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The revision of The European Employment Strategy and its further development at the EU level

Second working paper in the research project 'Danish employment
policy in a European perspective'

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Foreword

This working paper is the second publication in the research project '*Danish employment policy in a European perspective – a comparative study of the European Employment Strategy*', under FAOS' research programme 2004-2009 '*Internationalisation, multi-level regulation and the Danish model*'. The *present working paper* focuses primarily on the processes at the EU level around the revision and the further development of the strategy until 2004. *Another working paper*, published in June 2005, focuses on the implementation of the strategy in the member states. The *main report* will be published in mid/late-2006. It will contain the findings of the two reports from the two working papers, as well as analyses of the further developments from early 2004 to late 2005 in the reformulation of the strategy at the EU level as well as developments in the strategy's implementation in the member states.

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1. Introduction

1.1 The history of the EES, and some knowledge gaps

There were many reasons why the EU decided in the early 1990s to introduce an employment policy to address the high level unemployment found in most member states. Among these reasons, pressure from the Delors Commission to balance the EMU and the Single Market with a social dimension is no doubt among the most important. The Commission's white paper on growth, competitiveness and employment (European Commission 1993) legitimised an increased focus on employment matters and policies. On the advice in this white paper, it was decided to establish a common European framework for employment policy at the Essen summit in 1994.

With the Amsterdam Treaty of 1997, employment policy gained an even more central place in the EU: following a proposal from the Commission, the European Council became obliged to agree every year on a series of guidelines setting out common priorities for member states' employment policies and to issue recommendations. At the Luxembourg summit later that year, the European employment policy was specified, and it was agreed that the employment policy should focus on actions within four pillars, aiming at improving: employability of the workforce; entrepreneurship; adaptability of employees and companies, and equal opportunities for men and women. Each of the four pillars contained a number of guidelines that the member states had to transform into practical employment policy in yearly National Action Plans for Employment (NAPs). The four pillars became the backbone of the European Employment Strategy (EES) – also known as the Luxembourg process – and remained so until 2003. After five years, the EES was revised in 2003: most importantly, the four pillars were replaced with three broad goals (to create full employment, to increase the quality and productivity of labour, and to strengthen social cohesion and inclusion), the number of guidelines was reduced and they were made constant for a three-year period.

There are only a few studies (Goethy 1999; Johansson 1999; Van der Riel & van der Meer 2002; Watt 2004) that have systematically analysed the processes at the EU level surrounding the initiation of the EES, and discussed why the EES ended up with the form and content it did¹. In addition, most of these studies are already some years old, and none of them cover the processes leading to the 'new' EES in 2003 and the period after the revision. Therefore the present working paper will focus on the processes of revising the EES and its further development.

¹ This is contrast to the *implementation* of the EES, which has been analysed in a large number of other studies (e.g. Jacobsen 2003; Madsen 2003; Pochet & de la Porte 2003; Zeitlin 2005) as well in a working paper connected to the present project (Mailand 2005).

1.2 The aim of the report, its focus and methods

Starting from a basic perception that the EES has been formed and remodelled through interaction between different actors attempting to maximise their control of processes and content, the research question is:

Which of the actors – the EU institutions, the member states or other actors – have been the most influential in the ongoing adjustments of the EES?

In relation to this overall research question, three sub-questions will be examined:

- how did the interaction between EU institutions, member states and other actors take place in relation to the ongoing development of the EES?
- were coalitions formed within or across these three categories of actors?
- are regime theories able to explain member-state positions in relation to the ongoing adjustments of the EES?

It follows clearly from the overall research question that influence and power are important terms in this analysis. The understanding of influence and power in this working paper will primarily be related to *direct power* - that is the power exercised when an actor A makes an actor B do something actor B would not otherwise have done (Dahl 1961) - and *non-decision-making*, or indirect power, which is exercised when an actor A successfully keeps issues that are not in this actor's interest out of the decision-making arena (Bachrach & Baratz 1962). These are the forms of power and influence in focus, even though it is acknowledged that other forms of power exist.

The analysis is limited to the period from 2000 to 2003, and focuses especially on two decision-making processes: the revision of the EES 2000-2003 and the processes in 2003 around the first Kok report, which an important document from 2003 playing a role in reformulating the EES, even though it was not formally part of the EES procedures. The processes 2004-2005 leading to the revision of the entire Lisbon process and the new 'integrated guidelines' will not be covered by the present paper, but will be analysed in the final report of the project (planned to be published in late 2006).

The analyses will focus on decisions in and around the Council's and the Commission's joint Employment Committee (EMCO) – the most important body in relation to the EES. The analyses will also include the Spring Councils as well as the Employment Taskforce, the body responsible for the first Kok report. However, the findings related to the Employment Taskforce are preliminary – in the present project more research will be done in this area, and a revised analysis will be included in the final report.

The most important source of information is 21 interviews with EMCO representatives and other national civil servants involved in the EES; DG Employment representatives; EU-level social partners; and finally academic experts with special knowledge on the EES². In addition to these interviews, academic analyses as well texts from the Commission (Employment Guidelines, Communications, etc.) and other reports (most importantly the first Kok report and the Danish government's 'Yearbook of international employment policy, 2003') have been analysed.

1.3 The structure of the working paper

After this introduction follows a presentation of the theoretical foundation of the study. To facilitate an understanding of the following analyses, the third section contains a short description of the institutional set-up around the EES. The fourth section contains the main part of the analyses, the analyses of the revision process in 2002-2003, whereas the fifth section contains shorter analyses of the processes around the first Kok report. In the final section the results will be included in a theoretical and empirical discussion of the future of the EES.

² In addition to this, so far nine national-level social-partner representatives have been interviewed in the present project; however, information from these interviews have mostly been used for the project's first working paper on implementation of the EES (Mailand 2005).

2. Theoretical framework

To establish a framework for the analysis and support the attempts to answer the overall research question and the sub-questions, three groups of theories will be presented. Firstly, basic theories about European integration, focussing on the relations between EU institutions and member states; secondly, theories about the role of coalitions in decision-making; and thirdly, theories suggesting that the employment and welfare-state regulation of the European countries tend to follow three or four different traditions or regimes.

2.1 Relations between actors at EU and national level

For many years, the dominant theories on European integration were neo-functionalism and inter-governmentalism, where the former approach emphasises supra-national institutions and gradual integration which may lead to new federalism, and the latter emphasises the sovereignty of nation states and the limits to integration.

It was scholars based in the USA who developed neo-functionalism in the mid-1950s. The fundamental argument of the theory is that states are not the only important actors on the international scene. The neo-functionalists focus their attention on the role of supra-national institutions and non-state actors, such as interests groups and political parties, who, they argue, are the real driving forces behind regional integration efforts. Neo-functionalists believe that economic integration would strengthen all the states involved, and that this would lead to further political integration. This general argument is supported especially by three theses that have been central to the neo-functionalist:

Firstly, the spillover thesis, which refers to a process where political co-operation conducted with a specific goal in mind leads to the formulation of new goals in order to assure the achievement of the original goal (Lindberg 1963). This means that political co-operation, once initiated, is extended over time in a way that was not necessarily intended at the outset. Secondly, the elite socialization thesis, which describes how, over time, civil servants and politicians involved on a regular basis in the supra-national policy process will tend to develop European loyalties and preferences (Pentland 1973). The formation and role of supra-national interest groups are addressed in the third neo-functionalist thesis. Interest groups are expected to approach each other internationally and formulate demands at this level, and at the same time the national level of the organisations would deteriorate (Hass 1958).

The other classical approach to the study of EU integration, *inter-governmentalism*, emerged in the mid-1960s out of a critique of neo-functionalism. It is drawn from classical theories within International Relations, more precisely realists or neo-realist analyses of interstate bargaining (Cini 2003). Inter-governmentalism is characterised by 'state centrism'; that is it emphasises the role of nation states in the European integration - or 'co-operation' as it is more often called within this tradition. Furthermore, in this

tradition integration is understood as a zero-sum game and is limited to policy areas that do not touch on fundamental issues of national sovereignty; hence, states are believed to be driven by self-interest.

A central theme in inter-governmentalist literature is the question of sovereignty. Member states are believed not to lose or transfer sovereignty in European cooperation, but rather to be pooling or sharing sovereignty (Keohane & Hoffmann 1991). Hoffmann, the founder of this approach, rejected that integration was driven by the spillover effects, and furthermore pointed to a lack of political will to create a federal state in Europe. He distinguished between high and low politics, where the first touches on national sovereignty, whereas the latter does not and tends to be of a more technocratic nature. Low politics includes, among other things, economic policy. Spillover is possible in low politics, but would not take place within areas of high politics.

These two theoretical traditions have not completely lost their relevance, but they attract less attention now than they used to. This is especially true of neo-functionalism. In recent years a number of other approaches have entered the scene (for an overview of these, see e.g. Rosamond (2003) or Goechty (2003)). Apart from the inability of the older theories to fully explain the development in European integration, the explanation for this trend is that the aim of research has shifted from understanding the EU as a dependent variable, something to be explained, to using the EU in research as an independent variable, as a factor that contributes to the explanation of other phenomena (Jachtenfuchs 2001; Cini 2003). The present report clearly belongs to this latter category.

Among the newer theories, or approaches, multi-level governance is among the most prominent. According to the *multi-level governance approach* the relations between the EU institutions and the nation states are of a different type than those proposed in the two classical theoretical traditions. The boundaries between national policy-making and EU policy-making have become blurred to the point of insignificance. Instead of the two-level game assumption adopted by some of the inter-governmentalist, multi-level governance theorists posit a set of overarching, multi-level policy networks (Marks et al. 1996). The central question here is not to what extent Europe has become 'integrated', but how authority has shifted between different levels during the history of the EU.

In the multi-level governance approach powers are shared as well as distributed between different levels and a multitude of actors. For Madsen et al. (2000) - applying the approach to Industrial Relations studies rather than International Relations - multi-level regulation is not necessarily hierarchical. It may be a matter of bottom-up influence instead of top-down steering, i.e. a form of reversed hierarchy. But it may also be a matter of a shifting or failing connection between the different levels. It is a more horizontal ad-hoc form of governance, either in the form of *market regulation* or *network governance*. Multi-level regulation is thus primarily characterised by the absence of any overall centre of control. It is a system that reflects the complexity of the labour

market. A system where no evident centre is found, but where tendencies of internationalisation, decentralisation and continued centralisation coexist, where both individual contracts, collective agreements and legislation are found, and where many actors, with diverse interests influenced by new norms and values, participate.

The multi-level governance approach in its various forms remains nevertheless mostly an 'organising metaphor' that has to be filled in with other and more operational theoretical approaches (Rosamond 2003: 121). This is also true in relation to the EES, where multi-level governance like neo-functionalism and inter-governmentalism has very little to say about the mechanisms that the EES actually works through. Therefore it is necessary to look elsewhere for analytical tools capable of informing and organising the study and at the same time possible to apply within a multi-level governance approach.

2.2 The role of joint actions - coalitions

The preliminary studies in the present project indicate that it is not sufficient to analyse the member states *en bloc* on the one hand and the EU institutions on the other. This is due not only to the blurred boundaries between national and EU level, as stated in the multi-level governance literature, but also because any given individual actor - a member state, an EU institution or an interest organisation - usually works in coalition with other actors to maximise their influence on agenda-setting and policy-formulation, against coalitions of other groups of actors.

Just as the multi-level governance approach - but in contradiction to the two traditional approaches to studying EU integration - the studies of the formation of the EES tend to see the borderline between the two levels as extremely blurred. Some studies on the formation of the EES emphasise the role of coalitions. *Johansson* uncovers the *transnational coalition* promoting an employment title in the Amsterdam Treaty; here the role of organisations as well as individuals is emphasised. Central in this coalition was Allan Larson, who initially played a role as the chairman of the Party of European Socialists' (PES) working group on employment policy and later as Director-General for Employment. PES started its lobbying activities after the Copenhagen European Council in 1993 sent out the message that employment should be given top priority. The Commission was asked to draft a report that would become the Delors white paper on growth, competitiveness and employment. The PES working group on employment worked very actively from Essen in 1994 to Amsterdam in 1997 on influencing the inter-governmental conferences to make sure the agenda also included employment policy.

The working group contained socialist MEPs as well as representatives from the European Trade Union Confederation (ETUC). Hence, in 1995 when Allan Larson became Director-General for Employment and Social Affairs, close

links with the trade union movement were already established. Trade union influence was further facilitated by the fact that a number of prime ministers at that time (Poul Nyrup Rasmussen (Denmark), Wim Kok (The Netherlands) and Jean-Claude Juncker (Luxembourg) were former trade unionists. Socialist or social-democratic governments coming into power in a number of member states further strengthened the impact of the forces working to promote an employment policy, as did the enlargement with Sweden and Finland. Individuals from these governments became part of the trans-national coalition which was important in the agenda-setting phase, but whose influence diminished when the intentions were to be transformed into practice in the policy-formulation phase (Johansson 1999).

Van der Riel & van der Meer (2002) focus on the same issue in their study of the 'advocacy coalition' for the European employment policy. They acknowledge the important role of Allan Larsen and the PES group, but they emphasise more strongly the role of the Commission in general, the role of the European Parliament in the agenda-setting phase, and the role of the Swedish government in keeping the issue on the agenda up to 1997.

The authors argue the case for the importance of this 'social-democratic' coalition with the above-mentioned actors in a way that directly addresses the two traditional theories of European integration, which they find inadequate to explain a number of features. The two approaches fail to predict that the proponents and opponents of the employment policy were largely divided along party-political lines (and not the EU institutions versus the member states). Furthermore, the inter-governmental approach fails as an explanation because the Commission and the European Parliament were important actors, and because the preferences of the three most important member states (France, Germany and the UK) changed during the inter-governmental conferences, and can therefore hardly be described as stable. The neo-functional approach also fails to explain the inclusion of the employment title, because the Commission was not as dominant an actor as could be expected from this approach and because no functional spillover (from the EMU) took place. The spillover that did take place was instead political - the formation of the EES was, according to van der Riel and van der Meer, first and foremost a way to legitimise the EMU.

Both Johansson and van der Riel & van der Meer emphasise the role of organisational and personal networks as well as the centre-left orientation of the whole project. In order to get some more general knowledge on how coalitions work, we will briefly leave the EES and address studies that, at a more detailed level, have analysed coalitions.

In a study of public-sector collective bargaining in Denmark, *Due & Madsen* (1996) find that coalitions between trade unions and coalitions between employers' organisations played an important role in the collective bargaining rounds analysed. Due & Madsen define coalitions as the united powers and resources of two or more independent organisations (or groups of organisations)

with the aim of achieving a specific goal, overcoming weaknesses or controlling actors outside the coalition. Coalitions in their view contrast with organisations. Organisations are characterised by actors sharing interests on a broad range of issues as well as a set of basic values, hierarchical structures, and organisational resources in the form of a bureaucracy and long-term goals, including the sustainability of the organisation itself. Coalitions, by contrast, have no strong hierarchical structures or organisational resources, have a short time-horizon, and - most importantly – are stitched together by narrowly defined interests vis-à-vis an external counterpart or ‘enemy’. Furthermore, a common set of basic values is not necessarily present in a coalition.

2.3 Regime theory

The third group of theories relevant to present here is the regime theories. The various versions of regime theories – welfare-state regimes (Esping-Andersen 1990), workfare regimes (Jessop 1994), unemployment regimes (Gallie & Paugam 2000) and labour-market models (Crouch 1993) - focus on different, but related issues. However, they all emphasise institutions and path-dependency in relation to actor constellations in regulating social policy, employment policies and industrial relations and/or in relation to policy content and target groups.

Esping-Andersen’s ‘three worlds of welfare capitalism’ are first and foremost graduated according to their degree of ‘de-commodification’ - that is the degree to which the welfare state provides financial support for the unemployed without requiring them to sell their labour power. The Scandinavian welfare states have a high level of de-commodification, whereas the unemployment regimes of the Continental models have medium, and the ‘liberal’ (the UK, USA) represent low levels.

Gallie & Paugam concentrate on three dimensions, all related to labour market policy: the coverage of unemployment benefits, the level and duration of these and the extent of active labour market policy. They find a sub-protective regime (mainly Southern European) where all three dimensions are very limited; a liberal regime (mainly Anglo-Irish), where the three dimensions tend to be more developed, but still relatively weak; an employment-centred regime (mainly Continental) where ALMP is extensive and the two unemployment benefit dimensions vary according to status and length of service on the labour market; and finally, a universalistic regime (mainly Scandinavian) where all three dimensions are very highly developed.

Jessop’s workfare states all share the aim ‘to promote product, process, organizational and market innovation...and to subordinate social policy to the needs of labour market flexibility and/or the constraints of international competition’, but they are found in three versions. A ‘neo-corporatism’ version, where the social partners play an important role, a ‘statist’ version where the

state is the dominant actor, and a 'neo-liberal' version where the market is the most important regulation mechanism.

Crouch's industrial relations models differs from the other three regime theories in that they focus less exclusively on public policy, but more on the actors involved. The core in the models is the division of responsibilities between the social partners and the state in industrial relations. In the 'pluralistic model', the role of the state is limited, the social partners are fragmented and the relations between them concentrate on distributive issues. In 'etatism', the state is the dominant actor, often intervening in the labour market; the social partners are weak and fragmented and the relations between them conflictual. In 'neo-corporatism' the role of the state tends to concentrate on facilitating the relations between the other actors and involving the social partners. The social partners' organisations are strong and integrated, and relations between them not only include distributive issues, but also issues that may potentially lead to win-win situations.

As can be seen from this short presentation, the different versions of regime theories do have a number of similarities, even though they focus on partly different issues. They are not all explicit in exemplifying their regimes/models with specific countries, but when they are, the countries tend to be placed in the same categories across theories. Roughly speaking, they all suggest three or four regimes that in geographical terms correspond to an Anglo-Saxon, a Scandinavian, a continental and occasionally a Southern European regime. In the following analysis, it will be discussed whether these regimes are also relevant for the positions taken by the member states in relation to the EES.

3. The institutional set-up of the EES – who does what?

In order to facilitate the understanding of the revision process to be analysed in the fourth section, this third section will provide a description of which EU institutions are responsible for what in the yearly cycle that constitutes the EES³. After the Lisbon summit in 2000, this yearly cycle became known as the Open Method of Coordination (OMC), and has spread to other areas of EU regulation, primarily on social inclusion, pensions, and economic policy (Radaelli 2003: 31). In relation to the EES, the cycle could be described as follows:

Following a proposal from the Commission, the *European Council* must every year agree on a series of Employment Guidelines setting out common priorities for member states' employment policies. These guidelines contain targets, some of which are set at the Spring Councils. The Lisbon European Council in March 2000, for instance, set the overall EU employment rate to be 70% and to increase the percentage of women in employment to at least 60% by 2010. The Stockholm European Council (March 2001) added two intermediate and one additional target: the employment rate should be raised to 67% overall by 2005, 57% for women by 2005, and 50% for older workers by 2010.

Then, the *Commission*⁴ and the Council jointly examine each NAP and present a Joint Employment Report. The Commission is to present a new proposal for revision of the Employment Guidelines accordingly for the following year; however, from 2003 to 2005 the guidelines remained the same. The Council may decide, by qualified majority, to issue country-specific recommendations upon a proposal from the Commission. The Council has done so every year since 2000.

But the discussions between the member states and the Commission do not only take place at the Council meetings. Nearly all important issues in relation to the EES are dealt with and settled in the *Employment Committee* (EMCO) before they reach the Council - that is at the 'technical' or 'civil-servant level' contrary to the level of ministers⁵.

EMCO is in fact placed in between the Commission and the Council. The main obligations of EMCO, as defined in the Amsterdam Treaty and in the founding decision, relate to the preparation of Council proceedings with regard to the EES - the Employment Guidelines, the Joint Employment Report and the recommendations on the implementation of national employment policies. EMCO formulates Opinions at the request of either the Council or the Commission or on its own initiative. In addition, the EU Presidencies often request EMCO to prepare Employment and Social Policy, Health and Consumer

³ Beside this yearly cycle described below, a peer-review process takes place including civil servants from the Commission and the member states as well as academic experts.

⁴ It is the Unit A/2 in DG Employment that deals with the EES.

⁵ According to some of the interviewees, the debate on the Commission's communication on immigration in 2003 was an exception to this general rule, in that one of the ministers completely changed the positions taken by his or her civil servants.

Affairs Council (ESPHC) discussions by submitting an Opinion on a certain matter. In fulfilling its mandate, EMCO is obliged by the Treaty to consult EU-level social partners, and therefore regularly meets with the social partners at EU level to discuss issues of mutual interest⁶.

Each member state and the Commission nominate two members (*de facto* the Director-General of Employment and the Head of the Unit A/2 and two alternates). The member states often appoint medium to high-level civil servants from ministries of employment/labour/social affairs, but there are also representatives from other ministries on the committee. The Chairman of EMCO is elected from among the representatives appointed by the member states. The Chairman is elected for a non-renewable two-year term. EMCO meets approximately eight times a year for one- or two-day meetings. The following Council meetings and the European Councils very rarely change anything, which means that EMCO is a key decision-making arena.

EMCO has two working groups attached. The ‘add-hoc group’ is actually very permanent and produces policy papers on request from EMCO, whereas the ‘indicator group’ obviously assists EMCO in preparing the quantitative indicators used to measure the employment performance of member states. The Commission often prepares the proposals for indicators, which are then discussed in the indicator group. Finally, a secretariat prepares the main EMCO meetings. The secretariat is part of DG Employment Unit A/2.

Whereas the Council, the Commission and EMCO could be said to be the core actors in relation to the EES, there are others as well. The Commission’s proposals often go through a long consultation process including a number of other EU-level committees, other DGs, the European Parliament as well as a number of interest organisations. The most important stakeholders are the *DG for Economy and Finance*, the *European Parliament* and the *social partners*. The role and influence of these actors will be clear from the analyses below and will therefore not be presented here.

⁶ Furthermore, EMCO has developed close working relations with the Economic Policy Committee, the Social Protection Committee and with the Education Committee. EMCO participates in the Macroeconomic Dialogue (the Cologne process) both at the technical and the political level.

4. The revision of the EES

The following analysis of the various actors' impact on the revision of the EES will divide the process into two partly overlapping phases: an *agenda-setting* phase from 2000 to 2002, where unofficial and non-binding discussions took place, and a *policy-formulation phase* 2002-2003, where the discussions were transformed into written and politically binding rules, comprising the adopted guidelines and targets as well as the revised procedures⁷.

4.1 Agenda setting: evaluation and initial discussions 2000-2002

From the outset in 1997 it was decided that the strategy must be able to show results within a five-year period. But already in 2000 at the Lisbon Summit, it was agreed to make a '*midterm review*' of the EES focussing on specific issues. Among the positive developments, the midterm review concluded that the EES had created a common, integrated framework for structural reform, enabling synergies to be achieved by simultaneous and mutually supportive action, and that this in turn had led to an increased involvement of a wide range of actors, both at the European and national levels in the European Employment Strategy. The strategy had also, according to the midterm review, led to increased transparency of employment policies, as well as increased political accountability for the actions, which in turn had helped maintain the political commitment to the process. However, despite overall improvement, some weaker points were noted as well. Regional differences, emerging bottlenecks, the need for local actors to be more involved in the strategy, and the uneven implementation of the four pillars of the strategy (most progress had been achieved in the employability pillar whereas the adaptability pillar was lagging behind) were emphasised (DG Employment and Social Affairs 2005).

At the Nice Summit in December 2000 it was finally decided to make the larger-scale *five-year evaluation* in 2002, focussing on the impact of the strategy. On this background the Commission in 2001 started a discussion in EMCO with the member states on how to evaluate the strategy, and a working programme was prepared, dividing the tasks between member states and Commission. The former was to complete national studies following a common framework of themes. The Commission was to add a macroeconomic analysis and an overall analysis of national reports, summarised in a synthesis report based on technical background papers.

The national evaluations were finalised in Spring 2002 and were discussed, together with the Commission's macroeconomic analysis and the synthesis report, in EMCO at two meetings in June and July. The main conclusions from

⁷ *Policy implementation* of the EES takes place in the interaction between the Commission and the member states, as well as in the member states, and is not covered by the following analysis, but in another working paper of the present project (Mailand 2005).

the synthesis report were that the EES had: raised the profile of European employment policies; led to a stronger priority of employment at the national level; led to convergence towards successful employment strategies; affected other policies than traditional labour market policies; created a new framework for policy-making (European Commission 2002).

The interviewees do not find that the impact evaluations had any major impact on the following revision. Zeitlin confirms this in his study on the EES and the social inclusion strategy, stating that the new EES 'did not fully incorporate the findings from the impact evaluations' (Zeitlin 2005:28).

The interviewees point to several possible explanations why the impact evaluations were not used in the revision process. One obvious possible explanation is that the discussions on the revision did not await the results from the evaluations – the informal discussions started already in late 2001. Moreover, national and even EU-level civil servants questioned the evidence of the EES impact that the Commission pointed to, as well as questioned the independence of the impact evaluations, because the process was steered by the Commission, and the Commission concluded on the national studies. Barbier (2004) and Watt (2004) have raised similar criticism. Further, it could also be added that most of the national impact evaluations concentrated on analysing the extent to which the national policy was in compliance with the EES; which means that the findings do not directly translate into proposals for changes of the specific issues of concern to policy-makers at EU and national level.

The *official discussions* on the revision began in 2002 at the Informal Council meeting in Burgos, Spain, in January under the Spanish presidency, and it continued in EMCO under the Danish presidency in autumn 2002 and the under Greek presidency in spring 2003.

There was a common belief among the member states that the strategy and its Employment Guidelines (see table 1 and annex B) had developed into a far too complex thing. It should be simplified, focus more on output and less on input, and the number of guidelines as well as the number of targets under each guideline had to be reduced. Furthermore, at the Barcelona European Council in March it was agreed to streamline the economic and the employment policies.

However, not all countries were equally active in influencing the revision. A coalition - in the following named the 'minimalist coalition' - was formed by some of the EMCO representatives in order to secure that the revision would contain fewer and more output-centred guidelines as well as have a more simple overall structure.

The coalition started out - according to some of the interviewees - as a joint Danish-British initiative in spring 2002 before the Danish presidency in autumn the same year, whereas other interviewees think that the coalition has a longer history. Other representatives joined this coalition during 2002, including those from the Netherlands, Ireland, Spain, and - according to most interviewees - at a later stage also Sweden, Austria and Germany.

Table 1: Number of EES pillars, aims, guidelines and quantitative targets

Pillars + adopted guidelines and targets 2002	4 pillars 6 horizontal guidelines (objectives) 18 guidelines 3 quantitative targets (excl. the three general)
Second communication: 'headings', January 2003	3 overall aims 11 guidelines
Commissions proposal: main aims, guidelines and targets, April 2003	3 overall aims 10 guidelines 14 quantitative targets (excl. the three general)
Main aims + adopted guidelines and targets, July 2003	3 overall aims 10 guidelines 8 quantitative targets (excl. the three general)

Note: See annex B and C for wordings of pillars, guidelines and quantitative targets

In addition to being one of initiators of the coalition, the UK played an important role within it as a kind of informal 'opposition leader'. This role involved bilateral meetings with the member states, arranging meetings with the coalition before the EMCO meetings, and acting – explicitly or implicitly – as a spokesperson for the whole coalition. That the UK got this role has to do with several factors: the fact that the UK is one of three biggest member states both means that their arguments carry special weight in EMCO (even though all countries have the same number of representatives) and at the same time it gives the UK the administrative capacity to use resources on a large scale to prepare and coordinate the coalition. On top of this, several interviewees point out the very high level of professionalism of the UK representatives and their support base, as well as the advantage of being native speakers of English. This perceived importance of language skills might seem surprising, considering that it is possible to speak other languages at the EMCO meetings. But English has developed into *the* common language of EMCO and the EES as such; and since part of the discussions and bargaining in EMCO is about the exact wording, language skills are important.

All would have been irrelevant had it not been for the strong commitment and clear goals of the UK government and its representatives in EMCO. 'Being at the heart of Europe', as was Tony Blair's wish for the UK in future, in relation to the EES implied a commitment to limiting the level of regulation. Of all the member states, according to some of the interviews, the UK government initially came up with the most radical suggestion for the revision: to boil it down to only three guidelines and three targets connected to each of the guidelines.

The actors that the ‘minimalist coalition’ was in opposition to count, first and foremost, the Commission, but also Belgium, Luxembourg and - for most of the period - France. These actors did not to the same extent share the goals of few output-oriented guidelines, and are generally more open to extensive labour market regulation and tend to focus more on the quality of employment, including job security. For most of the period, also a number of Southern European countries (Portugal, Italy, Greece) participated in this coalition, which could be called the ‘regulation coalition’⁸.

4.2 Policy formulation: the communications 2002-2003

On the background of the initial discussions with the member states, the Commission issued a *first communication* in July 2002 - ‘Taking stock of five years of the European Employment Strategy’ - on the future of the EES and the experiences of the first five years. The main suggestion was ‘to simplify the guidelines without undermining their effectiveness’. This should be achieved by: having clearer definitions of the overall improvements; a concentration of priorities; an increased emphasis on the results to be achieved; and a focus on implementation, rather than on the annual elaboration of guidelines. It was further proposed to keep the wide policy scope of the guidelines, so that synergy with other policy processes (economic policies, policies for inclusion) could be exploited, and further to keep the guidelines constant until 2006 to support a result-oriented approach, and finally to focus the NAPs more on implementation (European Commission 2002).

To a large extent, this communication reflects the wish for simplification, which a majority of the member states had agreed upon during the initial discussions. Most of what later became the main lines of the revision can be found in this communication. But the most controversial part of the revision - the quantified targets and the wording of the guidelines themselves - was not agreed upon until at a later stage.

This first communication - as all EU communications in the employment and social affairs field – was subjected to a consultation process, in which the Council, the European Parliament, the Economic and Social Committee, the Committee of the Regions as well as the EU-level social partners and other stakeholders submitted their comments (for the positions taken by some of these actors, see below).

⁸ In an analysis of learning processes in EMCO, Nedergaard (2005) finds that the two coalitions are focused on ‘flexibility’ and ‘security’ respectively. Even though these labels make sense in many regards, I have avoided them here. They could create confusion in that some countries – e.g. Denmark – are celebrated for scoring high on both terms (‘flexicurity’). Secondly, the perhaps most important security element – income security – is usually not discussed in EMCO. The kind of security discussed in EMCO is mostly job security.

On the background of the consultation processes and the discussions in EMCO, the Commission in January 2003 issued a *second communication* entitled ‘The future of the European Employment Strategy – A strategy for full employment and better jobs for all’ (European Commission 2003). Even though this communication presents the new goals and the new guidelines ‘without prejudging at this stage the precise architecture of future guidelines’ (ibid: 9), the three new goals of the EES (to create full employment; quality and productivity at work and strengthened social cohesion and inclusion) as well as the themes, if not the final wording, of the ten final guidelines are to be found already in this document. The ten proposed guidelines are shown in Annex C. Compared with the final version, there are - apart from the important issue of the precise wording and order - only one big and to smaller differences: there is no guideline on immigration in the final version, but ‘mobility’ has been added to the adaptability measure, and ‘increased labour supply’ to the guideline on promoting active ageing.

4.3 Policy formulation and outcome: draft and final guidelines 2003

The Communication was discussed at the informal Council meeting in January in Nafplio, Greece. At this meeting the ‘minimalist coalition’ (which at this point comprised the UK, Denmark, Spain, the Netherlands, Ireland, Sweden and Germany) aired a general dissatisfaction with the second communication and the line proposed by both the Commission and the Presidency (Greece). Criticism was raised both of the extent of the Commission’s proposal (the eleven priorities mentioned above) and the Presidency’s proposal (nine priorities). The Presidency added new priorities to those of the Commission: reduction of undeclared work, integration of immigrants, integration of the young and unemployed in the labour market, and reduction of regional inequalities. Thereby the coalition found that the agreement to formulate simpler guidelines requiring less bureaucracy had not been respected. Furthermore, the coalition wanted the guidelines to focus on full employment, and the number of indicators to be reduced.

France, Belgium, Luxembourg, Portugal and the representative from the European Parliament, on the other hand, supported the line of the Commission/Presidency. According to this ‘regulation coalition’, all three areas in the ‘social triangle’ - more jobs, better jobs and more social inclusion - should be included in the new strategy. Moreover, these actors were positive towards the Commission’s new priorities of immigration and regional inequalities.

Discussion of the guidelines and the indicators continued at the EMCO meetings in February, April and May, at the ESPHC Council meeting in March and at the European Spring Council in March. At the ESPHC meeting in March the ministers of employment agreed - on the background of inputs from EMCO

- to make a publication of a 'Key message on the future of the EES'. This paper was intended as a supplement to the background papers delivered by the Commission.

The guideline on immigration was removed – it is not clear why this happened. The guideline on undeclared work was a priority of the Greek presidency. The reason that - contrary to the proposal on an immigration guideline - it proved impossible to remove this one might be that the issue divided the 'minimalist' coalition along a North-South divide. The Danish position - for instance - was that undeclared work should be dealt with under the Making Work Pay guideline. Many of the Northern European countries' representatives felt that undeclared work was not a huge problem in their own countries and feared expenses from future EU actions in this area in Southern Europe where the problems are believed to be of greater dimensions. Some of the Southern European countries, on the other hand, saw undeclared work as a major labour market problem.

Apart from the issues of immigration and undeclared work, the guidelines themselves were more or less settled, and the negotiations in this phase were mostly about the number and the level of ambition of the quantified targets. Several countries in the 'minimalist coalition' felt that both the number of and the level of ambition of the indicators (see table 1 and Annex C) were in contradiction to the message from the majority of member states - to have a simplified strategy with few output-oriented indicators. At the meetings in EMCO in April and May this was discussed and the number of quantified targets was reduced substantially.

However, several of the national-level interviewees were of the impression that the net-effect of the whole process was close to zero; that in reality it was back to square one. One of the Commission representatives, on the other hand, held the view that the quantitative targets remained as 'status quo' targets because they were set by the European Council⁹ or contained in the 'old' EES, and therefore could or should not be changed.

Comparing the 2002 guidelines and targets with those from 2003 (table 1, Annex B and Annex C), it appears that, if the official numbering and wording are used, *the number of guidelines did in fact decrease, but the number of quantitative targets increased.*

⁹ These targets are the overall targets of the EES: to reach by January 2005 an overall employment rate of 67% and an employment rate of 57% for women. To reach by 2010 an overall employment rate of 70 % and an employment rate of more than 60 % for women. To reach by 2010 an employment rate among older persons (aged 55 to 64) of 50 %.

4.4 Assessment: the roles and powers of actors and coalitions

The core actors: member states, coalitions and DG Employment

After summing up the role of the core actors, it will hopefully be possible to answer the research question *Which of the actors – the EU institutions, the member states or other actors – have been the most influential in the ongoing adjustments of the EES in relation to the revision process.*

The answer, however, is not straightforward when the focus is limited to the revision process. On the one hand, the member states managed to reduce the Commission's April proposal; but on the other hand, the member states' general interpretation was that the Commission, with its April proposal, largely ignored the objections raised by the majority of member states during earlier discussions in EMCO. Some interviewees even suggest that the Commission deliberately put forward a highly unrealistic and provocative proposal to ensure that the final guidelines and quantitative targets did not differ too much from the 2002 ones. The fact that the number of quantitative targets was increased, at the same time as the number of guidelines was reduced, seems to support this alternative interpretation.

Hence, even though the member states managed to cut away important elements of the Commission's proposal, the power of the Commission should not be underestimated. Apart from the obvious power that results from drawing up proposals together with the substantial organisational capacity represented by DG Employment and Social Affairs, the power is also illustrated by the steering role of the Commission's representatives in the EMCO meetings, as pointed out in several interviews. The Chair, appointed by all representatives, is not the person coordinating the meetings and drawing the conclusion, as might be expected. The Commission representative, more specifically the Director-General, Odile Quintin, has that role. Several interviewees point to the strength of the Director-General, which according to the interviewees is explained not solely by her position, but also by her fighting personality and her professionalism.

However, the findings from another study of the revision process differ to some extent from this interpretation: the revision process could instead be seen as yet another expression of a weakened Commission and stronger member states. This is the impression one gets from the only in-depth analysis of the revision published to date (Watt 2004), even though Watt does not explicitly draw this conclusion himself.

Watt emphasises the development in the guidelines from the April proposal to the final version, but does not include the 2002 guidelines in his comparison. The features of the development from the April proposal to the final version that he emphasises are: the reduction in number of quantitative targets; the qualitative weakening of some of the proposed targets into declarations of intent; the removal of the orders to member states to 'ensure that adequate

financial resources are allocated to the implementation of the guidelines'; the lowering of some targets, for instance the reduction from 30 to 25 percent of the long-term unemployed to benefit from training and other active measures; and finally, the qualitative changes in the tone of the text of the document around the guidelines, for instance a weakening of the language of the 'working poor'. Watt sees this as a clear indication of the power of the member states and a weakening of their willingness to submit to EU constraints (Watt 2004: 129-131).

Other developments, too, support an interpretation of the revision process reflecting a development towards the member states being more powerful in influencing the development of the EES. According to the Commission's representatives, there has been a tendency in recent years for the member states - and especially the Presidencies - to be more active in preparing documents for the Committee to debate. Both the Danish and the Greek presidencies are examples of this active role, but in different directions. The Danish presidency was very active in preparing the simplification of the guidelines, whereas the Greek presidency successfully attempted to add new guidelines. Another way in which the member states have been active is organising and coordinating the work in the coalitions, as described above.

Still, taken together, the ability of the Commission to avoid a substantial reduction of the EES during the revision shows that in this case the final outcome of the 'arm-wrestling' between member states and EU institutions was not clearly in favour of one or the other.

The others: DG ECFIN, European Parliament and the social partners

A number of actors other than the member states and the Commission take an interest in the EES and are consulted on all major issues in relation to it. Below, I will concentrate on the most important ones, i.e. on the DG Economy and Finance (DG ECFIN), the European Parliament and the European social partners.

Of these three actors, the most influential has probably been *DG ECFIN*. There has been an ongoing rivalry between DG Employment and Social Affairs and the ECFIN to get control over the employment guidelines. The struggle has strong similarities with the struggles between Ministries of Employment/Social Affairs and Ministries of Finance found in several member states, and is rooted in different conceptions of how the labour market works and to what extent economic considerations should be balanced by social considerations. Both the Broad Economic Policy Guidelines and the Employment Guidelines relate to employment policy, but in two different ways. The employment policy elements in the Broad Economic Policy Guidelines tend to focus on creating financial incentives ('making work pay') and assuring that the employment policy supports the general economic policy, whereas the Employment Guidelines are preoccupied with establishing a balance between economic and social aims (see

also Barbier 2005). In connection with the revision of the EES, this struggle became all the more serious as one of the aims of the revision was a streamlining of the processes, by putting them on the same time-line and coordinating them, among other things by cross-referring.

Seemingly, the *European Parliament* (EP) has had less impact on the revision than DG ECFIN. However, the Amsterdam Treaty guarantees the Parliament the right to be consulted on, *inter alia*, the Employment Guidelines. Furthermore, as described above, the EP was part of the advocacy coalition pushing for the formulation of a European employment policy, and was pointed out as one of several important actors in that regard. Nevertheless, the EP did not have any strong impact on the revision. There are several dimensions to this lack of impact.

One is timing: the EP interviewees complained about not being involved early enough. The EP did not have the same channels of influence when Allan Larson was no longer Director-General. Allan Larsen used to inform the EP - and the social partners as well - on upcoming Commission initiatives to allow them time to be better prepared when the official consultation took place; this informal flow of information has not taken place to the same extent under the following Commissioners and Directors-General.

In relation to the revision process, however, the EP itself acted too slowly to really influence the process. Its report on the proposed guidelines was published as late as May 2003. Party-political conflict in the EP meant that the Parliament was unable to deliver its report on the revision of the EES in time for it to have an impact on the revision (see also Watt 2004). One of the clear signals from the Parliament was that it was not enough to focus on employment; an overall goal on unemployment should also be added to the strategy (European Parliament 2003). However, this was ignored in the short process from the publication of the EP's report in late May 2003 to the end of the revision process in July. There are nevertheless indications of more impact earlier in the revision process. According to Watt, the EP report on the evaluation did have considerable influence on the initial proposal presented by the Commission, for instance, regarding the removal of the pillar structure (Watt 2004: 131). But in sum, the impact of the EP must be said to have been moderate.

European-level social partners seem to a greater extent to have been able to sustain their close contacts with DG Employment and Social Affairs than the EP, even though their influence, too, has been relatively limited in the revision process.

There are several channels through which the social partners can exercise their influence. Firstly, the bipartite inter-professional Social Dialogue Committee and its Employment Working Group. Secondly, the tripartite forums where they meet with member-state representatives, namely the Tripartite Social Summits, where the social partners meet the heads of states and governments, the Employment Councils, where they meet the employment

ministers, and the EMCO meetings, where they meet the civil servants. Thirdly, the consultation processes with the Commission on its proposals. Fourthly, all the informal bilateral contacts with all European institutions.

From the beginning, UNICE, CEEP and ETUC have all supported the EES, and - as stated above - the ETUC was part of the coalition pushing the EES ahead in the early years. Actually, ETUC is probably still the strongest supporter among the social-partner organisations.

The social partners have their special interests in different parts of the strategy. The interviewees give an unsurprising account of these differences: UNICE emphasises areas such as entrepreneurship, productivity and business-friendly environment (reducing 'red tape'), whereas ETUC emphasises issues such as activation policies, training, employers' responsibility for training, and the quality of training. ETUC also emphasises that labour market reforms should be supported by growth-oriented macroeconomic policies. But despite these differences in emphasis, there is nevertheless less disagreement on the EES among the social partners than on other employment-related EU issues, such as working time, temporary agency work or corporate social responsibility.

Regarding the revision, both UNICE, CEEP and ETUC supported it, but still had some critical comments. UNICE welcomed the simplification and the synchronisation with the BEPGs, but was disappointed because the final entrepreneurship guideline was 'really watered-down'. Furthermore, they complained that there were too many quantitative targets and too little emphasis on the demand side. ETUC broadly supported the revision, but was initially against coordinating the employment and the economic guidelines, because of the risk that the economic guidelines would dominate; but in the end they decided to support it and give it a chance. The interviewees from all three organisations had difficulties in pointing to more than a few examples in relation to the revision where their organisations had had a decisive impact.

The social partners - especially ETUC - point to the relations to the Commission's DG Employment as the most important channel for influence, in relation to the revision as well as generally. All the three organisations found that their opinions were listened to. One of the ETUC representatives even described DG Employment as a bit of an ally. The Commission took on board the ETUC's comments during the consultation process by referring more to the role of the social partners (see also Watt 2004:132).

But also the employers' organisations find the connections to DG Employment important and describe the informal contacts with the Commission as quite close. Nevertheless, some of the interviewees confirm a bias in DG Employment in favour of the ETUC, because it is a way to balance the lopsided involvement in DG ECFIN in the favour of UNICE/CEEP. Also the political orientation of the Commissioner and the Director-General played a role in this bias according to some; for instance, the socialist background of Diamantopoulou was used to explain a perceived greater openness towards the

trade unions than to the employers' organisations, whereas at the time of the interview her successor had held office for too short a period to judge.

The organisations found it more difficult to influence EMCO than the Commission, even though the social partners usually participate in the first part of EMCO meetings. One of the social-partner interviewees describe the meetings as very formal, but had, however, experienced a change towards more open debate after a change of Chair in EMCO. In the interviews, the difficulties in influencing EMCO was explained as a result of their low frequency - approximately eight times a year - but also of the heterogeneity of EMCO, where the member states have many different opinions.

Whereas EMCO represents an opportunity for the social partners to influence the civil-servant level, the meetings with the Employment Council represent a chance to meet the ministers. The effectiveness and usefulness of the Tripartite Spring Councils - which usually take place the evening before the Spring European Council and where the social partners meet with the heads of states and governments - were questioned by a number of the interviewees. Yet another meeting opportunity between the social partners and ministers of employment/social affairs is the 'informal' meeting with the ministers of employment from the Presidency which takes place at the beginning of each Presidency, often away from the capital to underscore the informality. The interviewees gave these meetings a more positive evaluation regarding usefulness and opportunity to influence processes and build personal networks.

To sum up, apart from more references to the role of the social partners, the social partners themselves are unable to point to any specific issues or guidelines where the social partners have had any direct impact during the revision. Hence, they can hardly be said to be among the most influential actors in the revision of the EES. Their influence might have been more general or indirect in that DG Employment, through the many formal and informal contacts with the social partners, has taken into account their wishes. It was also important to note that the social partners were supportive of the draft guidelines, and maybe therefore did not feel that much needed to be changed.

It is important in this connection to note the issue of organisational resources raised by some of the social-partner representatives. The number of staff involved in the processes around the EES in the European social partners' confederations is around two or three per organisation, and typically these employees have several other responsibilities than the EES. Hence, compared to DG Employment and EG ECFIN, but also to some extent to the member states and the EP, the social partners' organisational resources are very limited, which will naturally have an impact on their opportunities for exercising influence on the strategy. At the same time the Commission is asking the social partners - at EU level as well as nationally - to get more involved in the EES. One of the interviewees describes this as an 'irritating debate', because it does not build on

an understanding of the resources available to the social partners at the EU level.

The context: socio-economic situation and enlargement

Apart from the various actors, the political and socio-economic context of the revision has to be discussed, because the context can potentially have a strong influence on the choices of these actors. The relevant contextual factors are numerous, but in relation to the revision, the socio-economic situation and the enlargement of the EU will without doubt have been among the most important ones.

The *macroeconomic situation* worsened during 2001-2002, as growth slowed down in the European economies and unemployment started to rise. The revision process, however, remained largely unaffected by that. This is hardly surprising as the revision process took place only shortly after the downturn in the economy set in and it was therefore possible to interpret the downturn as a temporary phenomenon. Furthermore, from the outset the EES had mostly been a supply-side strategy and had not included measures to stimulate economic growth (Watt 2004). To include such measures would have been to create an entirely new strategy.

The *enlargement* could also potentially have influenced the revision process, but that does not seem to have been the case. Neither the Commission's first nor its second communication pays much attention to the enlargement issue, apart from stating that the labour market of the candidate countries are not fundamentally different in nature from the those of the current member states, but that the problems are often more acute (EU Commission 2002). This leads the Commission to underline the necessity for further reforms in the accession countries, but not to reconsider if enlargement should have any consequences for the reformulation of the EES.

Nevertheless, Celin (2003: 99) finds that the revised guidelines were more adapted to the needs of the labour market of the new member states than the old ones, in particular because of the addition of guidelines for undeclared work and on regional disparities. Galgóczi also finds that the goals of the EES – e.g. to improve the employment rates – are broadly relevant for the new member states, but at the same time states that these labour markets represent a different context which requires different answers than in EU15. Regarding activation policies, the level and duration of benefits have already been reduced and cut down to a bare minimum. Also, the labour markets of these countries are on average more flexible and showing less protection than in EU15. Hence, further reforms in these areas are not appropriate. On the other hand, mobility and lifelong learning are less developed and therefore need more attention (Galgóczi 2004: 91).

Whether the revised guidelines are seen as fitting the circumstances of the new member states better than those of the 'old' EES or not, the enlargement as

such does not seem to have impacted the revision. The targets for the overall employment (70 percent in 2010) as well as some of the other targets might seem a bit over-ambitious in the light of the enlargement, considering that in 2000 it could be foreseen that, on average, even the older member states themselves would have difficulties meeting them (see also Ingham & Ingham 2003).

5. The Employment Taskforce and the first Kok report

Apart from the revision, the most important decision-making process in relation to the EES in the period in focus (i.e. until late 2003) was the setting up of the European Employment Taskforce and the publication of its so-called 'Kok report'. Again, the analysis of the decision-making process will be split up into an agenda-setting phase and a policy-formulation phase.

5.1 Agenda setting 2002-2003

Even before the revision process ended in July 2003, a new initiative related to employment policy had been taken. The interviewees offered several explanations for the initiative that led to the setting up of the European Taskforce under the leadership of Wim Kok, the former Dutch prime minister, known for a number of successful labour market reforms in the Netherlands over the 1990s. The UK plays a leading role in all these explanations, which otherwise differ substantially. According to some, the UK felt that the EES had become inactive and they wanted another instrument, a more inter-governmental instrument. Others saw the Employment Taskforce as a reflection of the UK government's EU strategy, along the line of reasoning that if the UK was seen to be able to spearhead a reform of the EU, then they would be able to turn around the generally sceptical British public opinion on the role of the EU.

A third explanation offered by the interviewees for the important role of the UK is related to the situation in Germany. According to this version, the aim of the initiative - taken by Blair and Schröder - was to assist the German reform process, especially the so-called Hartz reforms of social and labour market policy; something that would also strengthen Schroeder vis-à-vis Chirac. Even though Chirac's name at a later stage was added to the initiative, the French government was not among the initiators; it was taken despite the position of the French government.

The Commission, too, played a role in the setting up of the taskforce, but their role was initially to try to prevent the initiative. The initiative was taken at a time when the revision of the EES was well under way, but not completed. So why reform what is already being revised? The explanation that DG Employment inclined towards, seems to have been that the initiative was an attempted 'hostile take-over' from the UK and other member states in order to establish an inter-governmentally-driven employment policy as an substitute, and not a supplement, to the EES, which was partly driven by the Commission. Fuelling the fear of the Commission was also the fact that in the agenda-setting phase, the UK-driven discussion on the necessity to push for reforms did not even mention the EES.

When the initial attempts to block the initiative failed, DG Employment encapsulated it by offering to supply the Taskforce with a secretariat, to ensure

that the Taskforce's report would fit the EES. The members of the secretariat were high ranking, and included Antonis Kastrissiakis, then Director in DG Employment, and H el ene Clark, then Head of Unit in the unit responsible for the EES (A/2).

Whichever explanation of the background for the initiative is the more plausible, the official proposal to set up an Employment Taskforce did come from Blair, Schr oder and Chirac prior to the Spring Council in Brussels in March 2003. In their letter, these three Heads of State and Governments emphasise that the taskforce should be seen as a supplement, not an alternative, to the EES and that the taskforce should publish a report containing concrete initiatives by the end of the year.

5.2 Policy formulation 2003

The official decision to set up the Employment Taskforce was taken at the Spring Council in March 2003. The European Council 'has invited the Commission to establish a European Employment Task Force to help identify practical reforms that can have the most direct and immediate impact on the implementation by Member States of the revised Employment Strategy' (Council of the European Union 2003). Thereby, the Commission's strong role in the initiative and its close relation to the EES was secured.

Besides Wim Kok, the members of the taskforce were the president of the Social Science Advisory Group to the Commission, Maria Joao Rodrigues, three academic experts on employment and labour market issues, a representative from business and a representative from a trade union.

The Kok report did not receive the same level of attention from EMCO as did the revision of the EES, because the taskforce was formally an independent unit, even though the Commission provided it with secretariat assistance. The first Kok report was discussed at two EMCO meetings, but not until early 2004, when the report had already been published. Information is so far lacking on the positions taken and the role of the two coalitions. According to some of the interviewees, a number of countries met, on a UK initiative, in order to discuss their reaction to the first Kok report.

A draft of the taskforce's report went through a consultation process in the autumn of 2003. The social-partner interviewees express some frustration at the process as they were only consulted once. The narrow time-limit for the process (only eight months from the appointment of the taskforce to the publication of the report) might explain why there was no time for repeated rounds of consultation, but according to some of the social-partner interviewees, the limited consultation was not a timing issue, but the result of the taskforce's wish for a degree of independence on the report. There is general agreement that not much was changed during the consultation process.

5.3 Outcome: the final draft and how it was received 2003-2004

The final report (European Employment Task Force 2003) was published in November 2003 and was given the telling title 'Jobs, Jobs, Jobs'. To make the title come true, the report concluded by listing four requirements: 1) increase the adaptability of workers and enterprises, 2) attract more people to the labour market, 3) invest more and more effectively in human capital, 4) ensure effective implementation of the reforms through better governance.

In general, the report was well received. A couple of the interviewees described it as a more 'balanced document' than had been expected, because it included both economic and flexibility aspects as well as social security aspects. Most interviewees found it more focused on implementation and action as well as simpler and clearer than the texts of the EES, but at the same time emphasised that in reality the content was not different from what could be found in the EES.

The national governments welcomed it without exception. Of the interviewees, those from the British government were – perhaps not surprisingly – the most enthusiastic supporters. One of the UK interviewees stated that the report had not only had an impact at the EU level, by being incorporated into the Employment Guidelines, but had also had an impact at the national level, as the four requirements had been easier to handle at the national level than the Employment Guidelines; and further, that the Kok report had pushed the discussion on flexicurity ahead. In general, however, the interviewees found it difficult to point out specific impacts from the Kok report, despite their positive evaluation of it.

ETUC was among the actors relieved by the content of the report at its publication, because they had expected a more 'neo-liberal' outcome. The ETUC representatives did not see much new in the Kok report compared to the EES, but one of the interviewees predicted that any guidelines not covered by the Kok report's four commandments would be less important in future. The press release from ETUC welcomed the report's recommendations about investing in human capital, but regretted the lack of attention to demand management (ETUC 2003). CEEP and UNICE both supported it, but they, too, failed to find much new in it. However, the UNICE interviewee found that the Kok report placed more emphasis on reducing non-labour costs than the commission's recommendations. In addition to these unilateral responses, UNICE, CEEP, UEAMPE (European Association of Small and Medium-sized Enterprises) and ETUC made a joint statement on the Kok report in December 2003 for the first Tripartite Social Summit, in which they repeated their warm welcome of the report and emphasised areas in the European Social Partners' joint work programme supporting the four requirements (ETUC et al. 2003).

The Commission was not among the actors giving the biggest applause for the published report, but they had to accept it since they had to some extent been

involved in it, and all member states as well as most other actors seemed to find it useful. Outright criticism of the report was scarce, but some of the social NGOs were a little worried about the report, because it did not have much to say about social inclusion. Other observers saw it as an expression of a new neo-liberal route, as also reflected in the following Commission communication on making Work Pay, initiated by the Dutch presidency in spring 2004 (Barbier et al. 2004).

That these sceptical voices drowned in the general applause may be because there was something for everybody in the first Kok report, and furthermore because it avoided being too controversial. Even without extensive formal consultation, the taskforce succeeded in avoiding issues too controversial for the member states, in not tipping the balance between economic and social aims, and in not directly confronting the Commission. At the same time, at least some of the aims and demands of the EES was communicated in a slightly clearer and sharper way than previously – not least the demand to ‘walk the talk’ by implementing reforms and guidelines already agreed upon.

The success of the report left the Commission no choice but to allow the Kok report to have some effect on the EES, even though the EES had just been reformed the same year. That was done by framing the EES employment recommendations after the four commandments of the Kok report. Apart from that, another important outcome of the report was that Wim Kok was also asked to prepare the midterm review of the Lisbon strategy. This was carried out with a new group of experts, and the report was published in November 2004 with the title ‘Facing the Challenge – The Lisbon Strategy for Growth and Employment’ (for an analysis of this, see this project’s main report, which will be published in late 2006).

5.4 Assessment

Just like the revision of the EES, the process of the first Kok report was a power struggle between the Commission’s DG Employment and the member states acting in context of other EU-level actors and the general macroeconomic and political situation in Europe. At first sight, it seems again as if the member states - or some of them - have been the most influential in the decision-making about the adjustment of the European employment policy. They initiated the process even before the revision of the EES was finalised, which in itself is a demonstration of power, and they succeeded in keeping it as a parallel process to the EES.

However, the encapsulation of the decision-making process by DG Employment shows, that the Commission succeeded in influencing the process. Also, the general impression that in reality the final report contains little that could not have been produced within the usual EES process detracts from the extent to which the Kok report can be interpreted as a victory of member states over the Commission.

6. Conclusion and perspectives - drivers in the ongoing development of the strategy

6.1 Empirical findings

Taking both the revision process and the Kok report into consideration, I will now attempt to answer the question: *Which of the actors – the EU institutions, the member states or other actors – have been the most influential in the ongoing adjustments of the EES?*

Whereas a plurality of actors were decisive for the setting up of the EES in the mid-1990s, it would be fair to say that *in its further development the member states have been the dominant actors*, even though the Commission (DG employment and to some extent DG ECOFIN) has also continued to exercise a strong influence. The social partners and the European Parliament – who have been pointed out as part of the coalition establishing the strategy – have been less influential.

Not all member states have been equally important. Not surprisingly, according to most of the interviewees, the larger member states - Germany, France and the UK - have been the most influential. This is the case in the employment policy field as in most other areas of EU regulation.

The role of coalitions is probably less well known. The coalitions found in EMCO have been labelled the ‘minimalist coalition’ and the ‘regulation coalition’. In the present analyses, the ‘minimalist’ coalition includes mostly Atlantic and Scandinavian countries, and is the largest in terms of members. Membership has changed over time, but consistently included the UK, Denmark, the Netherlands, Ireland, Sweden and Spain¹⁰. The aim of this coalition is to minimise labour regulation, simplify guidelines and focus more on the quantity than the quality of jobs. The other coalition is smaller and has a core of Belgium, France, Luxembourg, Greece and - importantly - DG Employment. This coalition is more open towards extensive labour market regulation, and is keen to balance flexibility and quantity of jobs with quality issues. The connection between France and the DG Employment is close and, according to some of the interviewees, it is important for this relationship that there is a French Director-General.

It is an open question which of the two coalitions can be said to have been most successful in influencing the revision of the strategy: the one that succeeded in adding a number of quantified targets to the guidelines, or the one

¹⁰ The inclusion of Spain in this coalition is contrary to Nedergaard (2005), who places Spain in the ‘security’ or ‘regulation’ coalition. My findings show, however, that the close connection between the Aznar and the Blair governments was also found in relation to the EES, and that Spain became part of the ‘minimalist’ coalition, even though they might not have been among its core members. But soon after the Socialists came to power in March 2004, Spain started to work closer and take positions with countries from the ‘regulation’ coalition. This rapid change was facilitated by the Southern European tradition of replacing high-level civil servants after a change of government.

that succeeded in reducing the Commission's proposal to a simpler, but not radically different document from the one supposed to be reformed? The processes around the Kok report demonstrates more clearly a situation where the member states - Germany and especially the UK - set the agenda, and where the Commission acts reactively. In relation to the Kok report the influence of the coalitions is less clear, and the role of the large member state clearer, compared to the revision process.

That the member states in general have been able to increase their influence on the strategy and the Commission has lost influence has not, however, in the period under study dramatically changed the content of the EES. But the political orientations of the member states have changed. When the EES was established in the mid-1990s, the majority of governments had socialist or social-democratic governments, and the EES was said to have a social-democratic orientation (van der Riel & van der Meer 2002; Madsen 2003). At the time of the revision, the majority of the governments were right-wing or centre-right governments. Also the Commission has changed in this direction, but that change took place in mid-2004, i.e. after the period in focus.

Even though this change of political orientation of the member states is not strongly reflected in the guidelines, a number of - but not all - the interviewees do feel that change has taken place. As one of them expresses it, it is now possible to discuss the quantity of jobs without always balancing the argument against the question of the quality of jobs, and it is possible to discuss making work pay without always also discussing security.

Hence, the EES has proved to be flexible in terms of ability to absorb political changes. Both the original EES and the revised version are broad and commodious enough to absorb varying trends. The social-democratic bias and the focus on employability in the early years of the strategy has more to do with the background of the strategy, and the unequal weight given to each of the four guidelines, than with the guidelines themselves. Likewise, the 'turn to the right' perceived by some of the interviewees in EMCO's and other discussions about the EES is not evident in the guidelines themselves. Even a new seemingly 'liberal' guideline such as the one 'to make work pay' can be - and has - been addressed differently in the member states, e.g. by increasing the minimum wage or by reducing unemployment benefits.

6.2 Theoretical implications and perspectives for research

In the following the findings will be discussed against the theoretical approaches presented before: the 'big three' approaches to Europeanisation (neo-functionalism, inter-governmentalism and multi-level governance), Due & Madsen's approach to studying coalitions, and the regime theories.

The ability of the member states to substantially change Commission initiatives (the EES revision) and to take new initiatives with lasting effects (the first Kok report) clearly supports the inter-governmental approach, even though,

as stated, the power of the Commission should not be underestimated. Neo-functionalism does not seem to find much support in the findings. There were no signs of (further) spillover, elite socialization was counteracted by coalitions, and the European interest groups did not have a great impact on neither the revision of the EES, nor on the first Kok report.

The multi-level governance approach is *a priori* supported by the fact that the EES is a system that covers several levels. Further, the levels are clearly blurred by the existence of forums like EMCO, where most representatives are national actors and EU-level actors at the same time. But it is debatable whether the multi-level hypothesis on the lack of a clear centre is in line with the findings, and with the EES in general. It could be argued that the national-level governments represent a clear centre for decision-making in employment policy (see also Mailand 2005). However, to be able to subject this hypothesis to a thorough discussion, the local/regional level must be included. Also the inclusion of other employment-related areas than the EES would benefit from such a discussion. This is the case, because it will probably come as no surprise that in relation to the EES the most power lies in the hands of the national governments, because the EES - more than other employment-related areas of regulation - is designed so as to limit the role of the EU level to coordination and excluding it from more direct regulation.

Other theoretical implications arise when discussing the EMCO coalitions against the well-known *regime theories*. When doing so, some interesting differences emerge from what could be expected based on these theories. Whereas the different versions of regime theories - welfare-state regimes (Esping-Andersen 1990), unemployment regimes (Gallie & Paugam 2000), workfare regimes (Jessop 1994) and labour market models (Crouch 1993) - all tend to come up with three or four regimes (an Anglo-Saxon, a Scandinavian, a continental and occasionally a Southern European regime), there are only two coalitions in EMCO. Moreover, they cut across the usual division of countries, in that Scandinavian and the Anglo-Saxon countries form the core of one of the coalitions, whereas a number of continental countries - France, Belgium, Luxembourg, but not Germany - are found in the core of the other coalition. The Southern European countries seem not to be stable members of any of these coalitions.

Several explanations are possible to account for the differences between the clusters known from regime theories and coalitions. Firstly, in defence of the regime theories, it could be argued that EMCO does not strictly speaking represent what is studied in regimes theories. EMCO is mostly a forum for airing and discussing policy strategies, whereas the regime theories are mostly concerned with institutions. It is perfectly possible for countries to share strategies even though they do not share institutional set-ups, just as it is possible to argue in favour of the same strategies, but for very different reasons.

Secondly, the regime theories could be criticised for ignoring similarities between the Anglo-Saxon and Scandinavian countries, also in the employment area, where, for instance, a tradition for voluntarism in industrial relations can be found in both Denmark and the UK (Due et al. 1993), and where, despite differences, important similarities exist in the activation policies developed over the 1990s in these two countries (Lindsay & Mailand 2004).

Thirdly, even though coalitions tend to be fairly stable, political changes probably play a greater role for them than for regimes. According to most of the interviewees, even though some of the member states are not stable members of the coalitions, the coalitions are long-living creatures, resistant to political change. For instance, the French governments are said to take a 'regulationist' position regardless of the political colour of the government, whereas the Labour governments of the UK are the prime advocates for the 'minimalist' position. Most interviewees also place Denmark as a stable member of the 'minimalist' coalition, but some nevertheless argue that the change from a centre-left to a centre-right government in Denmark in 2001 moved the Danish and the British representatives even closer to each other. Spain is also an illustration that politics changes in relations to the EMCO coalitions. The close links between the Aznar and the Blair governments were also reflected in EMCO, where Spain for some time was part of the 'minimalist' coalition. However, when the government changed in early 2004 from a centre-right to a socialist government, Spain started working more closely with - among others - Belgium and France from the other coalition. The Spanish position in EMCO - as that of some of the other Southern European countries - might also be more sensitive to political change, because high-level civil servants are replaced after a change of governments.

The coalitions could also be analysed in a different way. The countries arguing for minimalist regulation, flexibility, reforms and the most simplified guidelines are the ones that have already to some extent introduced reforms and have been improving their performance in the labour market during the 1990s – these countries include Denmark, the UK, Ireland, the Netherlands, Finland, Sweden and to some extent Spain, and a number of the new member states. The countries that do not share these characteristics are France, Belgium, Greece and to some extent Italy. In between we find Germany – which some have presented as the European 'battlefield' for labour market strategies; characterised by bad labour market performance and inflexibility in the labour market, but also by important attempts to introduce reforms in recent years – not least the Hartz I-IV reforms. Perceived in this way, it is the 'good pupils in the class' (Jacobsson 2003) pushing the others, no matter that these 'good pupils' represent very different labour markets.

Yet another theoretical question is how well the coalitions found in EMCO fit the descriptions given in the introduction of this working paper. The EMCO coalitions could be said to share most of the elements of the coalitions described

by Due & Madsen: the presence of a common 'enemy' (the other coalition), no strong hierarchical structures (but nonetheless at least one of the coalitions has a leader, or co-ordinator, in the British team), and no organisational resources allocated to the coalition. But the two remaining characteristics, a short time-horizon and narrowly defined interests are debatable. The coalitions in EMCO seem to have existed for some years, with some changes among the participants. Even though the specific issues change, the coalitions persist. It is also specific issues that bind the coalitions together, but several of the interviewees emphasise that common ideologies and common ideas about the labour market and employment regulation are part of the glue that keeps the coalitions together.

On the other hand, as one of the interviewees states, it could be argued that 'coalition' is not the right term to use in this connection. What we see could instead be understood as ad-hoc connections between representatives that happen to take the same position on specific issues. That some of the member states are not always placed in the same coalition could be seen as a reflection of the fact that we are here talking about rather loose structures. Still, even though the persons involved might not all think of these structures as coalitions, and even though the membership of some countries is changeable or unclear, the structured patterns of behaviour do in most regards fit the theoretical descriptions of coalitions, and have also been analysed as coalitions by other researchers.

That the coalitions found in relation to the EES revision and the first Kok report are not accidental and a phenomenon isolated to the EES process is obvious at the time of writing. In connection with the present crises of the EU following the rejection of the new EU constitution in referendums in France and the Netherlands in June 2005, and the failure to agree on the EU budget, it has become very clear that different visions of the kind of labour market regulation Europe needs is one of the most important dividing lines in the Community today. Some have even suggested that the visions for 'liberal' versus 'continental' welfare will replace right and left (Schmidt 2005). In any case, the battle surrounding the revision of the EES and the first Kok report is clearly a reflection of a clash between different visions of which kind of Social Europe is needed in the future.

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Annex A - List of interviewees

Denmark	
Peter Nedergaard	International Centre, Ministry of Employment
Flemming Kühn Petersen	International Centre, Ministry of Employment
Morten Binder & Stig Martin Nørgaard	Ministry of Finance
Helle Thorning-Schmidt	ex-Member European Parliament (Danish Social Democrats)
The United Kingdom	
Stephen Clode	Department for Work and Pensions
Tim Dadswell	European Strategy Team, Department for Trade and Industry
Steven Hughes	Member of European Parliament (British New Labour)
Spain	
Carlos de la Serna Arinilas	Ministry of Employment and Social Affairs
Delmira Seara Soto	ex-Ministry of Employment and Social Affairs
Aljandro Cercas Alonso	Member of European Parliament (Spanish Socialists)
Poland	
Krzysztof Kaczmarek	Labour Market Department, Ministry of Economy and Labour
Julian Zawistorwski	Labour Market Department, Ministry of Economy and Labour
Jerzy Ciechanski	Dep. of Eco. Analysis and Prognosis, Min. of Econ. and Labour
EU-level	
Robert Strauss	A/2, Employment and Social Affairs DG
Päivi Kairemo-Hella	EMCO Support Team, A/2, Employment and Social Affairs DG
Lorena Ionita	Social Affairs, UNICE
Veleria Ronzetti	Social Affairs, CEEP
Peter Coldrick	ex-European Trade Union Congress
Ronald Janssen & Andrew Watt	European Trade Union Congress European Trade Union Institute
Others	
Béla Galgozci	European Trade Union Institute
Bernhard Casey	Cass Business School & London School of Economics

Annex B – Pillars, horizontal objectives, Employment Guidelines and quantitative targets 2002

Horizontal objectives – building conditions for full employment in a knowledge-based society

A Enhancing job opportunities and providing adequate incentives for all those willing to take up gainful employment

B MS will endeavour to ensure that policies across the four pillars contribute to maintaining and improving quality of work

C MS shall develop comprehensive and coherent strategies for lifelong learning

D MS shall develop a comprehensive partnership with the social partners for the implementation, monitoring and follow-up of the EES

E MS will give due attention to all four pillars and the horizontal objectives by setting their priorities in a balanced manner

F MS and the Commission should strengthen the development of common indicators in order to evaluate adequately progress under all four pillars and to underpin the setting of benchmarks and the identification of good practice

Pillar 1: Improving employability

1 MS will ensure: that every person is offered a new start; that employability measures are combined with to reduce the stock of long-term unemployed; that PES is modernised

- every unemployed are offered a new start before reaching six month (youth) or 12 month (adults) in the form of training, retraining, work practice, a job etc.

2 MS will: review its benefit and tax systems; increase significantly the proportion of unemployed and inactive persons benefiting from active measures; promote measures for unemployed and inactive people to acquire or upgrade skills.

- MS will fix a target for active measures thereby aiming at gradually achieving the average of the three most advanced MS, and at least 20%

3 MS will develop policies for active ageing

4 MS are called upon to improve the quality of their educational systems, as well as the relevant curricula

- MS will develop measures aiming at halving by 2010 the number of 18 to 24 years old with only lower-secondary level education who are not in further education and training

5 MS will aim at developing e-learning for all citizens

6 MS will step up their efforts to identify and prevent emerging bottlenecks

7 Each MS will: identify and combat all forms of discrimination in access to education and training; develop active policy measures to promote the integration for groups at risk; implement measures for disabled, ethnic minorities etc.

Pillar 2: Developing entrepreneurship and job creation

8 MS will reduce significantly the overhead costs and administrative burdens for businesses

9 MS will encourage the taking up of entrepreneurial activities

10 MS will remove barriers to the provision of services and develop framework conditions to exploit fully the employment potential of the service sector

11 MS will take into account in their overall employment policy regional development; encourage local and regional authorities to develop strategies for employment; develop the capacity of the social economy; strengthen PES in identifying local employment opportunities

12 Each MS will set a target for gradually reducing the tax burden; remove obstacles to investment in human capital; examine the options for using alternative tax revenue

Pillar 3: Encouraging adaptability of businesses and their Employees

13 The social partners are invited: to negotiate and implement modernisation at work; report annually on which aspects of modernisation that have been covered by negotiations

14 MS/Social partners will: review existing regulatory framework to reduce barriers for employment; examine the possibility of incorporating in national law more flexible types of contracts; ensure a better application at workplace level of existing health and safety legislation

15 The social partners are invited to conclude agreements on lifelong learning

Pillar 4: Strengthening equal opportunities for women and men

16 MS will adopt a gender mainstreaming approach across all four pillars

17 MS will reduce the gap in unemployment by women and men; take action to secure a balanced representation of women and men in all sectors and occupations; initiate steps to promote equal pay; measures for advancement of women and men

18 MS and social partners: will design and promote family-friendly policies; consider setting national target for availability of care service; eliminating obstacles to return to paid labour after an absence.

Annex C – proposed and adopted Employment guidelines and quantitative targets 2003

<p>Second communication 'headings' (January 2003)</p>	<p>1 Active and preventive measures for the unemployed and the inactive 2 Making work pay 3 Fostering entrepreneurship to create more and better jobs 4 Transform undeclared work into regular employment 5 Promote active ageing 6 Immigration 7 Promoting adaptability in the labour market 8 Invest in human capital and strategies for lifelong learning 9 Gender equality 10 Supporting integration and combating discrimination in the labour market for people at a disadvantage 11 Addressing regional disparities</p>
<p>Commission's proposal, EG and targets (April 2003)</p>	<p>1 Active and preventive measures for the unemployed and inactive - personalized job search plan for all < 4 month of unemployment by 2005 - work experience or training for all < 6 (young) and < 12 (adult) month of unemployment 2005 - 30 percent of long-term unemployed in work experience or training by 2010 2 Job creation and entrepreneurship 3 Address change and promote adaptability and mobility in the labour market - reduction of 15 % in the rate of accidents at work (25 percent for high-risk sectors) by 2010 4 Promote development of human capital and lifelong learning - 80% of 25–64 year olds to have at least upper secondary education by 2010 - rate of participation of adults in E&T to 15% on average in EU (min 10% in each MS) by 2010 - increase EU-average investment by companies in T of adults from 2.3 to 5 % of labour costs by 2010 5 Increase labour supply and promote active ageing - increase effective average exit age from Im from 60 to 65 years on average in the EU by 2010 6 Gender equality - elimination of gender gaps in employment and halving of gender pay gaps in each MS by 2010 - childcare places available for 33% of 0–3 year olds and 90% of those from 3 each MS by 2010 7 Promote the integration of and combat the discrimination against people at a disadvantage in the Im - halving of school drop-out rate in each MS and a reduction of EU average drop-out rate to 10% by 2010 - halving in each MS in the unemployment gaps for people defined as being at a disadvantage by 2010 - reduction by half in each MS in the employment gap between non-EU and EU nationals by 2010 8 Make work pay through incentives to enhance work attractiveness 9 Transform undeclared work into regular employment 10 Address regional employment disparities - all job vacancies advertised by MS' PES should be accessible by anyone in the EU by 2005</p>
<p>Adopted EG and targets 2003 (July 2003)</p>	<p>1 Active and preventive measures for the unemployed and inactive - all unemployed person to be offered a new start < 6 (young) and 12 (adults) months of unemployment - by 2010, 25% of the long-term unemployed to participate in an active measure 2 Job creation and entrepreneurship 3 Address change and promote adaptability and mobility in the labour market 4 Promote development of human capital and lifelong learning - by 2010, at least 85% of 22 year olds in the EU should have completed upper secondary education - EU average participation in life-long learning should be at least 12.5% of adult working-age population 5 Increase labour supply and promote active ageing - by 2010, achieve an increase, at EU level, of the effective average exit age from the Im from 60 to 65 6 Gender equality - provide childcare by 2010 to at least 90% of children >3 years old and at least 33% < 3 years old 7 Promote the integration of and combat the discrimination against people at a disadvantage in the Im - achieve by 2010 an EU average rate of no more than 10 percent early school leavers 8 Make work pay through incentives to enhance work attractiveness 9 Transform undeclared work into regular employment 10 Address regional employment disparities - all job vacancies advertised by MS' PES should be accessible by anyone in the EU by 2005</p>

Annex D – Danish summary

'Who governs'? er et ofte fremført spørgsmål i politik og i forskning af politik. I dette arbejdsrapport tegner der sig et billede af, at medlemsstaterne har været de mest indflydelsesrige aktører i strategiens løbende reformulering fra 2002 til 2004, men at også EU-kommissionen har haft væsentlig indflydelse, mens de europæiske arbejdsmarkedsorganisationer – UNICE, CEEP og ETUC – og Europa Parlamentet har haft mindre held til at præge beslutningsprocesserne. Arbejdsrapporten fokuserer på to beslutningsprocesser: revisionen af beskæftigelsesstrategien i 2002-2003 og den første såkaldte Kok-rapport fra 2003:

Allerede da beskæftigelsesstrategien blev skrevet ind i Amsterdamtraktaten i 1997 blev det besluttet, at strategien skulle kunne vise resultater indenfor en femårig horisont. Da den femårige periode nærmede sig sin afslutning, blev man enige om, at strategien skulle revideres med særligt henblik på at forsimple den og øge dens gennemslagskraft i medlemslandene. Revisionsprocessen udviklede sig til en magtkamp mellem en koalition bestående af EU-kommissionen og en minoritet af medlemslande, der forsøgte at forhindre for drastiske ændringer i strategien, og en koalition bestående af majoriteten af medlemslandene, der arbejdede for en mere gennemgribende forsimpning. Magtkampen endte mere eller mindre uafgjort, da strategien godt nok blev forsimplet og antal af beskæftigelsespolitiske retningslinier reduceret, men antallet af kvantitative målsætninger blev øget.

Bl.a. på baggrund af skuffelse over at en mere gennemgribende revision ikke viste sig mulig tog Storbritannien med hjælp fra Tyskland endnu før revisionen var tilendebragt initiativ til nedsættelse af en europæiske 'Employment Taskforce' under ledelse af den tidligere hollandske Premierminister Wim Kok, angiveligt for at sætte gang i arbejdsmarkeds- og velfærdstatsreformer i EU. Beslutningsprocessen omkring taskforcen og dens rapport viser i højere grad medlemsstaternes dominans.

EU-kommissionen var oprindeligt imod dette initiativ, men kunne ikke forhindre det, og endte i stedet for at forsøge at omslutte det ved at levere sekretariatsbetjeningen. Men i modsætning til hvad mange aktører på den europæiske scene forventede blev resultatet ikke et neo-liberalt kampskrift, men et dokument der afbalancerede de forskellige interesser, samtidig med at det i et klarere sprog end beskæftigelsesstrategien fik formuleret hvilke beskæftigelsespolitiske mål og redskaber der ønskedes og i højere grad fik understreget vigtigheden af på nationalt plan at leve op til hvad der medlemslandene selv i EU-institutionerne var med til at beslutte. Da langt de fleste aktører hilste denne første Kok-rapport velkommen, havde Kommissionen ikke andet valgt end efterfølgende at indarbejde dens anbefalinger i beskæftigelsesstrategien, dog uden at dette fundamentalt forandrede noget ved strategien. Samtidig sikrede taskforcens succes at Wim Kok også fik en vigtig

rolle i forberedelsen af den efterfølgende revision af hele Lissabon-strategien, der afsluttedes i foråret 2005.