put forward, however, these are exclusively Community action plans proposed by the Commission and do not guarantee real world coordination at the domestic level.

Furthermore, of those OMC's benefiting from indicators (Macro-Economic Policy, Employment, Fiscal Surveillance, Training and Education, Enterprise, Information society, Research and Development, Social inclusion and Sustainable Development), most have established EU targets. However, very few (Social inclusion, Employment, SGP, Sustainable Development, Enterprise) make use of nation targets. There is an evident sliding scale of political commitment ranging from declarative objectives to national targets. If this filter is applied, only a select group of 5 OMC's can be said to even make mention of national targets ('Member States should set national targets for employment' (SEC (2005) 192)).

Community action plans are a persistent feature of most OMC's but, as mentioned, cannot be considered a reliable measure of political commitment for coordination. National action plans in Employment, Macroeconomic policy, Social Inclusion, and National Strategy Reports in Pensions offer a better index of political will.

As for peer reviews, their periodisation varies greatly from ongoing reviews in OMC Social Inclusion (up to 8 per year), annual rounds for employment and triennial rounds for pensions (the second round begins in Sept 2005).

Certain OMC's are, by these standards, weak. Immigration, Youth, Tourism and Taxation present few of the elements necessary for establishing significant coordination procedures.

Sustainable Development, Better Regulation, Healthcare and Pensions may lack essential elements but can be characterised as 'nascent'. OMC's Education, R&D, Information Society, Enterprise, Social Inclusion, Employment are, broadly speaking, well established. The strongest coordination procedures (Macroeconomic policy, employment and fiscal surveillance) are not OMC's in the strict sense as they preceded the baptism of the method in 2000.

Table 3.2 Relative institutionalisation of coordination processes (based on the use of Lisbon instruments)

Relative level of institutionalisation	Policy area	Years since inception
VERY STRONG	Macro-Economic Policy	13
	Employment	8
	Fiscal Surveillance	6
STRONG	Training/Education	5
	Enterprise	5
	Information society	5
	Research and Development	5
	Social inclusion	5
NASCENT	Sustainable Development	4
	Healthcare	4
	Pensions	4
	Better regulation	5
WEAK	Taxation	6
	Tourism	3
	Immigration	6
	Youth	3

Accounting for the variety and proliferation of OMC's

Several factors can be cited to account for the two particularisms of the method. Firstly, OMC has developed beyond its original context of employment policy and is currently applied to very disparate areas such as immigration and tourism. Secondly, the method is rolled out differently, sometimes giving rise to strong coordination (Social inclusion), sometimes weak (Youth). A first set of factors could explain the relative weakness of different OMC.

Proliferation of OMC's

- Time: OMC's become more embedded (institutionalised) over time, before the weaker OMC's are the latest instances of the process.

- Treaty basis: OMC's require a treaty basis in order to develop fully

- Concurrent extra-community coordination: OMC's benefiting from a parallel coordination process are strengthened by it.

Variety of OMC's

- Political experimentation: OMC's can be launched (and dropped) easily.

Temporal factors

A first question in comparing and classifying OMC is which are the 'strongest' and most elaborate instances. The most obvious approach would be to analyse the temporal factor. Table 2 presents coordination processed weighted by the relative level of institutionalisation. If the length of time the process has been running is factored in, there is a correlation between weak and recent processes, strong and established ones. It might be concluded that, over time, other coordination procedures will also be increasingly institutionalised. This would support functional hypotheses of a 'fusion' or strengthening or coordination over time.

Treaty basis

The Treaty provision for a coordination procedure, of course, guarantees its strength but is not, according to our analysis, a necessary condition for the vitality of all OMC's. Although Education policy is the preserve of national legislatures, EU coordination, even though its 'Treaty purchase' is trivial, is growing in importance and impact. The Constitutional treaty could (if passed) enhance the constitutional grounding of certain OMC's as it introduces a title 'Areas where the Union may take coordinating, complementary or supporting action' that explicitly mentions Public Health (Article III 278), Competitiveness (Article III 279), Culture (Article III 280), Tourism (Article III 281), Education, Youth, Sport and Vocational Training (Article III 282-3) Civil Protection (Article III 284) and Administrative Cooperation (Article III 285).

Extra-community initiatives, domestic influence and counterfactual evidence

Certain OMC's are mirrored and strengthened by concurrent coordination or cooperation initiatives. This makes evaluation of OMC's very difficult, as it is impossible to isolate an OMC effect from a concurrent coordination process. This is the case for both OMC Education (which is mirrored by a vigorous Bologna process) and OMC Sustainable Development (which is closely associated with the Kyoto protocol). The Organisation for Economic Co-operation and Development (OECD) provides similar services of economic analysis to the EU's BEPG and SGP in it annual economic surveys and country surveillance (see Schaefer 2004, Heipertz and Verdun 2004). The International Monetary Fund's (IMF) multilateral surveillance procedure called Article IV Consultations involve member state reporting of a similar type to that of the BEPG. The procedure concludes with the publication of recommendations on fiscal and economic policy. Therefore, there is no 'null hypothesis', no benchmark from which the uncoordinated policy areas can be measured and their convergence mapped.

A second group of OMC's, Information Society, R&D, and Enterprise, present difficulties for analysis as they present little or no counterfactual evidence of OMC coordination. Is member state investment in information technologies and innovation a result of EU 'added value' or national reactions to global challenges?

Table 3.3 Concurrent extra-community coordination processes

Policy areas	Concurrent Extra community initiatives
Macro-Economic Policy	OECD Economic Surveys IMF Article IV Consultations
Employment	OECD Jobs strategy (1994)
Fiscal Surveillance	OECD Country Surveillance
Training/Education	Bologna process (1999)
Enterprise	-
Information society	-
Research and Development	-
Social inclusion	-
Sustainable Development	Kyoto protocol
Healthcare	-
Youth	-
Better regulation	OECD Review of Regulatory Reform
Taxation	OECD forum against harmful tax practices (1988)
Tourism	-
Immigration	-
Pensions	-

Political experimentation at a reduced political cost

Political experimentation (path finding) by institutional actors (Council, Commission, or member states) could account for the proliferation of OMC processes. Under the existing community method, initiatives can be bound by unwieldy rules of procedure and a surfeit of stakeholders during the elaboration stage. Often citied as an example in the domain, comitology was heralded as a forum for policy experimentation and expert decision-making. The process was open to institutional actors and non-institutional actors (mainly expert groups) invited to take part in discussions by the Commission. However, concerns about the democratic legitimacy of comitology prompted a review of working practices and what can be seen as either a) greater participation by legitimated actors, or b) its death by rigid institutionalisation. It is argued that the tightening up of procedures and rules of participation strangled it of all innovation potential. The phenomenon is a familiar one in EU policy circles; all institutions jealously guard their own powers and closely observe those of others. New policy arenas are quickly populated by stakeholders, overcrowding ensues and paralysis can set in.

The open method of coordination can serve as an alternative forum for policy experimentation that operates from without the 'shadow of institutionalisation'. Firstly, there are no established rules for actor participation. Secondly, political ownership (and therefore risk) is shared between participants. Thirdly, it is iterative but not incremental, i.e. progress is always voluntary and never locked in by legislation. Fourthly, there is no direct budgetary impact and participants are no arguing over 'who gets what'. Lastly, it is 'new', i.e. it operates at the margin of community competence and feels its way around obstacles, making up new procedures as it proceeds. It is a truly 'open' method in sum. Consequently, its omission by name from the Constitutional Treaty, despite the favourable opinions of the four working groups mentioning it, was presumably prompted by concerns that its constitutionalisation would rob it of its flexibility (de Burca and Zeitlin 2003).

The open method is, therefore, a risk-free method of path finding in new policy areas. Illustrating this feature is OMC immigration that was initiated in 2000, leading to Commission proposals for a common policy in 2001. These were not adopted by the Council (for a discussion of this see Cavaides 2004), and the initiative there. The OMC served its purpose with little political cost to participants. As there is no voting procedure, those countries not ready to take part in a common immigration policy could simply opt out or persuade the others not to go any further with the process.

This try-it-on approach to new policies could explain both its initial profusion and relative weakness of certain OMC's. Political energy to coordinate at the EU level must be tested and the practice of 'kite flying' to test the prevailing wind is necessary to judge the feasibility of common measures. If this hypothesis is true, the method will rack up other policies and there could be OMC housing policy, wage policy. etc.

3.2 INSTITUTIONS: the selective strategisation of social policies

Accounting for the variety OMC's requires that the method is understood within the logic of the Lisbon strategy for making the EU the most competitive knowledge-based economy by the year 2010. The relative strength of the competitiveness-enhancing OMC's (Education, R&D, Information Society, Enterprise) can be traced back to EU initiatives to promote economic growth. The convention story of EU economic governance is that the negative integration of the past fifty years fell short of creating the conditions for economic growth as it left intact national industrial and labour systems. In order to reach the goal of global competitiveness there not only has to be free and well functioning markets in goods and capital but also services and labour. The internal market achieved by the removal of barriers to trade (so-called 'negative integration') did not lead to the harmonisation of industrial systems across the EU. Labour market regulation, broadly understood, is considered is vital to good economic performance (see Sapir report 2003). Positive integration or re-regulation in the field of social policies is beyond the scope traditional community method of legislation (due to, amongst others factors, the diversity of national systems, the difficulty in achieving member state agreement) leading the EU institutions to seek change through forms voluntary coordination.

Evidence of strategisation

Although the Lisbon strategy is more than a purely discursive mechanism (there are 84 so-called 'Lisbon directives' ranging from regulating natural gas supplies to markets in financial instruments) it clearly innovates in its use of discursive tools. The strategy is intended to create an intellectual climate promoting policy reform. By describing the challenge to EU economies in univocal terms (competition from the USA and, more recently, China) the strategy reorganises the traditional separation of policy fields into social and economic domains. We advance two arguments to support this hypothesis. Firstly we observe the operationalisation of the method in the different areas to which it has been applied and analyse documentary elements from the Commission for evidence their strategisation. We will illustrate this point with reference to two non-economic policy areas that have been drafted, successfully or unsuccessfully, into the strategy: immigration and education policies. Secondly, as the both the Lisbon strategy and the open method operate primarily at the discursive level, we analyse the Council of ministers formation press releases and minutes for evidence of this stategisation.

Elements of documentary analysis

As noted above, both the Lisbon strategy and the open method operate discursively, i.e. they achieve its aims by creating common perceptions and prompting common reactions to these

perceptions. We would expect that those actors wishing to use the leverage of the strategy to redefine policy goals in line with its objectives will refer to it in the course of their institutional communication. Indeed, references to the Lisbon strategy are frequent in both Commission and Council communications. Therefore, if political commitment to the strategy is to be measured, it is to the 'discursive output' of the various actors that we should look. If an actor make little or no reference to the strategy at all, it will be assumed that it has no interest in using its strategising effect on the policy field or field it operates in.

3.2.1 Main Community institutions and OMC

The role of the main Community institutions in OMC process can be summarised as follows;

- The European Council initiates a process and provides periodic impetus

- The Council of Ministers discusses indicators, targets, benchmarks etc.

- The Commission proposes indicators, plans, programmes and also reviews progress

- The European Parliament issues opinions

- The EESC and Committee of the Regions also issues opinions

Using the CELEX database, the following 'map' of the selective institutionalisation of OMC can be charted. Although the legislative footprint of the method is faint, reference to it appears in decisions by the Council of Ministers, European parliament written questions, Commission communications and opinions by the Committee of the Regions and the Economic and Social committee. Of the 288 references to the method, the vast majority are by the Commission with the consultative committees showing considerable interest. References peaked in 2002-2003 and dropped off somewhat in 2004.

Graph 3.1 Reference to OMC in main Community institutions

Reference to OMC by Community institutions
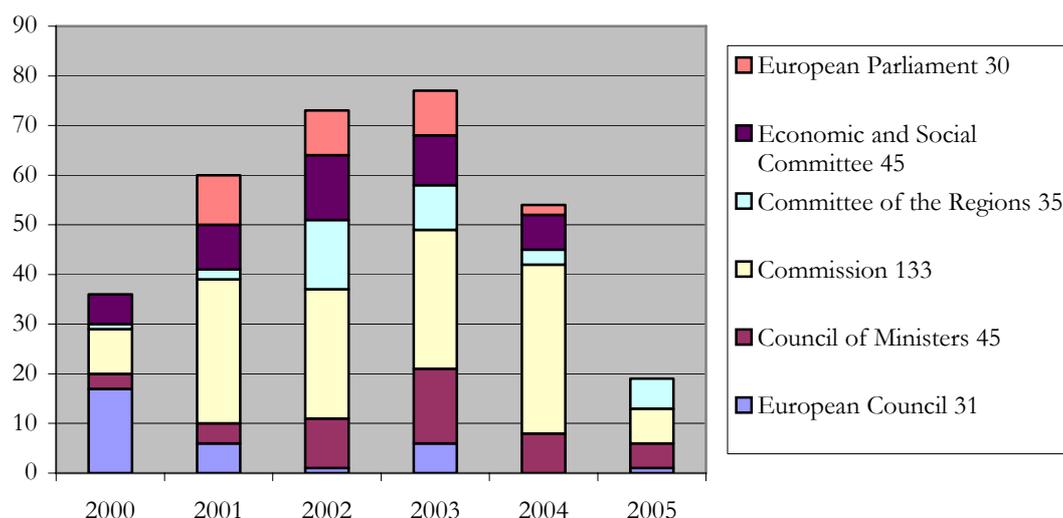
Source: CELEX database

Council of Minister acts

As they represent the closest thing to 'hard legislation', Council of Minister activities surrounding OMC are broken down into their individual elements with conclusions and resolutions being the bulk of acts making reference to the method. The trend broadly mirrors that of institutional output overall, with references to the method seeming to peak in 2003 and then falling.

Graph 3.2 Council of Minister acts by year

Council acts refering to OMC (2000-2005)
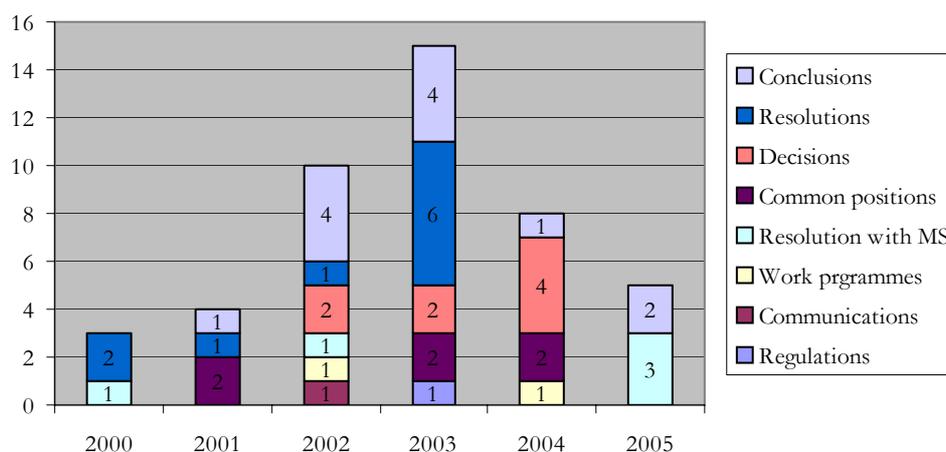
Source: CELEX database

References by policy area covered are broken down according to the subject matter in chart 3.4 (using celex definitions). The main areas of activity (judged by or method of analysis) do not present many surprises, with education, social provisions, research and competition coming on top.

Graph 3.4 Council of Minister acts by policy area

**Council act refering to OMC by policy area (2000-2005)**
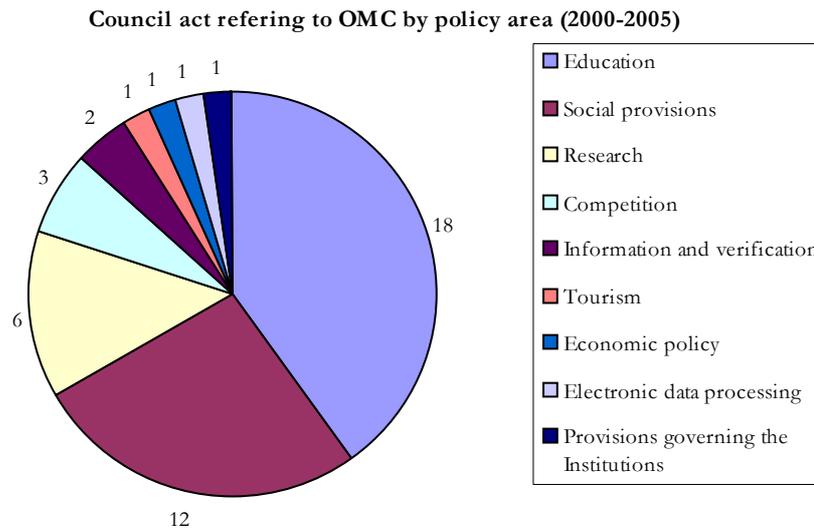
Source: CELEX database

Commission communications

Commission communications (COM and SEC) in which OMC is mentioned are presented by policy area in graph 3.5 and by year in graph 3.6. Those areas with significant output are the 'usual suspects' of social provisions (employment, social exclusion and protection), the competitiveness related areas of small and medium enterprises, R&D, economic policy and education. Not only is the Commission's OMC associated output more extensive, it is more constant as table x demonstrates.

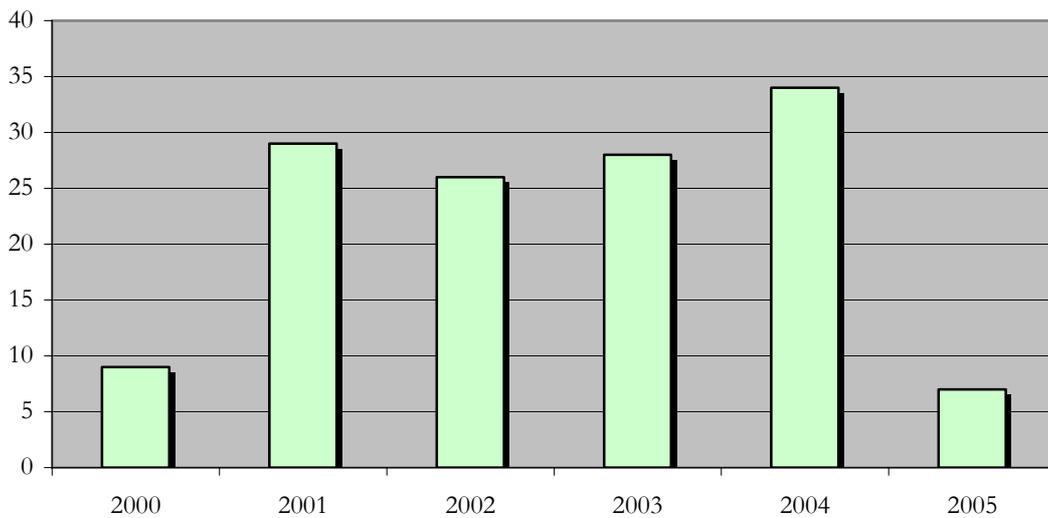## Graph 3.5 Commission Communications by policy area source

Commission communications (2000-2005) referring to OMC by subject
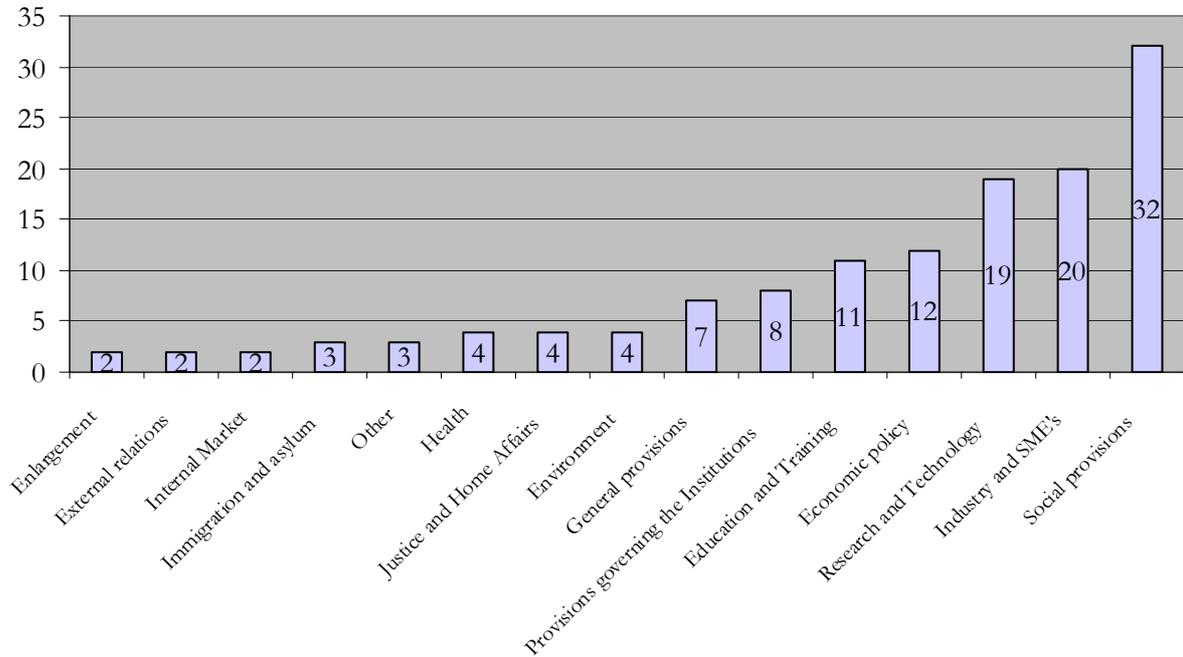
Source: CELEX database

Graph 3.6 Commission Communications by year

Commission communications (2000-2005) refering to OMC by Year

Source: CELEX database

The Commission demonstrates the most consistent use of the term, perhaps indicating a greater commitment to its development as a policy tool. Some commentators (Goetschy 2004, De la Porte 2001) interpret the role of the Commission as secondary in the logic of the OMC. Even though the nature of the method is intergovernmental, this has not prevented the Commission from systematically involving itself with each instance, and actively promoting others.

The European Council

Not all OMC originate in the European Council declarations. Accordingly, both Youth and Tourism OMC's were first mooted by the Commission and the Council of Ministers. However, all the main processes (see table 3.4 below) have been baptised by the Council.

Table 3.4 Initiation and reiteration of OMC processes by the European Council

LISBON 2000

Announced	Reiterated
Information Society	
Research and Development	
Enterprise	
Innovation	
Social exclusion	

FEIRA 2000

Announced	Reiterated
Education	Information Society
Economic reforms	Research
Employment	Social inclusion
	Enterprise
	Innovation

NICE 2000

Announced	Reiterated
Social protection	

STOCKHOLM 2001

Announced	Reiterated
Training	Education

GOTEBORG JUNE 2001

Announced	Reiterated
Pensions	

BARCELONA MARCH 2002

Announced	Reiterated
	Pensions

BRUSSELS MAY 2003

Announced	Reiterated
Developing human resources in R&D	Research
	Innovation
	Pensions
	Social protection

BRUSSELS NOVEMBER 2003

Announced	Reiterated
	Social protection

The frequency of the term OMC has been declining in Presidency conclusions. No major co-ordination process has been initiated (if human resources in R&D is excluded) since Gutenberg in June 2001 when OMC pensions was official announced. In 2005, the review of the Lisbon strategy only led to one passing reference to OMC (the consolidation of the various Lisbon reports into one document).

Graph 3.7 European Council and the OMC

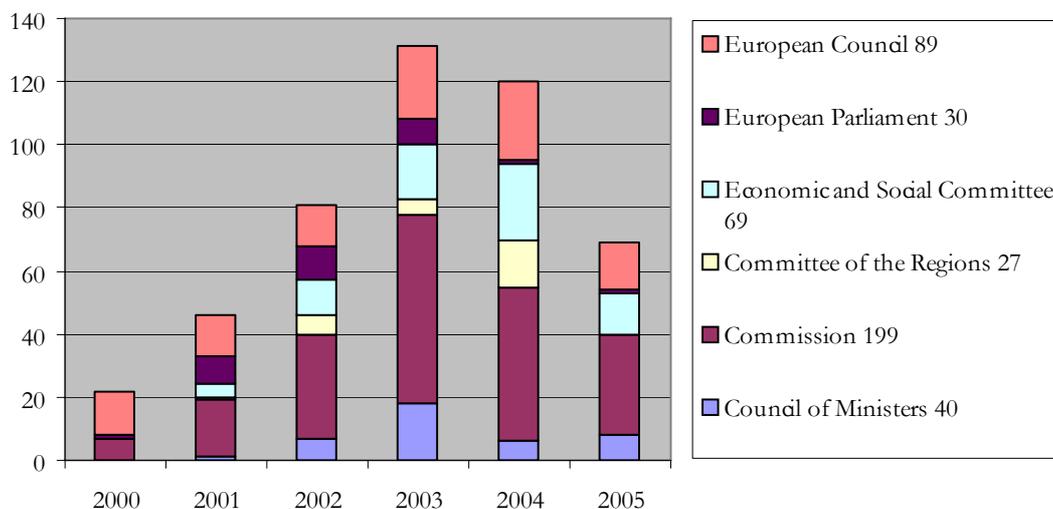Reference to OMC in European Council conclusions (2000-2005)
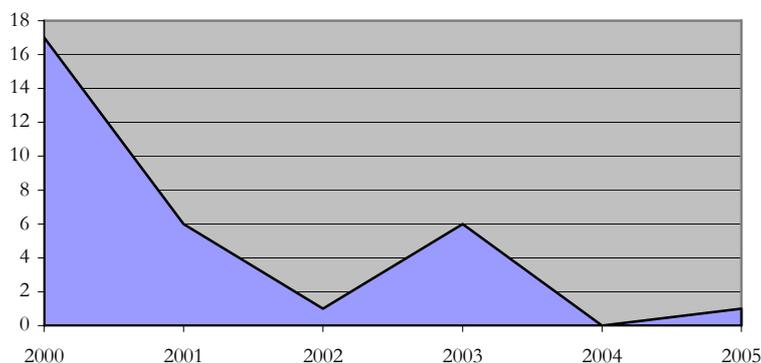
Source: Commission website.

3.2.2 Main Community institutions and the Lisbon Strategy

References to the Lisbon strategy are analysed similarly below. As strategy and method are closely linked, the overall trends observed above are duplicated. The Commission shows (using our analysis) the most consistent interest in the strategy. The drop in reference from 2003-2004 is very much less dramatic than for OMC over the same period. This might suggest a 'parting of the ways' of OMC and the strategic goals of the Lisbon agenda. In absolute terms, the institutions seem more to give more attention to the strategy than the method designed to achieve its goals, which would indicate that Lisbon is not systematically invoked with reference to the OMC.

Graph 3.8 References to the Lisbon Strategy or Agenda for main Community institutions (2000-2005)

References to the Lisbon strategy by Community institutions (2000-2005)

Source: CELEX database

The European Council

The European Council has a particularly important role in the supervision of the Lisbon strategy. All presidency conclusions were analysed for references to both the agenda and OMC. Graph 3.9 shows how respective usage differs greatly. Total occurrences of the term Open Method of Coordination (31) were strong after its formal launching in 2000 but had almost disappeared from the Council's lexicon by the end of 2003. The Lisbon strategy has not suffered a similar fate (mentioned 103 times) and is increasing invoked in Council meetings.

**Graph 3.9 Presidency conclusions and the Lisbon Strategy**
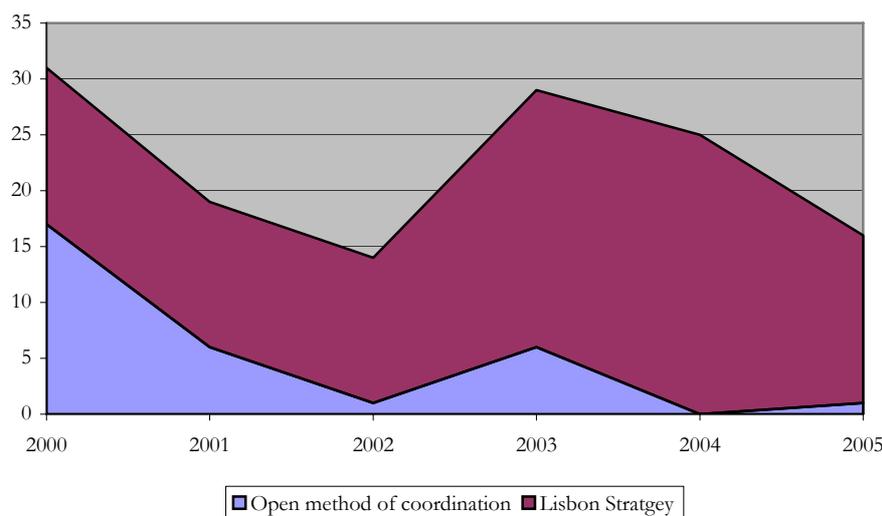
Council of Minister formation press releases

The information below has been extracted from Council of Minister press releases from the inception of the strategy in March 2000 to the most recent of May-June 2005 (261 releases in all). The content of the documents were scrutinized for occurrences of specific terms and the results presented in diagrammatic form. Several strong assumptions have been made; firstly, the occurrence of the term 'Lisbon strategy' in a press release indicates some level of commitment its goals. We consequently assume that no reference indicates a disinterest or an indifference to its goals. Secondly, press releases are produced soon after each Council meeting and sum up its discussions and commitments. Obviously, much goes on that is not disclosed in a press release. But as a political statement issued by the Council collectively, we assume that it fairly represents the workings and intentions of the body. Thirdly, we assume that more frequent use of the term is a sign of greater commitment to the strategy. A fourth assumption is that, all things begin equal, use of the term is not purely rhetorical and that mentioning the Lisbon strategy in a political declaration shows some level of commitment to the process. A last assumption is that all references are weighted equally. It could be the case that one specific reference more important to the development of policy that ten rhetorical mentions of the same term elsewhere. However, as an iterative and cumulative process (ending in 2010), we expect that references to the Lisbon strategy are important precisely because they are frequent. As we are looking for evidence of and trends in political energies surrounding the process, the simple occurrence of terms will serve as a proxy for real political action.

<u>The Council of Ministers and the Lisbon Strategy</u>

Graph 3.10 below presents the overall occurrence of the terms 'Lisbon strategy-objectives-goals-agenda-process' in Council of Minister formations from January 2000 to May 2005. All terms are taken as synonyms as their use is somewhat indiscriminate across Council and Commission communications. The graph shows a steady overall growth in its use over the period from 30 occurrences in 2001 to 103 already in 2005 (the Spring report of 2005 re-launched the process).

**Graph 3.10 Council of Ministers and the Lisbon Strategy**
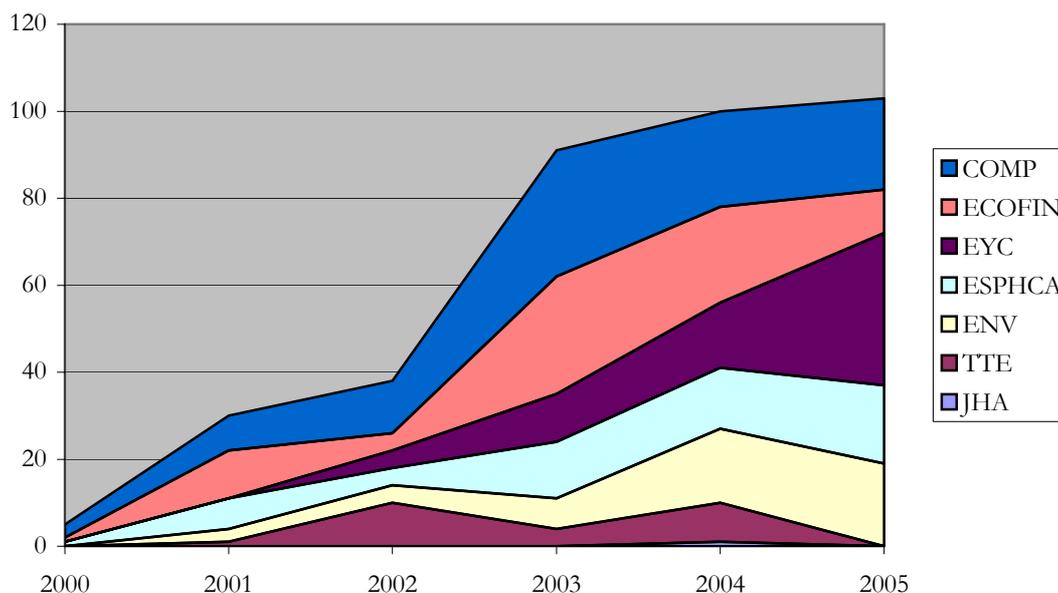
Source: Council website.

The following graph below presents the same information but organised by individual Council formation. The strategy is most often referred to in Competitiveness council formations (95 occurrences) and Ecofin (75). Justice and Home Affairs council has only mentioned the strategy once, in 2004.

Graph 3.11 Council of Minister formations and the Lisbon Strategy

Reference to the Lisbon Strategy by Council formation
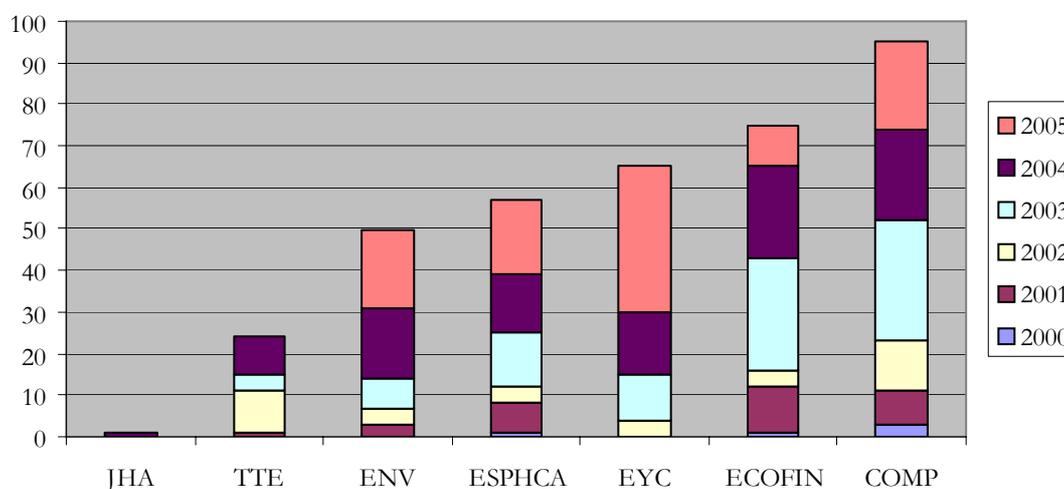
Source: Council website.

This graph would seem to indicate that reference to the strategy is selective and used more in the economic-oriented Council formations (COMP and ECOFIN) than the social-oriented councils. If validated by further empirical research, this finding would strengthen the hypothesis that the strategy is used to promote economic policy above social policy. The Competitiveness Council was created specifically to coordinate policies for growth in the Union and it not surprising that it refers to the process more frequently than, say, the Council for Transport, Telecommunications and Energy (TTE). With similar predictability, Justice and Home Affairs hardly mentions the strategy, even though its was introduced into the overall strategy in 2001. This could reflect the failure of the Council to adopt the Commission's proposals of 2001 for employing OMC in the areas of immigration and asylum. Although Employment, Social Policy, Health and Consumer Affairs mentions the strategy fifty seven times, this is less than Education, Youth and Culture (sixty five) whose use of the term has been growing strongly since 2002.

The Open Method in Council press releases

The following series of graphs presents related data concerning the use of what can be called 'Lisbon terminology', i.e. references to elements associated with the method; indicators, peer review, social inclusion, common objectives, timetables, monitoring, action plans, guidelines, best practice and the knowledge-based economy. Again, the strong assumption is that the occurrence of these terms indicates some level of commitment to the Lisbon strategy. Obviously, some terms are general and are not specific to the strategy. Guidelines are a feature of many process, however the neutralising effect of combining many terms for all Council meeting across several years can dampen any specific use of terms related to a single feature of policy making.

The following table presents the frequency of the emblematic term 'open method of coordination' or 'open coordination' by Council formation.

Graph 3.12 References to OMC in Council press releases

**References to 'open method of coordination' by year**
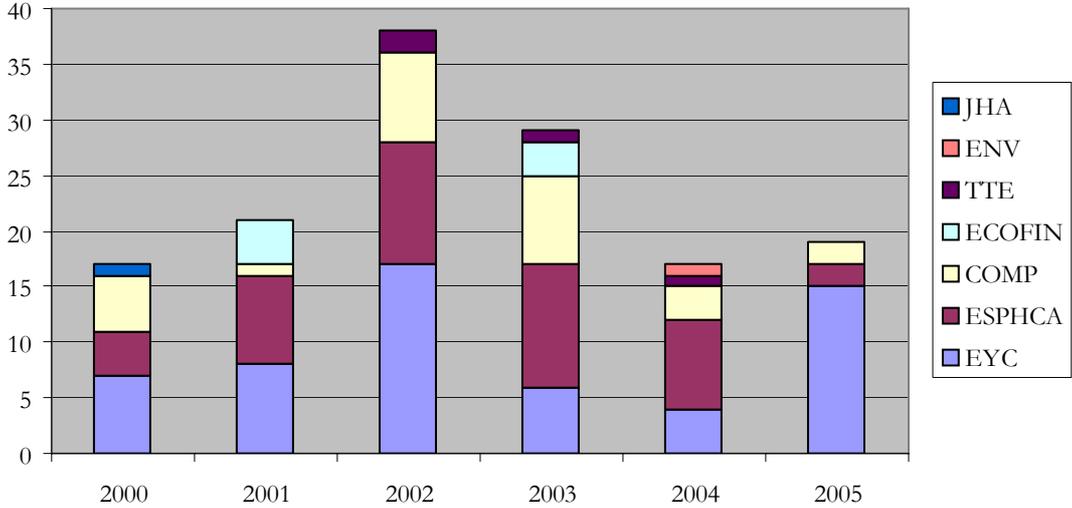
Source: Council website.

Contrary to the use of the term 'Lisbon strategy', the occurrence of the term 'open method of coordination' peaked in 2002 (38) and had dropped steadily to the 2004 level (17). Recent reference to the method has been largely due to the EYC council (15 times in both of its meetings).

The 'discursive exhaustion' of reference to OMC is unusual as one of the key features of the process is its iterative nature. One would expect that, like the Lisbon strategy, reference to OMC grow constantly. Once launched, an OMC procedure becomes subject to review, monitoring and reappraisal. Even though the Commission is given the role of process management by the European Council, it submits proposals and the findings of sub-committees on indicators etc. for the use of OMC to the Council.

Graph 3.13 OMC in Council formations

Reference to the 'open method of coordination' by Council formation
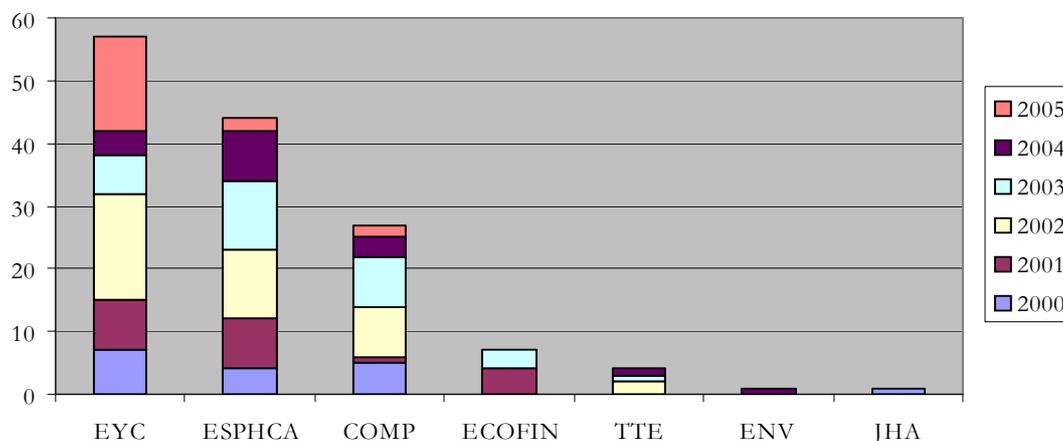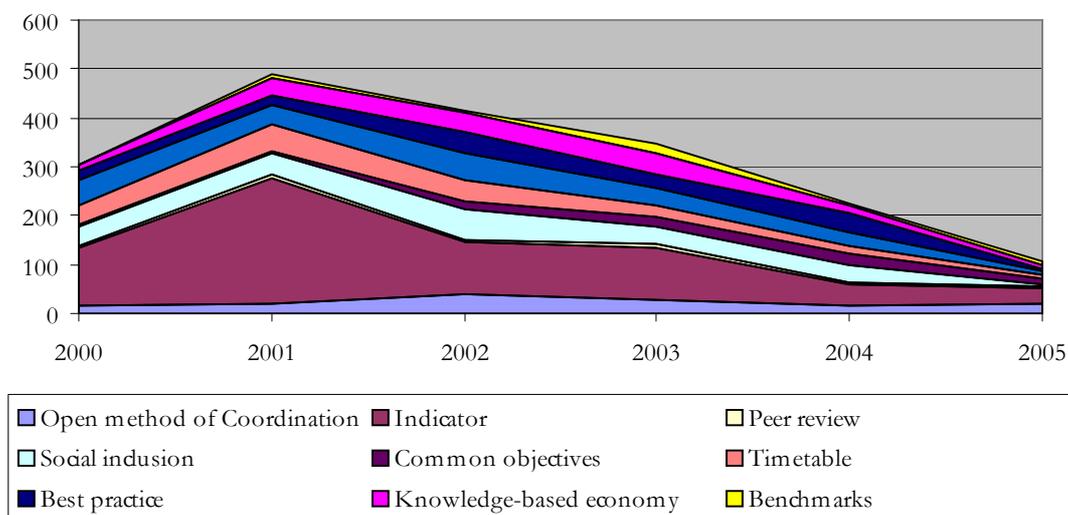

Source: Council website.

Graph 3.13 breaks down occurrences by Council formation and presents an institutional image of who is using the OMC, at least at the discursive level. The 'non-economic' formations make more use of the term, suggesting that, when compared to graph 1b, they see the method as more distinct from the Lisbon strategy that the economic formations (who do not refer to OMC with as much intensity). The case of Ecofin is the most distinctive in that it refers to the Lisbon Strategy often (75 times) but only in passing to OMC (7 times).

When references to OMC are conflated with the occurrence of nine other Lisbon terms[2], a similar picture appears.

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[2]   The choice of terms is intend to represent the intensity of discussion of the elements making up the OMC and two of the goals of the Lisbon Strategy (a Knowledge-based economy and Social inclusion). We assume that references to these terms are related to political activities surrounding the process. Therefore, if JHA

Graph 3.14 OMC instruments and Council press releases

Occurrence of terms closely associated the Lisbon strategy

Source: Council website.

The general trend is for reference to all terms to fall over the timeframe analysed.[3] In 2001, there were 489 occurrences of all chosen terms. This fell to 225 in 2004. Although content analysis of this type cannot do more than suggest areas for further research rather that firm conclusions, the result is striking. This result could bolster the second hypothesis, that the Lisbon strategy is more concerned with the discursive construction of an economic agenda than a coherent and concerted process of coordination. This would explain why there is a certain decoupling between the uses of the Lisbon strategy from the tools of its construction.

4. Conclusion and discussion

Political experimentation and the proliferation of OMC's

As argued above, OMC is, in one sense, the 'Community method lite'. Its weak institutionalisation, limited legislative footprint and informal constitution make it a useful intergovernmental tool. OMC is experimental, path finding governance, a feature that is likely to be its saviour in spite of the more recent cooling of expectations surrounding it (Zeitlin and Pochet 2005). In an era of enlargement, when the pressures for reform are great, the tradition methods of EU policymaking can seem a little pedestrian. National executives with an appetite to cooperate with each other need alternative avenues that fully blown supranational lawmaking. If OMC only fulfils this role, it is likely to outlast its relationship with the Lisbon strategy. OMC is still an underexploited resource however. The absence of commonly agreed indicators in key policy fields means that meaningful exchange is limited. Naming and shaming, one of the more vaunted aspects of the method cannot bite if the shamed can retort that indicators do not capture the specificities of the situation.

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[3] Information for 2005 is included in the graph even though the year is not ended in order to compare references to the Lisbon strategy (1a), which grow steadily over the timeframe, to references to the Lisbon instruments (3) over the same timeframe.

Selective use of Lisbon discourse by institutions

However, OMC will live or die with its association with the Lisbon strategy. If our content analysis is correct, there has been a decoupling of the strategy from the OMC which may indicate that it simply is not up to the task set it: delivering economic growth. Direct casual effect of OMC in any policy area is difficult to isolate of course and one can argue endlessly as to its real impact. As a 'discursive regulatory mechanism', it works at the level of ideas. However, it is not the only one. The national political sphere is still the arena where social policy is hammered out. A Europeanisation of policy expectations (i.e. a common understanding of what, say, an employment policy is supposed to do) may be coherent at EU level but dissonant at the national one. And Lisbon is all about domestic change. Further research is necessary, and underway, to identify the Lisbon effect on national policies. Some of the other articles cited in the present paper go a long way to answering this question. Inevitably, all distributive issues of the type OMC ultimately deals with find their way to the doorstep, where candidates meet the electorate's demands.

OMC's depoliticisation of policy choices (its problem-solving mantle) is a useful stage in policy formulation. Its rationality of 'best and worst' plays out well in international fora where alternatives are numbered lists. When bureaucrats implement changes that remove income support from individuals (categories), alternatives reveal their social and political costs. Any depoliticisation is temporary, one suspects.

**Brief discussion of potential crossover with over members of the cluster**

The classificatory enterprise that is central to this phase of the clusters work has been tackled by different members in different ways. Our horizontal approach, it is hoped, with flesh out some categories developed by Falkner et al., Wessels and Diedrichs, Natali, and Klein. Our analysis of OMC reiterates the initial discussion on new modes that its real world manifestations can fit well into binary categories of 'binding-non binding' but this either-or approach can overlook the specificity of OMC.

The constructivist approach developed by Mareike Klein, although specific to the drafting of the Constitutional treaty, will be useful in the next phase of our project (vertical studies of OMC Information Society and Research policy) as its careful analysis of actor capacity (broadly understood) includes a study of influence in the absence of material (and legal) resources. Our future work on OMC will be alive to such ideational aspects of its functioning, especially when dealing with policy trajectory at national level.

Falkner et al. and implementation studies, measuring the impact of soft instruments on hard legislation, will be a precious tool for mapping the development of local OMC strategies within member states. The rigorous conceptualisation of different modes, their interaction and impact on policies provided by this partner is a model of scholarship.

Wolfgangs Wessels' incrementalist approach is a useful guide for hypothesising the evolution and impact of OMC. Clearly, the role of OMC in generating new norms (or rationalities) with policy field is a key feature of this mode. The link to the 'living constitution', i.e. practices on the ground will be the concern of the next stage of our research.

Figure 4.1: Forms of Constitutionisation
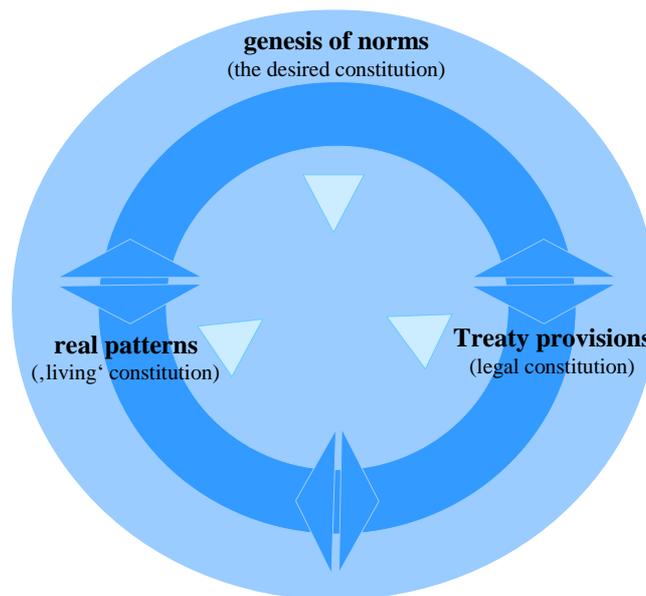
Source: Wessels 2004

Likewise, the attention to the constitutional effect of new modes can be a guide to any legislative effect (in the absence of EU directives) played out domestically.

Finally, Diedrichs (2005) suggestion that our analyses be policy specific, dynamic and comparative is an essential lodestone for the integration of the various strands of research present in our cluster. He tenders several offers for advancing our understanding of new modes of governance. Specifically, introducing elements of discourse analysis would seem to us as an essential tool for answering how OMC emerges and influences policies in the EU and we propose to plough that particular field on future studies.

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6. Annex: Note on methods

Data for Commission documents (COM, SEC), Council of Minister acts (resolutions, decisions, common positions, etc.), European Parliament acts (written questions, codecision,consultation, own-initiative reports, strategic documents, resolutions), EESC and COR opinions were gathered from EURLEX up to July 20th 2005. Search terms "open method" OR "open coordination" were used to identify documents referring to OMC. Findings were cross-referenced and completed using LEXISNEXIS. Dates of documents correspond to publication in the OJ where applicable.

Where ever possible, relevant documents were downloaded to a local disk using a offline browsing agent (getbot) and searched individually.

European Council conclusions were downloaded from the Council website (ue.eu.int) and search for 'regular expressions' (a string of characters) using POWERGREP software. The same technique was used for Council of Minister formation press releases. 261 releases were analysed.

No meetings	2000	2001	2002	2003	2004	2005	Total
COMP	8	9	7	7	4	3	38
ECOFIN	14	12	15	14	11	4	70
EMPL	11	11	7	4	4	1	38
ENV	5	3	4	5	3	2	22
EYC	5	4	4	3	3	2	21
JHA	5	8	7	6	9	2	37
TREN	10	5	7	7	5	1	35