

OPEN METHOD OF COORDINATION AND EUROPEAN COOPERATION OPPORTUNITIES

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Abstract

The theoretical 3-level model used to analyse the Open Method of Coordination belongs to a “rational” view of the international cooperation. Although considered to be a far too simplistic framework to be able to accurately describe a highly complex phenomenon, it does justice to the idea that actors have predetermined preferences in specific areas and they systematically act in order to achieve those priorities within the constraints of an institutional system.

According to this hypothesis, the OMC has been analysed by breaking the process down into three stages (i.e. the influence of the internal structure, the intergovernmental negotiation model and the institutional choice). Detailed theories have been used to describe each stage (e.g. neoliberalism, neorealism, neofunctionalism, institutionalism), but also abiding by the overall rational context. In conclusion, these elements will be amassed in order to create a comprehensive explanation of this complex phenomenon.

Key words: *intergovernmentalism, policy-making, OMC, EU*

JEL classification: F60, F61, F62, F63

1. INTRODUCTION

1.1 Definitions and Concepts

International cooperation has been defined in the study of world politics as an unbridgeable gap between the *Real Politik* and its vision of the national interest as a null sum game and the neoliberal perspective which aimed to study the phenomenon of state cooperation. In a multidimensional approach to world politics – devised by Robert Keohane – a series of central statements pertaining to the structural realism are modified and ordered in a research program which states that:

- A clear priority is given to the state actors, but the role of the intergovernmental organizations and non-state actors cannot be overlooked;
- The main actors on the political stage – the states – are characterized by rationality, as they tend to maximize their benefits in a vast array of objectives, which are ordered logically;
- The interests of the state are defined by power and influence, but these elements are not forever unchanged; in different systems, states will define their interests differently [1].

In this context, cooperation is seen as a “process through which the politics implemented by governments are seen by their partners as ways of facilitating their own objectives, as a result of *coordination* at a policy-making level” [2]. Thus, the cooperation / coordination pair gains a new dimension, that of inter-statal collaboration, which emerges not from a natural tendency to harmonise interests, but from a state of conflict or potential conflict. To be able to talk about cooperation, each state must look to the changes operated by its partner state and consider them beneficial to their own interests. Facilitating the ideological and methodological transactions in this neoliberal system of international cooperation is vouched by the existence of international institutions – i.e. organizations, bureaucratic agencies, treaties and agreements – that constrict the activity and shape the expectations of the actors.

1.2 Liberal intergovernmentalism. A model by Andrew Moravcsik.

Within this theoretical framework, the Open Method of Coordination – OMC as an instrument of European policy-making will be analysed. OMC debuted in the field of employment in 1997 and extended to the areas of social inclusion, pensions, health and healthcare, education, environment, immigration and asylum granting once it became an official instrument of the Lisbon Strategy [3], in 2000. In order to perform an in-depth analysis of OMC,

the 3 step model of the “liberal intergovernmentalism”, developed by Andrew Moravcsik will be used, as it underlines the importance of power and preferences of the EU member states in the process of European policy-making. This model highlights a gradual process of convergence of the preferences belonging to some of the more powerful states, who then sign agreements between themselves, offering compensations to much smaller states and delegating strictly limited powers to the super-national organizations. Consequently, there are three steps to developing European policies:

- **Setting national preferences according to the liberal theory**, meaning these preferences are shaped internally and are determined by particular factors, which are specific to each individual state, e.g. economy, the political environment and its institutions;
- **The intergovernmental stage of negotiation**, in which the negotiation “power” reflects the relative power of a state, given that super-national organizations, like the Commission, have but little influence on the outcomes;
- **The institutional choice – the role of international institutions in providing solid commitments to national governments**, which means that member states delegate sovereignty to super-national actors to increase the credibility of their common commitments and to diminish the tendency to abstain from fulfilling those commitments.

1.3 The Open Method of Coordination

Next, this model will be used to analyse the OMC, a new method of coordinating the national policies of the EU member states, which can be launched at the state’s initiative or at the initiative of the Commission and which entails the collective setting of objectives and indicators in a designated field, through which member states, based on national reports, can improve their area of knowledge, can develop channels for an exchange of information, perspectives, experience and practices and can promote innovative approaches that can be transformed into guidelines and recommendations.

Therefore, the Open Method of Coordination represents a process through which the EU member states agree to coordinate their policies through a process of mutual learning and structured exchange of information; through the OMC, the member states agree on common goals, use common indicators, and prepare national strategic reports that can define future guidelines for public policies and evaluate each other, while the Commission is limited to monitoring using a series of common monitoring reports which will deal with the performance levels achieved by member states; depending on the areas in which OMC operates, it implies soft law measures, which do impose on states, but which can never be translated into normative European acts (directives, regulations, decisions).

Consequently, the Open Method of Coordination is bordering both the super-national and inter-governmental mechanisms. It can also be viewed as a translation of the theoretical debate between the neorealism and neoliberalism parties at an European level: member states do not yet want a common legislation (so there is a conflict or a potential conflict) in a certain area, but they nevertheless have the political will to make progress together (i.e. states have collaboration problems – meaning how to transform their behavior and the behavior of their partners in order to achieve optimum results).

2. OMC analysis

2.1 Shaping the national interest internally

The first step in Moravcsik’s model rejects the idea that national preferences are shaped by taking part in the European Union. That is to say, the structure doesn’t determine the behavior of the actors, but it is the actors who determine the structure. Therefore, heads of government collect the interests of their internal electors and combine them with their own interests, which are dictated by the specific political and economic conditions, and present them as national preferences to the EU. The OMC reflects this process by its ability to involve all interested parties in the decision making process as it relates to the public policy, by directly involving citizens and civil society structures, which only serves to increase transparency and democratic commitment. As a result, OMC offers social actors the opportunity to have their priorities known at a European level.

It is obvious that this first step is an oversimplification of the way states delineate their interests as it minimizes the influence of the super-national and international structures. Moravcsik himself does not totally exclude the impact an interconnected set of rules and practices has on shaping the expectations and behavior of the actors. For example, the idea of transparency is inherent to the OMC system, as it facilitates the comparative evaluation of performance and the mutual learning process. In order for the OMC to work, it is important that all actors involved, both national and European, to have access to all information and documents throughout the process. To avoid making the OMC process a purely technocratic one, it is necessary to make a permanent effort to increase the quality of the public communication, so that vast categories of citizens and local NGOs can be able to follow and take part in all the stages of the process. Moreover, OMC offers the opportunity to partake in the process, but it does not automatically ensure it. Often, consulting the internal structure is but an option for governments and not a right or a principle of good governing. Therefore, the formal or informal practices that states accept as being constrictive at a super-national level can play an important part at a national level.

2.2 The intergovernmental negotiation model

In the second stage of the OMC analysis, the negotiation table in Brussels is replaced by deliberating and common learning processes, which go above a forced harmonization and pays homage to diversity in areas marked by a difficult operating legal framework. The Open Method of Coordination is innovative and decentralized and involves a tight intergovernmental organization. The increased role of the European Council – a significant intergovernmental aspect of the European Union – played in the different stages of the policy coordination process represents an extra guarantee for an effective collaboration. Moreover, the deliberating process of the OMC is cyclical and centered on resolving the problem identified in a common manner, with the goal of learning by evaluating the compared performances.

However, in order for this process to take place, a political will based on objective national interests is necessary. Based on Stanley Hoffman’s hypothesis on the primacy of the state [4], intergovernmentalists have stated that the negotiating techniques employed by the EU are streamlined tactics pertaining to intergovernmental diplomacy which highlight the power and preferences of the EU member states. Coordinating these preferences does not automatically entail a concession made to cooperation and the integrative aims. According to the idea that cooperation in a super-national context works until the national interest is affected, detractors of the OMC have expressed their concern that using OMC as a substitute for the stronger legal instruments that operate within the EU would lead to states having a hard time respecting the more binding commitments. As a result, the tough negotiation rounds between member states in a super-national context foreseen by could intensify as the influence of a legally weakened Commission decreases. Therefore, even in a multilateral commitment, the states are worried about the differences in estimated gains, which often impede cooperation.

2.3 The institutional choice

As shown above, the role of institutions is not completely discredited, as they are given a position of monitoring, evaluation and consulting. Although there is a tendency to view international institutions as the “watchdogs” of established commitments, they do have a certain influence on the behavior of the actors, setting up a context governed by principles, norms, regulations and procedures which are accepted by participating states and which govern the interactions of various actors in various areas of interest. Such an influence can be seen in an international institution like the European Union both in the vertical and horizontal plan of developing interactions. In such a context, the OMC is a good example. Annually, member states must present the European Commission with a report on the progress they’ve made achieving their set goals and with the list of priorities for the upcoming period. Once every 3 years, more substantial reports must be presented based on all the areas covered by the OMC. Monitoring the progress is done through a 3-level system: primary and secondary levels deal with common indicators for all member states; the tertiary level deals with the indicators used for each individual country, depending on the national specific and conditions of internal politics – these indicators are set by the countries themselves.

The political monitoring is done at the highest level, as the European Council plays an important role both in the goal-setting and monitoring stages. In turn, the European Parliament gains through the Lisbon Treaty a higher consultancy role, as the member states are required to inform this forum of the guidelines and indicators they set, of the exchange of best practices, of the periodical monitoring and the evaluation reports. Moreover, the Method’s transparency attribute highlights the fact that the involvement of a vast array of actors in the OMC processes at all levels is essential in order to ensure different perspectives are taken into account, to access local experience and to condition the public authorities to respect their commitments to achieve the common goals of the EU.

Therefore, the delegation of power – which was limited in Moravcsik’s view – to international organizations allows states to form a credible commitment to the promises they made to each other, by monitoring and following up on their agreements and clarifying any lingering issues derived from the latter.

3. CONCLUSIONS

The theoretical 3-level model used to analyse the Open Method of Coordination belongs to a “rational” view of the international cooperation. Although considered to be a far too simplistic framework to be able to accurately describe a highly complex phenomenon, it does justice to the idea that actors have predetermined preferences in specific areas and they systematically act in order to achieve those priorities within the constraints of an institutional system.

According to this hypothesis, the OMC has been analysed by breaking the process down into three stages (i.e. the influence of the internal structure, the intergovernmental negotiation model and the institutional choice). Detailed theories have been used to describe each stage (e.g. neoliberalism, neorealism, neofunctionalism, institutionalism), but also abiding by the overall rational context.

Consequently, the analysis of the Open Method of Coordination from the perspective of Andrew Moravcsik’s liberal intergovernmentalism has highlighted a series of advantages and a certain amount of limitations of using such a method in developing European policies. Although the soft aspects of the OMC come with disadvantages such as problems with involvement, the social-economic situation, the position of the member states in relation with the EU cooperation etc., OMC also has the advantage of being a useful, effective and flexible instrument of policy-making. Because OMC encourages the convergence of national objectives, performance and a constructive approach to the process of policy making compared with the rigid system of predetermined institutions, rules and programmes, this mechanism is useful in identifying and underlining common interests of the member states in the context of their won

autonomy and diversity. OMC is not only a method of super-national governance or an intergovernmental one but an instrument that operates on many levels, promoting the collaboration between states. Consequently, one can state that the primary objective of the OMC is to increase the effectiveness of the policy coordination in sensitive areas where there are no strong regulating instruments such as the European regulations. OMC has the potential to achieve this objective of the efficient coordination and to prove itself a good instrument to operate based on the principle of subsidiarity, of applying a good governance, of increasing the coherence of the inter- and intra- sectorial collaboration, as long as the states keep steady in expressing their political will to implement the collaborative process and are aware of the limitations of the OMC.

4. Resources

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