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**The Open Method of Co-ordination and the Analysis of Mutual Learning
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The Open Method of Co-ordination and the Analysis of Mutual Learning Processes of the European Employment Strategy: Methodological and Theoretical Considerations¹

Abstract: The purpose of this paper is solely to address two interlinked methodological and theoretical questions concerning the Open Method of Coordination (OMC), using the European Employment Strategy as a case: First, what is the most appropriate approach to learning in the analyses of the processes of the European Employment Strategy (EES)? Second, how is mutual learning processes diffused among the Member States? In answering these two questions the paper draws on a social constructivist approach to learning thereby contributing to the debate about learning in the political science literature. At the same time, based on this concept of learning, it is concluded that the learning effects of the EES are probably somewhat larger than what is normally suggested, but that successful diffusion still depends on a variety of contextual factors.

Key words: OMC, Social constructivism, Learning, Discourse analysis, Policy diffusion, European Employment Strategy.

6400 words

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Abbreviations:

DG = Directorate Générale = General Directorate of the Commission

EEC = European Economic Community

EES = European Employment Strategy

EMCO = Employment Committee

EU = European Union

NGO = Non-Governmental Organization

OMC = Open Method of Coordination

UK = United Kingdom

1. INTRODUCTION: WHY THE OMC?

It is often argued that the Open Method of Co-ordination (OMC)² is only the newest result of the ingenuity of European integration since the establishment of the European Coal and Steel Community in 1952. On that background it is argued that an important background of the OMC was the obvious lack of public support for the European construction that was demonstrated in the referenda in the beginning of the 1990's. It was recognized that European integration for the broad public was often synonymous with "over-regulation" and technocratic and "closed" decision-making. At the same time, the European Union was also criticised for being unable to meet the global competitive challenges.

A number of factors are mentioned in the literature behind the introduction of this new type of "soft" law. These factors can be grouped as follows:^{3, 4}

The governance factors: The dissatisfaction of some Member States' governments (e.g. the UK Government) with what was seen as European "over-regulation" as well as a new public management approach with a greater use of de-regulation and benchmarking as a new mode of national governance. Hence, the logic of the OMC is rather one of "government of government" than "government through processes".

The political factors: The increasing number of new Social Democratic governments in the beginning of the 1990's wanted to raise the employment issue on the political agenda in the European Union after what was by them, sometimes, perceived as a decade of liberalization after the introduction of the Internal Market programme in 1985. At the same time, there was a political wish for a broader participation by social partners and NGO's in the political process at EU level in order to accommodate some of the criticism of the EU for operating with "closed" decision-making procedures.

The global factors: The competitiveness of the European Union in a globalised world economy had become a master discourse for most European decision-making leading to the inclusion of the new forms and new areas of co-operation. These factors were explained at the European Council in Lisbon in 2000 where the OMC got its name. Here the new strategic goal was defined in the very often quoted sentence: "to become the most competitive and dynamic knowledge-based economy in the world capable of sustainable economic growth with more and better jobs and greater social cohesion."⁵

² There are "lighter" and "harder" versions of the open method of co-ordination. In addition to the employment field, it is now also used in the social policy field (since 2000), pension policy (since 2001), health policy (since 2002) and education policy (since 2003). Also other policy fields within the European Union - such as, for instance, tax policy and research and development policy - are today influenced in varying degrees by this method.

³ It is not hereby claimed, however, that the OMC has solved or is the best policy instrument to solve the problems that have given rise to its birth. Schäfer, A., *Beyond the Community Method: why the Open Method of Coordination was introduced to EU policy-making, Paper prepared for the Fourth meeting of the ERC*. Utrecht, 6-8 May 2004.

⁴ Eriksen, E.O. & J.E. Fossum (eds.), *Democracy in the European Union Integration through Deliberation*. London: Routledge, 2000; Radaelli, C. M., *The Open Method of Co-ordination: A new governance Architecture for the European Union?* Swedish Inst. for European Policy Studies, *Report No. 1*, 2003; Trubek, D.M. & L.G. Trubek, *Hard and Soft Law in the Construction of Social Europe: the Role of the Open Method of Coordination, Working Paper of the Governance Project*, University of Wisconsin-Madison. Center for European Union Studies, Wisconsin Madison, December 2003; Walters, W. & J.H. Haahr, *Governing Europe. Discourse, Governmentality and European Integration*, Routledge, 2005.

⁵ According to Radaelli this strategy has been successful in as much as the OMC has been embedded in what he has termed "a master discourse of competitiveness." Radaelli, C. M., *The Open Method of Co-ordination:*

The roots of the OMC, however, go back to the so-called Luxembourg process which was adopted at the meeting of the European Council in Luxembourg in 1997 with a view to the implementation of the European employment strategy. It had been introduced in the Amsterdam Treaty, but was inspired by the idea in the Maastricht Treaty of 1993 about macro-economic co-ordination.⁶

At the same time, I will argue in this article that the OMC is much more than just a continuation of the European integration process stretching back to the 1950's. The OMC is a qualitatively new jump in European integration because it encompasses a whole new area of policies and a whole new range of techniques that touches upon the very way in which Member States are governed.

The OMC was defined by the Portuguese Presidency in its conclusions from the European Council in 2000 as a method involving a specific set of elements:

- “Fixing guidelines for the Union combined with specific timetables for achieving the goals which they set in the short, medium and long term;
- establishing, where appropriate, quantitative and qualitative indicators and benchmarks against the best in the world and tailored to the needs of different Member States and sectors as a means of comparing best practises;
- translating these European guidelines into national and regional policies by setting specific targets and adopting measures, taking into account national and regional differences;
- periodic monitoring, evaluation and peer review organized as mutual learning processes.”⁷

In short, the following elements are important in the OMC: formulation of objectives at the central level, quantification whenever possible, decentralised implementation and systematic monitoring.⁸

In the last sentence in the conclusions from the Portuguese Presidency above it is defined how the OMC can and should have an effect on national policies, namely through mutual learning processes. Hence, understanding of *the approach to “mutual learning”* becomes very important.

In general, analyzing the OMC is extremely challenging for a number of reasons: the variety of processes subsumed under the OMC rubric, the relative newness of most of the OMC processes, the horizontal and vertical complexity of the OMC processes, and the methodological difficulties of assessing the causal impact of an iterative policy-making process without legally binding sanctions.⁹ However, and probably much more profoundly, much of the research on the OMC suffers from a “methodological deficit”¹⁰ and “under-theorising.” The

A new governance architecture for the European Union?, Swedish Inst. for European Policy Studies, *Report No. 1*. 2003.

⁶ Nedergaard, P, *European Union Administration. Legitimacy and Efficiency*, Martinus Nijhoff Publishers, 2007.

⁷ European Council , Presidency conclusions, Lisbon European Council, 23-24 March 2000. § 37, *Citing electronic sources of information* [WWW] Available from:

[Http://ue.eu.int/ueDocs/cms_Data/docs/pressData/en/ec/00100-r1.en0.htm](http://ue.eu.int/ueDocs/cms_Data/docs/pressData/en/ec/00100-r1.en0.htm) [Accessed 12/15/04]

⁸ Cf. also Walters, W. & J.H. Haahr, *Governing Europe. Discourse, Governmentality and European Integration*, Routledge, 2005.

⁹ Zeitlin, J, Introduction: The Open Method of Coordination in Question, in J. Zeitlin & P. Pochet with L. Magnusson (eds.), *The Open Method in Action: European Employment and Social Inclusion Strategies*, P.I.E.-Peter Lang, 2004.

¹⁰ Cf. also De Deken, J. J., The Role of Benchmarking and the Open Method of Co-ordination in the Transformation of the European Welfare States. The Case of Old-Age Pensions and Labour Market Reform. *Paper prepared for the ESPAnet conference*, Copenhagen, 13-15 November 2003; Barbier, J.-C., Research

purpose of this paper is to address two interlinked methodological and theoretical questions concerning the Open Method of Coordination (OMC): First, what should be the approach to learning in the analyses of the processes of the European Employment Strategy (EES)? Second, how is mutual learning processes diffused among the Member States?

The article is structured as follows: Section 2 contains an analysis of the discussion of the analytical approaches to learning in recent political science literature which has gradually developed in a direction of being less and less individualistic. Section 3 follows up on this development and introduces a social constructivist approach to learning that redefines learning as changes in language-constituted relations to others. Section 4 contains an analysis of the present organisation of the OMC in practise with regard to the possibilities of policy diffusion of the EES learning processes based upon the criteria for diffusion mentioned in the literature. Section 5 deals with the very different views on the OMC processes concerning the EES presented in reports and literature and propose a new path of research methodology to take in order to investigate the mutual learning processes. Section 6 is the conclusion of the article which sums up the critical view of the both the approaches to learning analysed in the article and the analysis of policy diffusion of the learning processes within the OMC.

2. WHAT IS LEARNING?

In much of the political science literature involving learning processes there is a lack of consciousness about the approach to learning. Often the process of learning is more or less taken for granted during the implied deliberative processes. However, both the interpretation of learning processes and the learning processes in practise depend very much on the approach to learning that one uses. For many years, discourses on learning in the various psychological, pedagogical and philosophical theories on learning have been dominated by approaches to learning where learning is understood as either internal mental events (e.g. the school of Piaget) or the behaviourist approach to learning with a great belief in quantification and objectivation of learning.

In recent years, there has been a growing literature within international relations on socialization and social learning or mutual learning. However, as it has been pointed out by several scholars,¹¹ the field is a minefield of conceptual and methodological problems, as learning is difficult to define, isolate, measure and apply empirically. At the same time, and naturally, the political science literature has reflected the dominant approaches to learning.

Traditionally, scholars of international relations had an approach to learning which can, perhaps, be characterized as a naive individualistic concept of learning. Joseph Nye,¹² for example, claimed the following about learning: "The extent and accuracy of learning depends upon the strength of the prior beliefs and the quantity and quality of new information." Nye distinguishes¹³ between simple learning (= the use of information merely to adapt to change) and complex learning (= involves recognition of conflicts among means and goals in causally

on «Open method of coordination» and national social policies: What sociological theories and methods? *Paper for the RC 19 international conference*, Centre d'études de l'emploi. Paris, 2-4 September 2004.

¹¹ E.g. Flockhart, T., "Masters and Novices": Socialization and Social Learning through the NATO Parliamentary Assembly, *International Relations* 18 (3), 2004, pp. 361-380.; Levy, J., Learning and Foreign Policy: Sweeping a Conceptual Minefield, *International Organization*, 48 (2), 1994, pp. 279-312.

¹² Nye, J.S., Jr., Nuclear Learning and U.S.-Soviet Security Regimes. *International Organization* 41 (3), 1987, pp. 371-402, p. 379.

¹³ *Ibid.*, p. 380.

complicated situations). However, both approaches to learning are based upon individual beliefs and the gathering of new information.

In his book from 1990, “When Knowledge Is Power”, Ernst B. Haas has a chapter on learning in international organizations which is, of course, due to the more lengthy analysis, much more nuanced than the analysis by Nye. Ernst B. Haas¹⁴ defines learning as follows: “By “learning” I mean the process by which consensual knowledge is used to specify causal relationships in new ways so that the result affects the content of public policy.” He also succinctly says¹⁵ the “learning implies the sharing of larger meanings among those who learn.” The basis of learning according to Ernst B. Haas is “consensual knowledge”, and he also breaks away from the purely individualistic approach to learning through the concept of “sharing of larger meanings”.

Peter Haas’ famous article from 1992¹⁶ on epistemic communities can be said to be a follow-up on Ernst B. Haas’ book. Here he argues that epistemic communities are crucial channels through which new ideas circulate from societies to governments as well as from country to country and where epistemic communities are defined as a “network of professionals with recognized expertise and competence in a particular domain and an authoritative claim to policy-relevant knowledge within that domain or issue-area”.¹⁷ Peter Haas hereby recognizes that learning takes place in communities and networks and not on an individual basis, but he is less explicit about the medium of learning.

Jeffrey T. Checkel¹⁸ in his article from 1999 about social construction and integration explicitly uses a constructivist vocabulary to characterize social learning (i.e. mutual learning). He defines social learning as “a process whereby actors, through interaction with broader institutional contexts (norms and discursive structures), acquire new interests and preferences.” Compared to Peter Haas, Jeffrey Checkel is more explicit about the medium of learning, namely through “norms” and “discursive structures” where norms are shared collective understandings that make behavioural claims on actors. Still, however, it is not very clear what to look for and analyse as far as learning is concerned when the independent variable is norms and discursive structures.

Andrew Moravcsik has several times criticised social constructivist research on European integration in general and Checkel’s in particular for its paucity of distinctive testable hypothesis. His criticism is directed towards social constructivists who “constantly seek to show only constructivism can explain this or that phenomenon in world politics.”¹⁹ However, the social constructivism proposed in this article is not about explaining macro phenomena of world or European politics but only about understanding how policy learning at the micro political level takes place.

Trine Flockhart²⁰ in her analyses from 2004 of social learning or mutual learning in the NATO Parliamentary Assembly builds upon the work of Checkel. Flockhart defines social

¹⁴ Haas, E.B., *When Knowledge Is Power. Three Models of Change in International Organizations*. Berkeley: University of California Press, 1990, p. 23.

¹⁵ *Ibid.*, p. 24

¹⁶ Haas, P., Introduction: Epistemic Communities and International Policy Co-ordination, *International Organization*, 46 (1), 1992, pp. 1-37.

¹⁷ *Ibid.*, p. 3

¹⁸ Checkel, J. T., Social construction and integration, *Journal of European Public Policy*, 6 (4), 1999, pp. 545-560.

¹⁹ Cf. Moravcsik, A., Bringing Constructivist Integration Theory Out of the Clouds: Has It Landed Yet?, *European Union Politics* 2 (2), pp. 226-227.

²⁰ Flockhart, T., “Masters and Novices”: Socialization and Social Learning through the NATO Parliamentary Assembly, *International Relations*, 18 (3), 2004, pp. 361-380.

learning as a “change of beliefs at the individual level, either in relation to values, norms, procedures or new routines.” She also claims that “learning may be stored but not utilized in actual behaviour.” In other words, learning can be passive and remain unutilized. Hence, she has got a problem about when learning has actually taken place: “How do we know that learning has taken place, as on the one hand learning may have taken place without resulting in a policy change, or on the other hand that policy change may have taken place, not as a result of learning, but as a result of “strategic social construction” or “rhetorical action”.”²¹ As can be seen, Flockhart still operates with a separation between language and learning which is often seen in conventional social psychology.

3. A SOCIAL CONSTRUCTIVIST APPROACH TO LEARNING

What is offered in this article is a continuation of the development of the approach to learning that has taken place within political science in the last 10-15 years. It is an approach²² for various other approaches like post structuralism, discourse analysis and deconstructivism. Lately social constructivism has contributed to the analysis of learning. Among others, psychologists like Gergen²³ and Shotter²⁴ have contributed to a more clearly social constructivist understanding of learning.

At a more fundamental level, the social constructivists’ understanding of learning is rooted in the British language philosophy of the mid 20th century of which Ludwig Wittgenstein, of course, was the leading representative. Later came the sociological standard reference book within this tradition, namely Berger and Luckman’s book²⁵ with the suggestive title “The Social Construction of Reality.”

According to the social constructivist approach, knowledge is a socio-cultural conditioned process. Hence, learning arises from communicative processes among human beings. This is an alternative approach compared to conventional approaches about learning which emphasises knowledge as gathering of information and data-driven or based on cognitive necessities and characteristics. At the same time, according to the social constructivist approach, the given language is the framework for the understanding of which parts of the social world that has gained legitimacy and has come to be seen as the truth. Basically, our understanding of the world is a continued social process of reproduction and negotiation which is *embedded in the language*.²⁶ Or as it could be phrased in the Wittgensteinian tradition, learning arises by putting words in new relations to other words so that they are situated in a

²¹ Ibid.

²² Social constructivism is not a theoretical school. According to Gergen it is rather a shared consciousness than a movement or – as it is called in this political science based article – “an approach”. Gergen, K. J, The Social Constructionist Movement in Modern Psychology, *AP*, 40 (3), 1985, pp. 266-275.

²³ Gergen, K. J., Constructionism and Realism: How Are We to Go On? In I. Parker (ed.) *Social Constructionism, Discourse and Realism*, Thousand Oaks, Sage, 1998; Gergen, K. J, *Social Construction in Context*, London, Sage Publications, 2001.

²⁴ Shotter, J., In conversation: joint action, shared intentionality, and the ethics of conversation, *TP* 5, 1995, pp. 49-73.

²⁵ Berger, P.L. & T. Luckman, *The Social Construction of Reality*, Garden City, New York, Doubleday, 1966.

²⁶ There seems to be an affinity between the social constructivist approach to social reality and the approach of the so-called Copenhagen School in nuclear physics to the physical reality. Of course, the most prominent member of the Copenhagen School was the nuclear physicist Niels Bohr. Bohr, N, *Atomfysik og menneskelig erkendelse II*, Copenhagen, Schultz Publ, 1964.

new context in which sense is made of them.²⁷ Therefore, it is not by simple cognitive acquisitions and accumulation of facts but by shifts in perspective that learning is brought about.²⁸ By “shift in perspective” I mean that new concepts have been accepted which can describe and combine elements of the social world in new ways. A method to operationalise learning as a “shift in perspective” would be to analyse the spreading of new concepts in documents. The spreading of concepts like “early activation”, “inclusive labour market” and “lifelong learning” from one Member State to another in the European Union in a longitudinal analysis of national reports of the EES – ideally including an analysis of their possible implementation – would indicate that learning had taken place.

In other words, in the social constructivist approach to learning, learning is, basically, when people together with other people give meaning to the world as a social reality *through concepts*. Or in the words of Wittgenstein²⁹: “Concepts lead us to make investigations; are the expression of our interest, and direct our interest.” This means that learning cannot be perceived independent of specific practises. Again as expressed by Wittgenstein himself³⁰: “Ask yourself: Would it be imaginable for someone to learn to do sums in his head without ever doing written or oral ones? – “Learning it” will mean: being able to do it.” Such an interpretation of learning is in opposition to traditional approaches where learning is analogous to filling a can or as a distinct piece of knowledge that can be transferred from one person to another. Instead, according to the social constructivists, learning is a way of being in the world and not a way of coming to know about it.

At the same time, even though learning is situated in a concrete practise, learning always transcends the individual practises when an individual takes up a new practise. This happens through what has been labelled “*trajectories of participation*”³¹ which covers a continued movement in time and space through various epistemic communities of practise. Consequently, in a social constructivist approach learning becomes a “shift in our language-constituted relation with others”.³² This precise putting together of novelty and tradition, of simultaneous contextualization and de-contextualization is exactly what makes this concept of learning neither too historicist or too voluntarist.³³

The approach to learning argued for in this article is the social constructivist approach where learning is considered as *a shift or change in the language-constituted relations* to one another by decision-makers in the epistemic community which is relevant for the employment policy. Hence, learning effects can be said to have taken place when these shifts or changes in the language-constituted relations can be identified in the employment field. As pointed out by Trine Flockhart³⁴ a change in the language-constituted relations could also be a result of “strategic social construction” where the shift does not reflect learning but only a pro forma

²⁷ Norval, A.J., Democratic Identification: A Wittgensteinian Approach, *Working Paper from Conference on Democratic Network Governance*, University of Essex, Essex, 21-22 October 2004, 2004.

²⁸ Wittgenstein characterizes the change that leads to learning in the following way: “I wanted to put that picture before him, and his *acceptance* of the picture consists in his being inclined to regard a given case differently: that is, to compare it with *this* rather than *that* set of picture. I have changed his *way of looking at things*.” Wittgenstein, L., *Philosophical Investigations*, Oxford, Basil Blackwell, 1953, §144.

²⁹ Wittgenstein, L., *Philosophical Investigations*, Oxford, Basil Blackwell, 1953, §570.

³⁰ *Ibid*, §385.

³¹ Lave, J., Læring, mesterlære, social praksis, In K. Nielsen & S. Kvale (ed.), *Mesterlære. Læring som social praksis*, Copenhagen, Hans Reitzels Forlag, 1999.

³² Gergen, K. J., *Social Construction in Context*, London, Sage Publications, 2001.

³³ Norval, A.J., Democratic Identification: A Wittgensteinian Approach, *Working Paper from Conference on Democratic Network Governance*. University of Essex, Essex, 21-22 October 2004.

³⁴ Flockhart, T., “Masters and Novices”: Socialization and Social Learning through the NATO Parliamentary Assembly, *International Relations*, 18 (3), 2004, pp. 361-380.

change in the vocabulary. This might seem as a weakness in the social constructivist approach to learning that rely so much on the changes in language. Of course, this weakness must be dealt with and controlled in practical research. However, for two reasons the problems are probably smaller than they seem to be.

Firstly, the social constructivist approach to learning operates with no division between learning in itself and the language through which this learning is formulated. Both the line of argument, the concepts used, the verbal expressions etc. must continuously be used in a strategic social construction in case they are not signs of learning. This would demand an almost schizophrenic personality because learning is not only change in language but also change in language-constituted relations to one another.

Secondly, there is the question about policy diffusion, where the shifts in the language-constituted relations to one another in an epistemic community are not in themselves a guarantee for change in the policies of the Member States that are represented in that community. This is not, however, because of “strategic social construction”, but because the actual learning that has taken place is not efficiently diffused among the participating Member States. This last question will be dealt with in the sections below on the basis of the social constructivist approach to learning.

4. THE OMC IN PRACTISE³⁵

According to the political science literature on learning through persuasion,³⁶ learning is more likely to take place in groups where individuals share common professional background, where the groups are faced with clear evidence of political failure, where persons with professional authority are the ones that try to persuade the others, and where the members are receptive and have few ingrained beliefs.

The open method of co-ordination, for example existing within the framework of the European Employment Strategy (EES), lives up to most of these criterions. Basically, the OMC of the EES follows this sequence: Guidelines – indicators – national plans – evaluation – peer reviews. During the “the EES year” Member States’ representatives meet repeatedly and the Council of Ministers finally conclude which problems that the Member States are not addressing and make *recommendations* for policy change.

The cornerstone of the organisation of the European Employment Strategy of the European Union is the Employment Committee (EMCO). The EMCO normally meets four times a year for a one day meeting in Brussels. These meetings are closely linked to the preparation of the meetings in the Council of Ministers and are, therefore, held about a fortnight before these meetings. In other words, the agenda of the EMCO is governed by the agenda of the ministers.

This means that all points on the agenda of, for example, the ministers of employment dealing with questions under the OMC are discussed by the EMCO which also sends notes to the ministers with its opinions which are, in general, endorsed by the Council of Ministers.

³⁵ The author participated in preparation of the work in the EMCO from 2000 to 2004 as well as in many of the meetings. Hence, this paper is based on participatory observations as some of the research made by anthropologists and sociologists.

³⁶ E.g. Checkel, J.T., Social construction and integration, *Journal of European Public Policy* 6 (4), 1999, pp. 545-560; Flockhart, T., “Masters and Novices”: Socialization and Social Learning through the NATO Parliamentary Assembly, *International Relations*, 18 (3), 2004, pp. 361-380; Zohlnhöfer, R., & T. Ostheim, Paving the Way for Employment? The Impact of the Luxembourg on German Labour Market Policies, *Journal of European Integration* 27 (2), pp. 147-167.

However, the endorsement by the ministers should be of no surprise since they are most often briefed before the Council meetings by the very same civil servants that have taken part in the meetings of the EMCO. At the same time, most members of the EMCO negotiate on the basis of a “soft mandate” (= the member negotiates in the “spirit” of the minister). The documents discussed at the EMCO meetings are normally produced by the so-called support team of the EMCO which is the de-facto secretariat of the EMCO. The support team consists of officials from the Commission which has an independent interest in promoting the OMC because it implies that the Commission becomes capable of legitimately and authoritatively assigning grades to Member States, thereby establishing their relative forwardness and backwardness.³⁷

The Commission also participates directly in the EMCO meetings³⁸ where they play a *situation-defining role* even though the presidency is always held by an elected representative from one of the Member States. Normally, the representative from the Commission (which is the general secretary or deputy general secretary of DG Employment and Social Affairs) presents his or her own view concerning the point on the agenda as the first speaker. This means that the debates in the EMCO are also often based on a verbal presentation by the Commission. Even though the Commission plays the situation-defining role, it does not have the status of being an actor with professional authority. Most members regard the Commission as a political player among others in the EMCO. Very often, the following discussions at the EMCO meetings are also like a dogfight from word to word and from sentence to sentence concerning the recommendations that are sent as cover notes about the various reports from the Commission. However, in the end consensus decisions are always reached.

The various presidencies also organise an informal two-three day meeting twice a year in which the presidency has included an element of socialising. Often the agenda is broader with elements of exchange of policy information and with academic presentations reflecting the fact that most members of the EMCO have a longstanding professional background in European employment policy. Moreover, under the EMCO an Indicator Group and a so-called Ad Hoc Committee are set up. The works of these groups, however, are closely connected to the work in the EMCO and their tasks are to support and prepare the work of the EMCO. None of these committees have their own budget, but they can ask the Commission or the EMCO Support Team to prepare notes, documents etc.

All in all, the organisation of the EES is a highly centralised political “*compromise machine*”. Due to the fight over sentences and concepts, the outcome is normally balanced and a result of the argumentative “survival of the fittest,” however, with the Commission playing the *situation-defining role*. This gives new concepts that spring from this process an relatively high authority that strongly increases their ability to contribute to a shift or change in the language-constituted relations among the participants and among the receivers of the recommendations from EMCO. At the same time, the participants of the EMCO are forced to “sell” the common opinions of the EMCO to their own ministers when they are briefing him or her before the meeting in the Council of Ministers. In this way the concepts agreed upon in the EMCO is often transformed into what is perceived as a national stock of knowledge about employment policy, however, sometimes only at the political level. Nonetheless, hereby, there is a great possibility that this will create *trajectories of participation*.

³⁷ Cf. also Walters, W. & J.J. Haahr, *Governing Europe. Discourse, Governmentality and European Integration*, Routledge, 2005. p. 131.

³⁸ Also the secretariat of the Council of Ministers is represented at the EMCO meetings, but normally stays very quiet.

The Commission not only plays the situation-defining role in the EMCO, but also in the organisation of the peer reviews concerning the various aspects of the EES and the national employment policies.³⁹ A peer review is a kind of seminar with one Member State being examined whereas two or three Member States are examiners. Subjects are all parts of the EES like the efficiency of the Public Employment Services, the early activation schemes, the question of integration of immigrants on the labour market, promotion of gender equality etc. Normally, the members of the EMCO or persons involved in the preparation of the EMCO meetings are strongly involved in the actual peer reviews.

5. OMC'S LEARNING EFFECTS

After the analysis of the approaches to learning and its relevance for the analysis of the OMC as far as the organisation of the European employment policy is concerned it becomes important to see whether or not actual analysis of the OMC's learning effects live up to the proposed concepts of learning. As stated by Borrás & Jacobsson⁴⁰ a key question for the EES is whether it is possible to have national policy change in absence of clear coercive mechanisms.

In 2002, the Commission conducted a comprehensive review of the first five years when the EES had been in operation. The report was positive about the effects of the OMC in the employment policy area. It concluded that "there had been significant changes in national employment policies" and that "the Strategy has brought a shift in national policy formulation and focus – away from managing unemployment, towards managing employment growth."⁴¹ Among the scholars of the EES, Kerstin Jacobsson⁴² has also pointed to some positive effects of the EES. She concludes that the most important effect so far has been that it has fostered "a cognitive consensus" around common challenges, objectives, and policy approaches. At a more general level, Borrás & Jacobsson⁴³ have argued about "policy learning" that "the development of common discourses, establishing certain key concepts as well as policy principles and understanding of causal linkages, has been instrumental in the development of the new policy co-ordination processes."

However, other scholars have been much more critical to the evaluation of the EES and it seems that "there is no academic consensus yet either on whether the strategy works or – if it does - how it brings about change".⁴⁴ Without being based on thorough empirical investigations, but on the fact that no precise sanctions are involved in the EES process, some scholars are rather sceptical about the OMC's impact on the actual employment policies. For example, Alesina & Perotti⁴⁵ conclude rather sarcastically that "this exercise is not just a

³⁹ Cf. www.peerreview-employment.org/en

⁴⁰ Borrás, S. & K. Jacobsson, The Open Method of Co-ordination and New Governance Patterns in the EU, *Journal of European Public Policy* 11 (2), 2004, pp. 185-208.

⁴¹ Commission, Taking Stock of Five Years of the European Employment Strategy, *COM (2002) 416 final*. 2002.

⁴² Jacobsson, K., Soft Regulation and the Subtle Transformation of States: The Case of EU Employment Policy, Paper presented at workshop: *The European Union's Open Method of Coordination: Rhetoric, Reality, and the Politics of Policy Reform*, Harvard University, April 28, 2003.

⁴³ Borrás, S. & K. Jacobsson, The Open Method of Co-ordination and New Governance Patterns in the EU, *Journal of European Public Policy* 11 (2), 2004, pp. 185-208.

⁴⁴ Trubek, D.M. & L.G. Trubek, Hard and Soft Law in the Construction of Social Europe: the Role of the Open Method of Coordination, *Working Paper of the Governance Project*. University of Wisconsin-Madison. Center for European Union Studies, Wisconsin Madison, December 2003, p. 13.

⁴⁵ Alesina, A. & R. Perotti, The European Union: a politically incorrect view, *NBER Working Paper No. w10342*. Harvard University. Institute of Economic Research, Harvard, March 2004.

questionable use of time and money. No government today takes guidelines on employment policies as an even remotely binding constraint; and we know of no country where the National Action Plan have any role in guiding policy. Governments seem to participate because, after all the enthusiasm and the media attention on the “Lisbon process”, they are caught in a bad Nash equilibrium in which a withdrawal would qualify them as Euro-villains.“ However, other examples of the scepticism of the learning effects of the OMC are based on empirical evidence. For example, Casey & Gold⁴⁶ conclude that “whilst a learning process has been established, its impact has been limited.”⁴⁷ At the same time, however, they have only studied one component - namely the peer reviews of the EES – and their methodology is based on interviews with government officials, social partners and independent peer review experts.

Casey & Gold⁴⁸ argues that, to date, “the peer review programme has tended to be exclusive, involving a narrow “epistemic community” and has scarcely any impact upon either the Commission or the government officials of the Member States.” They recognise that learning might have taken place, “but it is ad hoc and often outside the formal, systematic process that the EES sought to establish.” At the same time, they call the positive evaluation of the peer reviews made by the Commission in 2001 as a basis for the 2002 report mentioned above for “something of an overstatement.”

Casey & Gold have based their analysis on an approach to learning proposed by Stone⁴⁹ who defines learning as follows: “The terms “learning” and “transfer” are taken to refer to a dynamic whereby knowledge about policies, administrative arrangements or institutions is used across time or space in the development of policies, administrative arrangements and institutions elsewhere.” In other words, in the definition of learning by Stone there is no reference to neither the medium of learning nor the context of learning (individual or non-individual), however, an implicit behaviourist approach to learning could easily be applied to Stones’ definition.

In the approach to learning used by Casey & Gold, knowledge about policies like employment policies is something that can be applied elsewhere without specifying how this knowledge is actually transferred. Hereby, this concept of learning implies that you can get to know whether or not a learning process has taken place simply by interviewing the involved individuals that might potentially have brought knowledge from point A to point B as an indication of learning. This is also exactly what Casey & Gold⁵⁰ did when they analysed the learning processes of the peer reviews: they interviewed the persons involved in the peer reviews about the impact on the national policy-making. The question, of course, then is whether or not this is the right way to conceptualise learning processes.

According to the social constructivist approach, learning takes place through the concepts of the language used. The individuals using these concepts, however, are very often unaware of

⁴⁶ Casey, B.H. & M. Gold (2005). Peer review of the labour market programmes in the European Union: what can countries really learn from one another? *Journal of European Public Policy* 12 (19), pp. 23-43.

⁴⁷ Another sceptic about the possibility of creating an effective learning community of Member State politicians and officials is Deken. De Deken, J. J., *The Role of Benchmarking and the Open Method of Co-ordination in the Transformation of the European Welfare States. The Case of Old-Age Pensions and Labour Market Reform. Paper prepared for the ESPAnet conference, Copenhagen, 13-15 November, 2003.*

⁴⁸ Casey, B.H. & M. Gold (2005). Peer review of the labour market programmes in the European Union: what can countries really learn from one another? *Journal of European Public Policy* 12 (19), pp. 23-43.

⁴⁹ Stone, D., *Learning Lessons and Transforming Policy across Time, Space and Disciplines*, *Politics* 19 (1), pp. 51-59, 1999, p. 51.

⁵⁰ Casey, B.H. & M. Gold (2005). Peer review of the labour market programmes in the European Union: what can countries really learn from one another? *Journal of European Public Policy* 12 (19), pp. 23-43.

the origin of the concepts they use. Especially, if they have been “seduced” through the language and concepts used”⁵¹ into arguing in favour of certain solutions to problems they might have learned quite a lot of concepts without knowing it when interviewed. The mutual learning processes have, so to speak, happened behind the backs of the involved individuals. Hence, it can be regarded as a kind of individualistic fallacy to base evaluations of the effects of the EES on interviews with the involved decision-makers. This does not mean that interviews can not be used to identify learning processes and policy diffusion, but they can never stand alone and conclusions on learning processes and policy diffusions must also be based on other methodologies.

Another empirical analysis was based on a questionnaire sent to all members of the EMCO about the learning effects of the EES.⁵² The members – and social partners – were asked about learning effects at the national level of the EES. In general, the conclusion was that the learning effects are relatively moderate. For Denmark and the Netherlands the learning effects were judged to be non-existent. For Belgium, the UK, Ireland, Italy, Spain, Germany and Austria the members of the EMCO had experienced moderate learning effects. A third group of Member States were France, Finland and Sweden where the EMCO members had experienced relatively high learning effects according to the responses of the questionnaire.

Again, however, this methodology might underestimate the potential learning effects stemming from the EES because it is based on a conventional approach about learning which emphasises knowledge as data-driven or based on cognitive necessities. Instead, a methodology based on a social constructivist approach to learning would have analysed the main discourses in the employment field in the various Member States, the rise in and hegemony of new concepts in the policy debate, etc. Such a methodology *can* be very demanding. On the other hand, a less demanding methodology based on a social constructivist approach could be to analyse the appearance and prevalence of a number of key labour market concepts and argumentative logics in the dominant discourses in the various Member States as they are materialised in documents, reports and, perhaps, newspapers and other media. Of course, such a research methodology would probably also involve interviews.

In 2005, Reimut Zohlnhöfer & Tobias Ostheim published an analysis of the impact of the Luxembourg process on German labour market policies. They acknowledge that the Luxembourg OMC process might “not only change knowledge, but also beliefs and cognitive frames and may lead to a common language in the long run.”⁵³ At the same time its impact “varies with the level of concreteness and bindingness of rules and targets, with the degree of actor involvement and the public attention the options under discussion receive in the national discourse.”⁵⁴ However, the analysis and methodology of Zohlnhöfer & Ostheim does not follow up on the implicit social constructivist understanding of learning process with in the OMC in the beginning of their article.

If one had followed the methodology proposed in this article, the most important examples of the appearance of *new discourses* in the national labour market policies of the Member States to look for are the shifts in discourses from “fighting the unemployment” to “increasing the labour supply”, from the idea of the labour market as a market with a fixed

⁵¹ Cf. Wittgenstein, L., *Philosophical Investigations*, Oxford, Basil Blackwell, 1953, § 169.

⁵² Ørnsholt, K. & T. Vestergaard, *Den åbne koordinationsmetode – en europæisk styreform baseret på deliberative processer? En teoretisk og empirisk analyse af den europæiske beskæftigelsesstrategi*. Unpublished Master Thesis, Aarhus University, 2003.

⁵³ Zohlnhöfer, R., & T. Ostheim, Paving the Way for Employment? The Impact of the Luxembourg on German Labour Market Policies, *Journal of European Integration* 27 (2), p. 149.

⁵⁴ Ibid.

number of employees (meaning, for example, that shorter working hours could reduce unemployment) to labour market as a function of the competitiveness of the European economy, from unemployment benefit as an instrument of safeguarding individual welfare to unemployment benefit as an instrument of early activation, from long term notices for wage earners as instruments of job security to long term notices for wage earners as limitations on the labour market flexibility, from labour market organisations as pure wage negotiators to labour market organisations as partners in the employment policy implementation, from exclusive labour market policy to inclusive labour market policy, and from one-dimensional labour market policy (more jobs or a decent life on the dole) to the multi-dimensional labour market policy (including equal treatment, integration of immigrants on the labour market, increasing competitiveness, safeguarding social coherence, increasing corporate social responsibility etc.).

Probably, a thorough analysis would show that there *has* been a shift in the dominant and most powerful labour market policy discourses which are all expressions of the shift in the ways the employment policy is tackled in the Member States which, to a greater or lesser extent, is a result of the OMC of the EES.

6. CONCLUSION

The OMC was defined by the Portuguese Presidency in its conclusions from the European Council in 2000 as a method involving, among other things, “periodic monitoring, evaluation and peer review organized as mutual learning processes.” Here it was defined how the OMC can and should have an effect on national employment policies, namely through mutual learning processes. Hence, the most appropriate approach to “mutual learning” and how best to promote the diffusion of what has been learned become very important when analysing the effects of, for example, the European Employment Strategy. These two interdependent methodologically issues are the basis for the analysis in this article.

The definition of learning has been made on the basis of the social constructivist approach, that is, as a shift or change in the language-constituted relations to one another by decision-makers in the epistemic community which is relevant for the employment policy. Hence, learning effects can be said to have taken place when these shifts or changes in the language-constituted relations can be identified in the employment field.

In the European Union, the EMCO is the primary forum for learning processes of the EES at the European level. However, the present organization of the EES has advantages as well as disadvantages for the diffusion of mutual learning processes. Among the advantages of the OMC of the EES is the common professional background as civil servants, the clear evidence of political failure of national employment policies in many Member States, and that the group meets repeatedly. Among its disadvantages is the lack of a persuader with a professional authority.

The traditional approach to learning which is normally used when analysing the effects of the learning processes of the EES implies that you can get to know whether or not a learning process has taken place simply by interviewing or sending a questionnaire to the involved individuals that might potentially have brought knowledge from point A to point B. The question, of course, then is whether or not this is the right way to conceptualise learning processes.

Basically, according to the social constructivist approach, learning takes place through the concepts of the language used. The individuals using these concepts, however, are very often unaware of the origin of the concepts they use. Especially, if they have been “seduced” into arguing in favour of certain solutions to problems they might have learned quite a lot of

concepts without consciously knowing it. The mutual learning processes have, so to speak, happened behind the backs of the involved individuals. Hence, it can be regarded as a kind of individualistic fallacy to base evaluations of the effects of the EES only on interviews or questionnaires.

Instead, a methodology based on a social constructivist approach to learning would have analysed the main discourses in the employment field in the various Member States, the rise in and hegemony of new concepts in the policy debate, etc. A methodology based on a social constructivist approach could analyse the appearance and prevalence of a number of the dominant and powerful discourses. The most important examples of the appearance and the situation-defining roles of new discourses in the national labour market policies of the Member States are the shifts in discourses from “fighting the unemployment” to “increasing the labour supply”, from the idea of the labour market as a market with a fixed number of employees to a labour market as a function of the competitiveness of the European economy, from unemployment benefit as an instrument of safeguarding individual welfare to unemployment benefit as an instrument of early activation, from long term notices for wage earners as instruments of job security to long term notices for wage earners as limitations on the labour market flexibility, from labour market organisations as pure wage negotiators to labour market organisations as partners in the employment policy implementation, from exclusive labour market policy to inclusive labour market policy, and from one-dimensional labour market policy to the multi-dimensional labour market policy.

A methodology for analysing these shifts in the language concerning the EES is proposed in the article in order to find out – supported by interviews and/or questionnaires – which are the dominant discourses in the various Member States, what impact have they had on national employment policy etc.