

# The National Parliamentary Arena and Methods of Open Coordination: Explaining the Frequency of OMC-related Executive-legislative Interactions

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## Abstract

This article tests the importance of different factors for the frequency with which information from open methods of coordination (OMCs) is used in parliamentary debates. Previous research has shown that OMCs provide the executive and the legislature with information on best and worst national policy practices, enabling them to adopt different strategies. First, a national government can fame its own policies with the use of information from OMCs. Second, information from OMCs can be used by parliamentarians of opposition parties to shame the policies of the incumbent government. A study of Dutch parliamentary debates indicates that the Dutch government uses more information from OMCs to fame its own policies when OMCs have a developed infrastructure and/or a treaty base. Parliamentarians from opposition parties use more information from OMCs adopted for policy areas in which there was already EU-level activity prior to the OMC, and the government provided information on the substance of OMCs to members of national parliaments.

## Keywords

European Union; Open Method of Coordination; National parliament; The Netherlands

ALTHOUGH REGULATIONS AND DIRECTIVES REMAIN THE MAIN OUTPUT OF European integration, there has been in the last decade a sharp increase in the use of new modes of governance at the EU level. One of the most prominent examples is the Open Method of Coordination (OMC). Through this soft law instrument, governments can gain insights into the performance of their national policies vis-à-vis those of other Member States. Scholars by and large agree that the OMC can have an effect on national policy-making processes through the identification of the underperformance of national policies and by offering policy solutions that have worked in other EU Member States for similar problems (López-Santana 2006; Heidenreich and Bischoff 2008; Natali 2009). The impact of OMCs on national policies is well studied, but scholars have paid relatively little attention to the effect of OMCs on executive-legislature interactions in Member States. Scholars that have focused on these interactions focused their attention on explaining the low involvement of parliamentarians (Duina and Raunio 2007: 298-299; Raunio 2006) and the informational advantage of members of government over parliamentarians with regard to the content of OMC reports (Jacobsson 2005; Visser 2005; Benz 2007; Tsakatika 2007). However, there have been no systematic studies comparing different OMCs.

It is important that more research is conducted on the domestic parliamentary treatment of OMC processes because it can tell us more about the potential impact of the OMC on national policy-making. Through its guidelines, the OMC can highlight a policy situation at

the national level as problematic and persuade domestic policy-makers, such as parliamentarians, to construct their proposals for new policies within the framework set by the OMC (López-Santana 2006). Moreover, a study on the involvement of parliamentary actors in OMCs contributes to the broader debate on the changing approach of national parliaments to European integration. The scrutiny of EU legislation by national parliaments is well studied, but many questions remain unaddressed with regard to new EU-level institutions, such as OMCs and the subsidiarity checks introduced by the Lisbon Treaty.

The goal of this article is threefold. First, this study aims to describe how information on best and worst policy practices generated by OMCs in six policy areas is present in debates between the executive and the legislature in the national parliamentary arena. The OMCs studied in this article have been adopted for the following policy areas: employment, social inclusion, pensions, education, research and development (R&D) and internet policy. Second, it aims to test and compare the importance of different factors for the frequency with which information from six OMCs is used by the government and by parliamentarians of opposition parties. Several basic hypotheses are tested through a quantitative analysis of statements related to OMCs in Dutch parliamentary debates during the period 1996/1999-2009. Third, this article aims to make an innovative methodological contribution. Whereas previously, most scholars have used a variety of qualitative methods to conduct research on OMCs, this study uses regression analysis in order to shed light on dynamics at the national level caused by OMCs adopted at the EU level.

The article is structured as follows. In the next section, the main characteristics of OMCs are discussed. Subsequently, hypotheses are formulated regarding the variation between OMCs in terms of the use of information from OMCs by the executive and the legislature. In the third section, information is provided on data collection and analysis, as well as the selection of cases. Fourth, empirical evidence is presented on the reports published in the context of OMCs on Dutch policies and on the use of information from OMCs by the Dutch government and parliament. The concluding section discusses the potential policy impact of the executive-legislature interactions with regard to OMCs, and the role of national parliaments in a multi-level EU governance structure, in which soft law instruments are increasingly used.

### **The open method of coordination: origin, functioning and national parliaments**

The Heads of State and Government of the EU Member States codified the OMC in 2000 by including four elements in the Lisbon Presidency Conclusions, together forming the institutional infrastructure of an OMC<sup>1</sup> (Council of the European Union 2000). The complete infrastructure of the OMC consists of guidelines or objectives, indicators and benchmarks, reporting via National Action Plans (NAPs), and peer review. In subsequent years, these four elements came to function as a template for implementing the OMC in the policy areas of education, R&D, e-Europe (internet), social inclusion, and pensions. As a result of this template, national governments play the central role in the OMC. They approve by qualified majority in the Council the guidelines, indicators and benchmarks on which different national policies are scored, and formulate NAPs that specify how they plan to improve their policies. The respective European Commission Directorates General (DGs) and experts of national ministries identify the factors that cause a national policy to perform best and review the NAPs and policies of the Member States in peer-learning groups. The Commission and the Council draw up a joint report summarising the progress made in each Member State toward meeting the objectives.

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<sup>1</sup> This OMC template was strongly inspired by the Luxembourg process, designed in 1997 to establish the European Employment Strategy (EES). This strategy is referred to in this article as the OMC on employment.

The guidelines or objectives adopted in the various OMCs included in this study give an indication of the policies the OMCs touch upon. The guidelines adopted in the context of the OMC on employment emphasise several goals to be reached at the national level, such as full employment, ensuring inclusive labour markets, and promoting flexibility combined with employment security. The objectives of the OMC on social inclusion aim at the eradication of poverty and social exclusion through promoting participation in the labour market and guaranteeing access for all to the basic resources, rights and social services required for inclusion in society. The OMC on pensions promotes the objective of providing adequate and sustainable pensions. In this context, attention is paid to the solidarity between and within generations, access to pensions, supporting longer working lives and active ageing, and promoting the affordability of funded and private pension schemes. The objectives of the OMC on education touch upon participation of the adult population in lifelong learning programmes, the number of early school leavers, low-achieving pupils on literacy indicators, and the number of university graduates in mathematics, science and technology. The main objective in the OMC on R&D is to raise overall R&D investment to three per cent of GDP by 2010. To reach this aim, attention is paid to fiscal measures and policy mixes to boost public research spending, internationalisation of R&D, and the promotion of research-intensive small- and medium-sized enterprises. The main priority of the OMC on e-Europe/i2010 is to create a single inclusive European Information Space through offering affordable and secure high broadband communications, rich and diverse content, and digital services.

Although the specified guidelines are non-binding, OMCs can have an indirect effect on national policy-making processes in Member States. Through its guidelines, an OMC can highlight a policy situation at the national level as problematic, and persuade domestic policy-makers to construct their proposals for new policies within the framework set by the OMC (López-Santana 2006). According to various scholars, this framework affects policies often before discussions took place with stakeholders at the national level (Tsakatika 2007: 550; Kröger 2007: 658; Buchs 2008a; Buchs 2008b; Heidenreich and Bischoff 2008).

Despite indications that stakeholders – *e.g.* parliamentarians – are not fully involved in OMCs, there are several reasons why it is necessary to encourage their participation, especially that of members of national parliaments. First, openness was made one of the defining characteristics of the method and, accordingly, led to the inclusion of the promise in the institutional design of the OMC to involve national parliaments (Buchs 2008b; Smismans 2008; Zeitlin 2008). Second, the OMC can only be an effective method when governments are held to account for the under-performance of national policies in OMC policy comparisons. Without the use by parliamentarians of information from OMCs to assess national policies, there are no actors that can formally hold the executive accountable at the national level for the under-performance of national policies with regard to OMCs. Third, OMCs can provide parliamentarians with information about the relative performance of national policies of the incumbent government.<sup>2</sup> By using information from OMCs on the performance of policies of the incumbent government, parliamentarians can exercise a more informed control over the policy choices of the government against reduced costs of information collection.

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<sup>2</sup> The number of parliamentarians that can potentially make use of the OMC is limited. In practice, political parties assign one or a few parliamentarians to a policy dossier to focus on in their scrutiny of the activities of members of government. These parliamentarians are members of specialised parliamentary committees and are important players in their party for determining what the strategy of the entire party will be in its interaction with the government, and ultimately, how to vote on proposals for legislation.

Scholars considering the practical involvement of national parliaments in OMCs claim that, first, parliamentarians are not interested in following OMC processes because they view their impact on the national policy-making process as marginal (Duina and Raunio 2007: 298-299). Second, they argue that parliamentarians are not able to scrutinise OMCs. Unlike normal EU legislation, the OMC does not have a clear beginning or end, or rules to guide the behaviour of actors. This makes the OMC hard to follow for parliamentarians at the national level (Raunio 2006). The third claim is that, because representatives of national governments are involved in drawing up NAPs and joint reports and participate in OMC peer-learning groups at the EU level, information on the performance of policies in the OMC policy comparisons becomes concentrated in the executive branch, outside the control of the legislature (Jacobsson 2005: 123; Visser 2005: 199-200; Raunio 2006; Benz 2007; Tsakatika 2007). In sum, scholars have assessed the involvement of parliamentarians in OMCs rather negatively. However, these assessments are primarily based on the study of the OMC on employment. Hence, there is a need for a comparative study of OMCs with regard to the use of information from these methods by governments and parliamentarians. Such a study is even more necessary when one considers that the variation between OMCs in terms of the related executive-legislature interactions can have consequences for the policy impact of OMCs at the national level.

### Executive-legislature interactions and OMCs

The need identified in the previous section for an empirical study of the frequency with which information from OMCs is used in parliamentary debates is addressed in this article by focusing on two strategies: i) the faming by members of government of the performance of their own policies with the use of information on best policy practices generated by OMCs, and ii) the shaming by parliamentarians from opposition parties of the performance of policies of the incumbent government with the use of information on worst policy practices generated by OMCs.

The choice to focus on these two strategies is based on previous research, indicating that, although one can think of other uses in the national parliamentary arena of the information generated by OMCs, faming by the government and shaming by parliamentarians in opposition parties are most prominent at the national level (de Ruiter 2010). An explorative study of the use of information from OMCs adopted for the education, R&D and internet policy areas showed that members of the incumbent government in the UK and the Netherlands did not make use of information from OMCs on worst policy practices to legitimise changes in national policies. In other words, shaming by the incumbent government of national policies does not occur. Moreover, parliamentarians from government parties did not systematically use information from OMCs to praise or criticise the performance of the policies of the government in which their party is participating. Even in the case of the Netherlands with its coalition governments – where it cannot be expected that the government and parliamentarians of government parties are always pursuing the same goals –, the use of a shaming strategy by parliamentarians of government parties could not be detected (de Ruiter 2010).

It is claimed in this article that the extent to which faming or shaming strategies are used by governments or parliamentarians of opposition parties is related to variables that influence the visibility of OMCs for actors at the national level. This rather straightforward claim is the starting point for formulating hypotheses with regard to the dependent variables, *i.e.* the number of faming or shaming statements in parliamentary debates by, respectively, the government or parliamentarians of opposition parties. These hypotheses are tested through the estimation of regression models. Because of the lack of quantitative empirical studies on the variation between OMCs with regard to the related executive-legislature interactions, the aim of this study is limited to exploration. However, the

rejection or confirmation of the basic “visibility” hypotheses formulated in this section can be a stepping-stone toward the testing of more complex hypotheses in future studies.

First, it can be expected that OMCs adopted in highly salient policy areas receive more attention from actors at the national level than do those adopted in low salience policy areas. Governments and parliamentarians are likely to be more interested in following the performance of national policies in OMCs that touch upon the main concerns of their electorate, *e.g.* issues related to employment, social and education policies. This reasoning leads to the following hypotheses:

*1a. A government uses more information from an OMC to fame the performance of its own policies in parliamentary debates when an OMC touches upon a highly salient policy area rather than a low salience policy area.*

*1b. Parliamentarians of opposition parties use more information from an OMC to shame the performance of policies of the incumbent government in parliamentary debates when an OMC touches upon a highly salient policy area rather than a low salience policy area.*

Second, the presence in OMCs of NAPs, joint reports, benchmarks and rankings of the policy performance of Member States allows actors at the national level to acquire information through OMCs on the performance of policies (Duina and Oliver 2005: 498; Benz 2007: 518). In practice, these components were not present from the start of all the OMC processes and even took a couple of years to develop in some OMCs. Hence, it can be expected that the possibilities for governments and parliamentarians to use information from OMCs will increase when reporting on national policy practices in an OMC is introduced and benchmarks and rankings are developed at the EU level. In other words, when the infrastructure of an OMC is developed, it can generate information on best and worst policy practices, which gives the government and parliamentarians more opportunities to use information from OMCs to, respectively, fame or shame the performance of national policies. On this basis, the following hypotheses can be formulated:

*2a. The more developed the infrastructure of an OMC is, the more a government uses information from an OMC to fame the performance of its own policies in parliamentary debates.*

*2b. The more developed the infrastructure of an OMC is, the more parliamentarians of opposition parties use information from an OMC to shame the performance of policies of the incumbent government in parliamentary debates.*

Third, several OMCs are adopted for policy areas in which there was already activity at the EU level before the launch of the OMC. Examples are the Framework Programmes for the R&D area, the Erasmus programme for the education area, and provisions with regard to working conditions for the employment area. When an OMC is adopted for a policy area in which there was already EU level activity, parliamentarians are likely to gain knowledge on the existence and functioning of related OMCs through scrutinising the existing EU level activities. Also, members of government are likely to focus on OMCs adopted for policy areas in which they are used to cooperating with other Member States in the EU context. This is expected to have a positive effect on the use of information from OMCs by the government and parliamentarians to, respectively, fame or shame the performance of national policies. This reasoning is summarised in the following two hypotheses:

*3a. A government uses more information from an OMC adopted for a policy area in which there was already activity at the EU level to fame the performance of its own*

*policies in parliamentary debates, than from an OMC adopted for a policy area in which there was no previous activity at the EU level.*

*3b. Parliamentarians of opposition parties use more information from an OMC adopted for a policy area in which there was already activity at the EU level to shame the performance of policies of the incumbent government in parliamentary debates, than from an OMC adopted for a policy area in which there was no previous activity at the EU level.*

Fourth, the legal foundation for EU level activities lies in the EU treaties, which form part of the basis for members of government and parliament to judge whether EU level action is legitimate. Because of this important role of the EU treaties at the national level, and the fact that there is variation between OMCs with regard to their EU treaty base, it can be expected that an OMC with an explicit reference in one of the EU treaties (*i.e.* the OMC on employment) is more visible at the national level for both members of government and parliamentarians. This line of reasoning leads to the following hypotheses:

*4a. A government uses more information from an OMC with a treaty base to fame the performance of its own policies in parliamentary debates than from an OMC without a treaty base.*

*4b. Parliamentarians of opposition parties use more information from an OMC with a treaty base to shame the performance of policies of the incumbent government in parliamentary debates than from an OMC without a treaty base.*

Finally, it is claimed that information on the performance of policies in the OMC policy comparisons becomes concentrated in the executive branch because of the involvement of government representatives in drawing up NAPs and joint reports, and their participation in peer-learning groups at the EU level (Raunio 2006; Benz 2007; Natali 2009). Hence, it can be expected that parliamentarians of opposition parties can only use information from OMCs to shame the performance of policies of the incumbent government when the government provides information to parliamentarians on the substance of OMCs. This leads to a fifth hypothesis on the shaming of national policies by parliamentarians of opposition parties:

*5. The more information the government provides on the substance of an OMC, the more parliamentarians of opposition parties make use in parliamentary debates of information from this OMC to shame the policies of the incumbent government.*

## Data collection and analysis

The OMCs studied in this article are explicitly labelled as such by the European Commission and the Council. Multilateral surveillance tools adopted at the EU level that were in practice never developed as OMCs or were only very recently introduced were not included in the analysis. These criteria resulted in the selection of the following OMCs: employment, social inclusion, pensions, education, R&D, and e-Europe/i2010 (internet policy). The period under study for the OMC on employment runs from 1996 to 2009. Because of the later starting date for the other five OMCs, the time period studied for these OMCs runs from 1999 to 2009.

The selection of these full-fledged, long running OMC processes increases the likelihood that there is something to observe in terms of OMC-related parliamentary activity. However, the findings on these six OMCs cannot be easily generalised to all OMC(-like) processes aimed at fostering mutual learning between EU member states. The OMCs

selected in this study are more important than other OMCs because many OMCs are still in development and have few indicators, no EU-level reporting and no meetings in which exchanges of best and worst practices take place in order to increase mutual learning. Examples of such OMCs “under construction” are the OMC on health care and the OMC on culture. In the case of these OMCs, one can expect that, due to an under-developed infrastructure, less information on the relative performance of national policies of EU Member States is published or produced at the EU level. This results in fewer possibilities for the government to use information from OMCs to fame the performance of its own policies, and for parliamentarians of the opposition to use information from OMCs to shame the performance of national policies of the incumbent government. In sum, the results of this study likely speak more to “pure” OMCs and less to the OMC(-like) processes that do not yet have a developed infrastructure.

Because of the lack of quantitative studies on OMCs, many research questions are still unaddressed. This article takes up one of these research questions and aims to explain variation *between* OMCs with regard to the related interactions between the executive and the legislature. Such a study requires that country differences are held constant. Hence, a within country comparison of the influence of six OMCs on executive-legislature interactions is conducted. It is worth noting that the choice of a single country study does not mean that it is assumed that variation between Member States is unlikely to occur. However, adding country variables to the analysis in order to test country differences in executive-legislature interactions is beyond the scope of this explorative quantitative study.

The Netherlands has been chosen as a country study through which to test the basic hypotheses of this pioneering study. The Netherlands is a medium-sized Member State with a non-federal government structure, and has a tradition of coalition governments. These characteristics make straightforward generalisations to other EU Member States difficult. However, it is still possible to indicate how empirical findings on the Netherlands are expected to play out in EU Member States with different characteristics (see conclusion). In short, this explorative study on the Netherlands contributes to the formulation of more complex hypotheses on the influence of OMCs on executive-legislature interactions to be tested in future studies.

The use of information from OMCs by the government and parliamentarians is measured through coding official parliamentary documents, such as letters of ministers to parliament, minutes of plenary debates and public committee meetings, and questions and answers from parliamentarians and ministers, respectively. Documents for coding were selected through the use of search strings consisting of references to the EU, the policy area for which the OMC is adopted and the OMC as such. The documents were obtained from the *Parlando* database ([parlando.sdu.nl/cgi/login/anonymous](http://parlando.sdu.nl/cgi/login/anonymous)), which provides access to all documents related to the plenary and committee debates of the Dutch Upper and Lower Houses.

The parliamentary documents were analysed in detail and subsequently coded along the lines of three categories, *i.e.* i) the information provision of the government on the substance of OMCs to parliamentarians (hypothesis 5), ii) the faming by the government of its own policies with the use of information from OMCs and iii) the shaming by parliamentarians of opposition parties of policies of the incumbent government with the use of information from OMCs. Each category is measured by the number of statements made per six months (January-June; July-December) by members of the government or parliamentarians of opposition parties with regard to each of the six OMCs. The coding results were used to construct a pooled time-series dataset with the six OMCs as the units. The length of the time-period (six months) was chosen in order to increase the number of

cases, while still ensuring the occurrence of variation of faming/shaming statements in each time period. See table 1 for an overview of the aggregate coding results.

**Table 1:** Statements made in the Dutch Upper and Lower Houses

	<i>Faming by government</i>			<i>Shaming by parliamentarians</i>		
	Faming statements (absolute numbers)	Total statements on policy area in EU context (faming statements as % of total)	Total statements on policy area in general (faming statements as % of total)	Shaming statements (absolute numbers)	Total statements on policy area in EU context (shaming statements as % of total)	Total statements on policy area in general (shaming statements as % of total)
<b>OMC employment</b>	42	600 (7.0%)	2361 (1.78%)	57	600 (9.50%)	2361 (2.16%)
<b>OMC social inclusion</b>	17	708 (2.4%)	1659 (1.03%)	11	708 (1.55%)	1659 (.66%)
<b>OMC pensions</b>	25	446 (5.6%)	3840 (.65%)	10	446 (2.24%)	3840 (.26%)
<b>OMC education</b>	29	414 (7.0%)	12220 (.24%)	43	414 (10.40%)	12220 (.35%)
<b>OMC e-Europe/i2010</b>	25	275 (9.1%)	1783 (1.4%)	10	275 (3.64%)	1783 (.56%)
<b>OMC R&amp;D</b>	36	263 (13.7%)	1234 (2.92%)	72	263 (26.37%)	1234 (5.83%)

*Source: author's own calculations based on data retrieved from the Parlendo database (<http://www.parlando.sdu.nl/cgi/login/anonymous>).*

Through the study of Commission and Council documents and the National Action Plans drawn up by the Dutch government, as well as interviewing<sup>3</sup> European Commission officials closely involved in the development and functioning of OMCs, insights are obtained on the infrastructural development of OMCs (hypotheses 2a and 2b), the treaty base of OMCs (hypotheses 4a and 4b) and the EU level-activity previous to the adoption of OMCs (hypotheses 3a and 3b). The development of the infrastructure of OMCs is measured through assigning a point for each half year in which guidelines, indicators and benchmarks, reporting requirements, or peer-learning activities were adopted in an OMC at the EU level. Dummy variables are created to measure the presence (1) or absence (0) of a treaty base for an OMC, and previous EU level activity on a policy area. Eurobarometer data on the most important issues in the eyes of the Dutch public is used to measure the saliency of policy areas (hypotheses 1a and 1b) (Eurobarometer 59-67). Issues mentioned by Dutch respondents as important were assigned a 1, and all other policy areas a 0. Table 2 presents how the various OMCs score on the main independent variables. Two time points were chosen; one at the beginning of the OMC processes, and one at a later stage of development.

<sup>3</sup> In November 2005, 11 semi-structured interviews were conducted with officials of the European Commission involved in the development of OMCs.



**Table 2:** Six OMCs and their visibility at the national level at two points in time

	<i>OMC employment (EES)</i>		<i>OMC social inclusion</i>		<i>OMC pensions</i>		<i>OMC education</i>		<i>OMC R&amp;D</i>		<i>OMC e-Europe/I2010</i>	
	January-June 2002	July-Dec. 2009	January-June 2002	July-Dec. 2009	January-June 2002	July-Dec. 2009	January-June 2002	July-Dec. 2009	January-June 2002	July-Dec. 2009	January-June 2002	July-Dec. 2009
<b>Saliency policy domain</b>	High (1)	High (1)	High (1)	High (1)	High (1)	High (1)	High (1)	High (1)	Low (0)	Low (0)	Low (0)	Low (0)
<b>Infrastructural development</b>	Guidelines; indicators/benchmarks; reporting; peer learning activities (4)	Guidelines; indicators/benchmarks; reporting+; peer learning activities (4)	Objectives; indicators/benchmarks; reporting; peer learning activities (4)	Objectives; indicators/benchmarks; reporting ++; peer - learning activities (4)	Objectives; indicators/benchmarks (2)	Objectives; indicators/benchmarks; reporting ++; peer - learning activities (4)	Objectives (1)	Objectives; indicators/benchmarks; reporting ++; peer - learning activities (4)	Objectives (1)	Objectives; indicators/benchmarks; reporting ++++; peer learning activities (4)	Objectives; indicators (2)	Objectives, indicators, some reporting+ ++ (3)
<b>Treaty base</b>	Yes (1)	Yes (1)	No (0)	No (0)	No (0)	No (0)	No (0)	No (0)	No (0)	No (0)	No (0)	No (0)
<b>EU level activity</b>	Yes (1)	Yes (1)	No (0)	No (0)	No (0)	No (0)	Yes (1)	Yes (1)	Yes (1)	Yes (1)	No (0)	No (0)

	<i>OMC employment (EES)</i>		<i>OMC social inclusion</i>		<i>OMC pensions</i>		<i>OMC education</i>		<i>OMC R&amp;D</i>		<i>OMC e-Europe/i2010</i>	
Time period	January-June 2002	July-Dec. 2009	January-June 2002	July-Dec. 2009	January-June 2002	July-Dec. 2009	January-June 2002	July-Dec. 2009	January-June 2002	July-Dec. 2009	January-June 2002	July-Dec. 2009
Information provision on substance OMC (in statements by government)	8	8	5	3	10	4	2	15	2	7	13	5

+ In 2005, the national governments of the Member States decided to restructure the reporting in the OMC employment. Reporting continued after 2005 but was integrated in the general reports based on the National Reform Programmes.

++ In 2005, the national governments of the Member States decided to streamline the reporting in the OMC social inclusion and the OMC pensions. Reporting continued after 2005 in a less elaborate way through the Social Protection reports.

+++ The restructuring of reporting in 2005 did not have an effect on the independent reporting in the context of the OMC education.

++++ Through the introduction in 2005 of National Reform Programmes, reporting was introduced for the OMC R&D and, to a lesser extent, the OMC e-Europe/i2010.

Five control variables are included in the analysis. First, the political orientation of the minister responsible for the policy area for which an OMC is adopted (0 = left (PvdA); 1 = centre (CDA, D'66); 2 = right (VVD))<sup>4</sup> is included in the analysis. A second control variable measures the change in government in a six-month period (0 = no change; 1 = change). Third, other period effects were controlled for by including a dummy variable for the publication by the Commission and the Council of joint reports. Moreover, the total number of statements on a policy area for which an OMC is adopted for each six-month period is included in the analysis. This is done to control for fluctuations in the attention by governments and parliamentarians to a policy area for which an OMC is adopted that cannot be attributed to the OMC. Fifth, the dependent variable with a time-lag of half a year is included in the analysis in order to control for the series' past. Panel corrected standard errors were calculated in order to account for the problem of autocorrelation and heteroscedasticity (Beck and Katz 1995).

## Results

The performance of Dutch policies received attention at the EU level in all OMCs under study in this article, in both positive and negative ways. Positive aspects of Dutch employment policies mentioned by the Commission and the Council in the context of the OMC on employment were the high overall employment rate, the high participation of the population in the labour market (measured in persons), and the strategies to fight youth unemployment and reduce gender gaps in the labour market. Negative points mentioned by the Commission and the Council were the lower participation rates by women measured in hours, partially ineffective back-to-work schemes, differences in earning power between men and women, and higher unemployment rates among ethnic minorities. In the context of the OMC on social inclusion, the Commission and the Council famed the Netherlands with regard to the low risk on poverty and cheap housing available. Critical remarks were made with regard to inefficient integration courses for ethnic minorities, insufficient attention to gender imbalances in anti-poverty measures, and shortages in childcare. After 2005, the social inclusion agenda was discussed together with country-specific reporting in the OMC on pensions through joint reports on social protection. In these reports, the Netherlands was famed by the Commission and the Council for the adequacy of the Dutch pension system and the strategies to prevent early retirement.

In the context of the OMC on education, the Commission and the Council are positive about the Dutch national education policies because of the high literacy scores of Dutch 15-year olds and the high participation rates of the Dutch population in life-long learning programmes. The joint reports are more critical with regard to the percentage of early school leavers, and the number of women studying mathematics, science and technology. In the context of the OMC on R&D, criticism is voiced at the EU level regarding the low public and private investment in R&D policies in the Netherlands and the low number of public-private partnerships. Positive aspects are the R&D voucher scheme for companies and the Dutch innovation platform. The Commission reports positively in the context of the OMC on e-Europe/i2010 on the high number of low-cost, high-speed broadband connections in the Netherlands. However, the Commission indicates that Dutch government services only recently became available online, which results in a low use of these online-services by the Dutch population.

In sum, the OMC reports published at the EU level contain information that can be used at the national level to fame or shame Dutch policies. The next two sections assess whether

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<sup>4</sup> The reason for adopting a simple left-centre-right scale is that the OMCs all touch upon socio-economic issues, on which it can be expected that ministers position themselves along this scale.

this information from OMCs was used in this way by, respectively, the Dutch government and parliamentarians of opposition parties.

### *Faming*

The Dutch government uses information from the OMC on employment to fame its own policies with regard to the low unemployment rate and the high participation in the labour market (measured in persons). In the context of the OMC on social inclusion, the Dutch government refers to the positive comments of the Commission and the Council on Dutch policies to get people out of social exclusion and into work. With regard to the OMC on pensions, positive remarks are made by the Dutch government in terms of the prevention of early retirement of the older workforce and the financially sound basis for the Dutch pension system. However, the number of faming statements by the Dutch government on social inclusion and pension policies declined rapidly after 2005. This decline is probably related to a restructuring of the reporting in the related OMCs (see table 2) in order to lower the reporting burden for Member States, which also resulted in less country-specific information in joint reports. This decrease in country-specific information reduced the opportunities for the government to use information from the OMCs on social inclusion and pensions to fame its own policies.

The Dutch government also paid attention to the excellent performance of Dutch education policies on the benchmark for lifelong learning in the OMC on education. The Dutch innovation platform and innovation vouchers for companies are referred to by Dutch governments as international best practices in the OMC on R&D policy comparisons. With the use of information from the OMC on e-Europe/i2010, statements are made by the Dutch government in parliamentary debates on the high quality ICT infrastructure of the Netherlands relative to other EU Member States.

**Table 3:** Explaining faming strategies by the incumbent government

	Model I	Model II
Saliency policy area	-1.462*** (.394)	-1.475*** (.349)
Development infrastructure OMC	.333*** (.127)	.462*** (.069)
Treaty base for OMC	.864* (.491)	.722** (.362)
EU level activity	-.034 (.313)	
Left political orientation	.877** (.385)	1.078*** (.351)
Right political orientation	-.563 (.494)	
Change of government	.177 (.251)	
Lagged variable faming	.074 (.104)	
Publication joint report	-.284 (.275)	
Total statements on policy area	.003*** (.000)	.003*** (.000)
Constant	.585 (.462)	.151 (.269)
N	132	138
F-test	5.633***	12.335***
Adjusted R-squared	.261	.293

\* $p < 0.10$ , \*\* $p < 0.05$ ; \*\*\* $p < 0.01$ . OLS-regression models. Panel Corrected Standard Errors are shown in parentheses.

The results of the estimated regression model (see table 3) indicate that governments use less information from OMCs that are adopted for highly salient policy areas to fame the performance of their own policies, than from OMCs that are adopted for low salience policy areas. This finding contradicts hypothesis 1A. Governments voice on average 1.5 less faming statements per six months in the context of OMCs adopted for salient policy areas than for non-salient policy areas. The explanation for this counter-intuitive finding is twofold. First, the faming that took place with the use of information from the OMC on R&D – touching upon issues that are low in salience in the eyes of the Dutch public – has increased over the period studied, reaching peaks higher than any other OMC under study in this article. These high scores are related to the 3 per cent R&D investment target of the OMC on R&D, which was highly visible in EU reports and easy to identify and interpret by national governments.<sup>5</sup> Second, the OMC on pensions and the OMC on social inclusion – touching upon policy areas that are highly salient – have decreasing faming scores through time due to the restructuring of reporting (see table 2). This led to fewer opportunities for the government to fame its own policies through the use of information from these OMC reports.

The other main explanatory variables that reach significance have positive coefficients. The empirical findings indicate that, first, the more developed the infrastructure of an OMC is, the more a government uses information from the OMC to fame the performance of its own policies. When one element of the OMC template (*i.e.* guidelines, indicators or benchmarks, reporting, peer review) is developed in practice in an OMC, this leads to an increase of almost half a faming statement by the government every six months. Second, members of government use more information from an OMC with a treaty base to fame their own policies than from OMCs without a treaty base. Governments voice on average .7 more faming statements per six months with the use of information from an OMC with a treaty base than from OMCs without a treaty base.

### *Shaming*

Parliamentarians of opposition parties hardly make any use of information from the OMCs on social inclusion, pensions and e-Europe/i2010. Before 2005, the OMC on employment was the most frequently used OMC by parliamentarians to obtain information on the performance of Dutch policies. The information from the OMC on employment is primarily used by (centre) left-wing opposition parties (PvdA, SP, Groen Links) in parliamentary committee debates. The topics on which the Dutch governments were shamed by these parties were low participation in the labour market (measured in hours), inefficient back-to-work schemes, and differences in earning power between men and women.

The shaming scores for the OMC on education and the OMC on R&D are on the rise from 2007 onwards. Information from the OMC on education is used by parliamentarians of opposition parties to emphasise the poor performance of Dutch policies with regard to the benchmark for early school leavers and the low number of students in technical studies. In the context of the OMC on R&D, parliamentarians of opposition parties – from left to right – use information from reports to criticise the low private investments in R&D in the Netherlands relative to other EU Member States.

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<sup>5</sup> Also, in the OMC on employment and the OMC on education, both touching upon highly salient policy areas, such clear targets exist. This leads to high faming scores in these OMCs.

**Table 4:** Explaining shaming strategies by parliamentarians in opposition

	Model I	Model II
<b>Saliency policy area</b>	-.797*** (.303)	-.677*** (.234)
<b>Information provision on OMC by government</b>	.212*** (.032)	.203*** (.029)
<b>Development infrastructure OMC</b>	.163 (.127)	
<b>Treaty base for OMC</b>	-.458 (.567)	
<b>EU level activity</b>	1.619*** (.347)	1.721*** (.231)
<b>Left political orientation</b>	-.820* (.423)	-.875*** (.313)
<b>Right political orientation</b>	-1.365*** (.478)	-1.657*** (.330)
<b>Change of government</b>	-.109 (.320)	
<b>Lagged variable shaming</b>	.072 (.089)	
<b>Publication Joint Reports</b>	-.207 (.273)	
<b>Total statements on policy area</b>	.001 (.000)	
<b>Constant</b>	-.360 (.439)	.284 (.274)
<b>N</b>	132	138
<b>F-test</b>	15.262***	31.486***
<b>Adjusted R-squared</b>	.545	.527

\* $p < 0.10$ , \*\* $p < 0.05$ ; \*\*\* $p < 0.01$ . OLS-regression models. Panel Corrected Standard Errors are shown in parentheses.

As it becomes clear from table 4, the saliency of the policy domain for which an OMC is adopted is negatively related in a significant way to the use of information from OMCs by parliamentarians in opposition parties. This finding contradicts hypothesis 1b. Parliamentarians from opposition parties use less information from OMCs adopted in highly salient policy areas to shame the performance of government policies than from OMCs adopted in low salience policy areas. Parliamentarians from opposition parties voice on average .7 less shaming statements per six months in the context of OMCs adopted in salient policy areas than non-salient policy areas.

The other main explanatory factors that reach significance are positively related to the shaming of national policies by parliamentarians in opposition parties. The results of the estimated regression model indicate that, first, the more information the government provides to parliament on the substance of an OMC, the more parliamentarians of opposition parties make use of information from this OMC to criticise the policies of the incumbent government. One statement more every six months by the government on the substance of an OMC leads to an increase of .2 shaming statements by parliamentarians of opposition parties. Second, parliamentarians in opposition parties use more information from an OMC adopted for a policy area in which there was already policy activity at the EU level. Parliamentarians make on average almost two shaming statements per six months more with the use of information from OMCs that are adopted in policy areas with EU level activity before the adoption of an OMC, than from OMCs that are adopted in policy areas without previous EU level activity.

### *Discussion*

The empirical results presented in this article show that there are differences and similarities between strategies of governments and parliamentarians. First, the infrastructure of OMCs, rather than the substance of the policy dossier on which an OMC touches (*i.e.* the saliency) determines the extent to which the incumbent government and parliamentarians of opposition parties use faming or shaming strategies. An OMC in a low salience policy area that has clear indicators, benchmarks, targets and extensive reporting through action plans and joint reports (*e.g.* the OMC R&D), is more likely to be used by members of national government and parliament than an OMC adopted for a highly salient policy area that lacks these elements (*e.g.* the OMC on social inclusion and the OMC on pensions) (see hypotheses 1a, 1b and 2a). This finding suggests that the government and parliamentarians are not primarily concerned with being responsive to the electorate and addressing their main concerns. Politicians use information from OMCs when these processes produce easily understandable reports, because of clear indicators, benchmarks and objectives, regardless of the salience of the policy area.

Second, the legislature is more receptive towards OMCs when these instruments are adopted in policy areas over which its members already exercise parliamentary scrutiny (see hypothesis 3b). In other words, parliamentarians do not use OMCs to their own advantage in policy areas not yet exposed to EU level activity. Members of national governments are more aware of the specific characteristics at the EU level of the various OMCs, regardless of previous EU level activity. This becomes clear from the increased use of information by the government from OMCs with a developed infrastructure and/or a treaty base (see hypothesis 2a and 4a).

Third, when the government provides more information on the substance of OMCs, parliamentarians use more information from these methods to criticise the policies of the incumbent government (see hypothesis 5). This leads to a trade-off. When members of national governments provide information to parliamentarians on the policy substance of OMCs, they respect criteria for democratic governance, but are at the same time fuelling



criticism of their policies by parliamentarians from opposition parties. However, in practice the Dutch government continues to provide information on the OMCs to parliamentarians. Hence, the Dutch executive contributes to fulfilling the promise included in the institutional design of the OMC to involve parliamentarians at the national level.

## Conclusion

The lack of quantitative empirical studies on the variation between OMCs restricted the analysis undertaken to exploring the variation between six OMCs for a single country. Despite this limitation due to the pioneering nature of this study, it can be hypothesised that there are several structural differences between the Netherlands and other EU Member States that lead to more or less use of information from OMCs by executives and legislatures. First, the central government and parliament in Member States with a division of competences between federal and sub-national levels are likely to use less information from OMCs to fame or shame the performance of national policies than the government and parliament in the non-federal Netherlands. This effect is expected to occur because the competences with regard to the policy areas OMCs touch upon are often allocated to the sub-national level in federal states, restricting the involvement of the executive and the legislature at the central level in these policy areas. Second, in Member States with an EU affairs parliamentary committee with more scrutiny rights than in the Netherlands, it is likely that parliamentarians from opposition parties make more use of information from OMCs to shame the policy performance of the incumbent government. Because of a stronger EU affairs committee, it can be hypothesised that members of these national parliaments are better informed on the substance of OMCs and are more aware of the presence of EU level activity prior to the adoption of an OMC in a policy area. Third, in contrast to the Dutch consensus parliamentary system with its coalition governments, a government in a majoritarian system has an assured majority among parliamentarians, consists in general of one party and can rely on getting all of its legislation passed (Lijphart 1999). The Dutch case showed that the executive plays a crucial role in ensuring the use of information from OMCs by parliamentarians through providing them with information on the substance of OMCs. Because of the rather unresponsive attitude of the executive to the legislature in a majoritarian system, it is highly unlikely that parliamentarians in a majoritarian system would be sufficiently informed of the OMC to be able to use its information as much as in the Dutch consensus democratic system.

To assess whether there is a causal link between the executive-legislature interactions related to OMCs and policy change at the national level is a complex task, because of the large amount of variables that need to be controlled for. Hence, a thorough study of the policy impact of the OMC-related executive-legislature interactions would go beyond the scope of this article. One of the first steps in such a study would be to assess whether the faming/shaming strategies reflect what happens outside of parliament in relation to policy-making. Related to a focus on the correlation between the content of faming/shaming strategies and actual policy change, it would be interesting to see whether a policy effect occurs via media coverage and/or is reflected in exchanges between EU and government officials, and members of different governments within the EU.

However, the empirical findings of this study do shed light on the potential policy impact of these interactions. The policy impact of OMCs as a result of faming strategies by the incumbent government is likely to be rather small. The faming by the government is focused on the performance of its own policies that are already in place. This strategy creates obstacles to policy change because it strengthens the standard argument of the incumbent government that its policies are achieving the goals set (López-Santana 2006).

The government simply mentions information from the OMC to justify decisions that it has already taken. The aggregate coding results in table 1 do indicate that the shaming statements by the parliament as a percentage of the total number of statements in parliamentary debates regarding policy areas on which OMCs touch, is low in the case of the OMCs on social inclusion, pensions, education and e-Europe/i2010 – ranging between .26 per cent and .66 per cent. Only in the case of the OMC on employment (2.16 per cent) and – especially – the OMC on R&D (5.83 per cent) can a more substantial percentage of shaming statements be observed. These findings indicate that, when an OMC has simple and focused objectives, indicators and benchmarks, and/or is adopted for a policy area with restricted scope, the shaming strategies by parliamentarians in opposition parties with the use of information from OMCs are likely to gain a stronger presence in broader parliamentary debates. This increased presence makes it more likely that the shaming strategies of parliamentarians have a policy impact.

On the basis of this explorative study it can be concluded that the role of national parliaments in a multi-level EU governance structure, in which soft law instruments are increasingly used, is largely determined by the willingness of the incumbent government to inform parliamentarians on the substance of OMCs. Moreover, parliamentarians of opposition parties restrict their attention to OMCs adopted for policy areas in which they are used to scrutinising EU level activities. National governments do not need to use such a standard-operating procedure because they are pivotal actors in OMCs at both the EU and national levels. In sum, also in a multi-level EU governance structure in which soft law instruments are increasingly used, national governments are better equipped to play the two-level game.

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