



# **National Trade Union involvement in the European Semester**

## **Analytical framework**

*Revised after the INVOTUNES kick-off meeting*

*28 March 2018*

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*Deliverable D1.1*

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# 1. Involving social partners in the European Semester: background and state of play of research <sup>(1)</sup>

## 1.1 The European Semester: key features and developments

Introduced in 2011, the European Semester is a yearly cycle of economic policy coordination between the Member States of the European Union (EU), aimed at achieving the Europe 2020 targets. The European Semester is based on three pillars:

1. The *Europe 2020 Strategy*, the EU's growth strategy containing five objectives to be reached by 2020, including in the areas of employment and social inclusion;
2. The *reformed Stability and Growth Pact (SGP)*, which aims at coordination of fiscal policies;
3. The *Macroeconomic Imbalances procedure (MIP)*, which aims at coordination of macro-economic policy.

The European Semester starts in November each year, when the European Commission publishes the *Annual Growth Survey (AGS)* and the *Alert Mechanism Report (AMR)*. The AMR identifies, at an early stage, countries experiencing macro-economic imbalances and thus needing an in-depth review (IDR). In the AGS, the European Commission pinpoints the main economic challenges facing the EU and recommends priority measures for the coming year (Semester cycle).

Member States should include the priorities and measures set out in the AGS when submitting both their *Stability or Convergence Programmes (SCP)* on budgetary policies and their *National Reform Programmes (NRPs)* on structural reforms. These two documents are submitted simultaneously by Member States at the end of April (mid-April in the case of Member States in the Eurozone), in order to ensure complementarities between fiscal and other structural policies. At least on paper, the NRPs are at the heart of the thematic coordination under the Europe 2020 strategy, as they represent the national application of European guidelines and policies.

In May each year, the European Commission assesses both the SCPs and the NRPs and proposes *Country-specific Recommendations (CSRs)* to each Member State. In June, CSRs are discussed and voted on by the (different formations of the) Council of the European Union. Finally, in July of each year the European Council endorses the CSRs, thus formally closing the “European” cycle of the Semester. The implementation phase then starts in Member States (“national” cycle of the Semester).

In 2015, a number of substantive and procedural changes were introduced under the first European Semester process during the Juncker Commission.

With regard to the process, changes were made to the Semester procedure to streamline and reinforce it, particularly by promoting stakeholders’ ownership of the process. In particular, more time was given to discussions and negotiations between the Commission, Member States and other stakeholders before the CSRs are being issued. The Commission’s analysis of each Member State’s economic situation, challenges and implementation of key policies through so-called *Country Reports*, is now published two months before the publication of the CSRs. Previously both documents

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1. The author would like to thank Vassil Kirov (Bulgarian Academy of science), Emmanuele Pavolini (University of Macerata), Ramón Peña-Casas and Bart Vanhercke (European Social Observatory) as well as the participants to the INVOTUNES kick-off meeting (Brussels, 16 February 2018) for their valuable comments and suggestions on this deliverable.

were published simultaneously, leaving virtually no time for Member States – let alone other stakeholders – to discuss or explain their choices. The Country Reports are key analytical documents and are the basis for the CSRs.

## **1.2 Trade unions and the European Semester: increased ownership**

Relaunching social dialogue and boosting the involvement of social partners in the European Union's (EU) socio-economic governance feature prominently – at least in terms of lips service – on the present European Commission's agenda. President Juncker indeed emphasised several times his intention to become the 'President of social dialogue' and the need to revamp this dialogue as a founding trait of 'Social Europe'. The EU institutions' renewed attention to the role of social partners has been expressed in a series of key documents, including the 2015 Five Presidents' report. In March 2015, the European Commission held a high-level conference on 'A new start for social dialogue' to launch a process aimed, *inter alia*, at promoting more substantial involvement of the social partners in the European Semester. This objective was also at the heart of the 2016 'Joint Statement on A New Start for Social Dialogue' by the Dutch Presidency of the Council of the EU, the Commission and the European Social Partners (Dutch Presidency *et al.* 2016). The topic was also addressed by the Employment Committee (EMCO) which held, in 2016, a multilateral surveillance review on the involvement of national social partners in the procedures of the Semester.

The issue thus seems to have gained considerable momentum on the EU policy agenda. But what do we actually know about what is happening in terms of trade union involvement 'on the ground'?

While Trade unions paid very little attention to the European Semester at the start of the process (2011-2012), they were spurred into action by the adoption of Country-specific Recommendations (CSRs) on collective bargaining and wage setting in 2013. The CSRs on this sensitive issue are generally seen by trade unions as an unwarranted European intervention in a domain where the EU has little legal competence. As a result, the European Trade Union Confederation (ETUC) significantly upgraded its aim to coordinate the activities of national trade unions in the key stages of the Semester. To move closer to this goal, the ETUC developed a 'Toolkit for coordination of collective bargaining and wages in EU economic governance' with a view to helping national affiliates provide effective, bottom-up input into the Semester process.

After a troubled beginning in 2014 and 2015 (Sabato *et al.* 2017), the toolkit was considerably reinforced the next year. Drawing on new methodology, the 'ETUC Toolkit Semester 2.0' triggered no less than 29 input papers from national trade union organisations in 20 Member States in 2016. The ETUC's increased interest in the Semester has furthermore been spurred on by the Commission's willingness (since 2014) to create new venues and procedures for the involvement of EU social partners. At the same time, important changes in the Semester timeline – including the move from *ex-post* information on key documents of the Semester to *ex-ante* consultation – has allowed both sides of industry to intervene in the process good time.

While available studies confirm these improvements in the involvement of European social partners (and, notably, trade unions) in the procedures of the Semester, little is known about (a) the *actual impact* of this involvement and (b) the involvement of *national* social partner organisations in the 'EU' an 'national' cycles of the Semester. However, interest in the involvement of these national stakeholders is increasing, and a number of initiatives have been taken in recent times to build more powerful ownership of the Semester at the national level (Sabato *et al.* 2017). First, European

Semester Officers <sup>(2)</sup> have received increasingly precise instructions to help them identify the national stakeholders that should be involved and explain how to report back to Brussels with their input. Second, the European Commission has enhanced ‘fact-finding’ missions in the Member States, directly involving national social partners. Third, national trade unions have recently appointed their own national ‘Semester Liaison Officers’ who foster positive relationships between national trade unionists and EU officials in Brussels.

Very little is known about the specific outcomes of these attempts to raise the interest of national social partners in the Semester. The scarce available sources (Eurofound 2016, 2017; Sabato *et al.* 2017) point to an extremely varied situation across the Member States, but these studies do not provide a systematic picture of the actual mechanisms of social partner involvement at the national level, neither do they assess the strategies in terms of success and failure (i.e. their real impact on policymaking). The dearth of concrete information on the impact of social partner involvement prevents the initiatives described in the previous paragraph from improving involvement at the national level. And yet this involvement could not be more vital than during this time of rising post-Brexit Euroscepticism.

## 2. The INVOTUNES research design

### 2.1 Goals of the research

The project on the ‘INVOLvement of Trade UNions in the European Semester’ (INVOTUNES) aims at analysing the involvement of national trade union organisations, in the European Semester, thus filling an important gap in the literature and helping to improve involvement through awareness-raising.

The **specific goals** of the project are (see the detailed work programme submitted to the European Commission):

1. To identify the **precise mechanisms for access** through which national trade unions are involved (if at all) in both in the ‘EU’ and ‘national’ cycles of the European Semester;
2. To highlight trade unions’ **influence** on the agenda setting, the **outputs** and the **outcomes** of the involvement process (if relevant);
3. To identify trade unions’ **strategies** for involvement (if they have any), the determinants of such strategies and their effectiveness;
4. To shed light on the linkages between the European Semester and ‘ordinary’ national decision-making procedures (notably, **national and subnational social dialogue**);
5. To provide **advice** to both trade unions and decision-makers at the European and domestic levels on how to increase the effectiveness of the involvement process – creating bridges between the European Semester and countries’ national social dialogue – and how to share good practices and policy challenges in this area;
6. To increase **awareness** of the importance of the European Semester among domestic trade unions.

Summing up, this research has four main **ambitions**. First, **to map the features of national trade unions’ involvement in the European Semester**. Second, to **understand** the extent to which the Semester and national policy-making (*in particular, social dialogue*) *interact* (if they do so at all) and the role played by national trade unions in this interaction. Third, to **assess**, to the extent of the

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2. The *European Semester Officers* (ESO) are economic policy experts tasked with explaining Semester procedures to domestic players and gaining a balanced picture of the challenges that MS are facing, so that the CSRs best reflect national realities.

possible <sup>(3)</sup>, the influence of national trade unions on the European Semester in the ‘EU’ and ‘national’ cycles of the Semester. Fourth, to give **recommendations** to national trade unions and decision-makers on how to increase trade unions’ involvement in the European Semester.

## 2.2 Research questions

This research aims to answer the following research questions:

1. To what extent are national trade union representatives **aware** of the tools and procedures of the Semester?
2. What are the **precise mechanisms for access** (if any) through which national trade unions are involved in the procedures of the European Semester at both the European and national levels?
3. What are the **strategies** (if any) for involvement adopted by national trade unions and public authorities and what are the **determinants** and **effectiveness** of these strategies?
4. What influence (if any) do trade unions have on the agenda setting, the **outputs** and **outcomes** of the European Semester?
5. What is the relationship between the procedures of the European Semester and **national social dialogue**?
6. How can the **effectiveness** of the involvement process be enhanced, at both EU and national level?

## 2.3 Substantive scope and timeframe

The research will examine specific segments of the European Semester: **employment and wage setting** (policy areas that are particularly relevant for trade unions) and **social protection and social inclusion** policies under the Europe 2020 Strategy. The importance of these policy areas in the Semester is increasing, to the extent that some scholars refer to a slow but certain ‘socialisation’ of the Semester (Zeitlin and Vanhercke 2014). This increased profile of the social dimension is also apparent in the European Commission’s April 2017 Recommendation on a European Pillar of Social Rights (European Commission 2017a) and the Reflection paper on the social dimension of Europe (European Commission 2017b). Social partners are indeed considered as key partners for the implementation of the Pillar, though the positions of trade unions and employers’ organisations are, for the moment, very far apart (Sabato and Vanhercke 2017). Thus, knowledge of how national social partners interact with EU institutions is absolutely imperative.

It is impossible to deal with employment and social policies without considering macro-economic and fiscal policies. Although an in-depth analysis of the latter is outside the scope of this research, these policies (especially at the EU level) are therefore to be considered as key background variables of the research (also affecting case selection; cf. Section 3 below).

The timeframe covered by INVOTUNES is the **period between 2014 and 2018** (i.e. the five-year term of the Juncker Commission). The European Semester is a ‘moving target’: both the procedures and the substantive messages have changed significantly over time and therefore a sufficiently large time span needs to be covered. We know from existing studies that social partners’ involvement in the Semester during the period pre-2014 was strictly limited, hence the data collection starts from the year in which the Juncker Commission took office.

The INVOTUNES research teams will conduct in-depth case studies in eight EU Member States, selected according to scientific criteria that allow for the generalisation of the findings (see Section 3 below): Belgium, Bulgaria, Finland, Germany, Hungary, Italy, Portugal and Sweden. The case studies

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3. For a discussion on the challenges in measuring interest groups’ influence on decision-making, cf. Section 4.2 below.

include an in-depth analysis of concrete policy decisions taken at the national level, in order to understand whether and to what extent trade unions made use of mechanisms for access and resources linked to the Semester in giving their contribution to the national decision-making process. In addition to the country studies, an online survey will be carried out involving also the 20 Member States that are not covered by case studies in the context of this project.

## 2.4 Definition of key concepts

It is essential to be clear from the beginning on the exact meaning of the key concepts used. This is particularly important in this research project since ‘involvement’ is a rather broad and ill-defined ‘quasi’ concept. Furthermore, it appears particularly difficult to distinguish between national trade unions’ involvement in the procedures of the Semester and their involvement in ‘ordinary’ national decision-making procedures (i.e. not linked to EU socio-economic governance), such as, for instance, national social dialogue (on this point, see Section 3.1).

In the framework of this project, building on the scientific literature on interest groups, we define **involvement** as a *process entailing stakeholders’ access to decision-making venues and procedures and an exchange of resources with policy-makers (at least, information), possibly leading to an influence on the agenda setting, the outputs and outcomes of the policy process* <sup>(4)</sup>.

It is important to note that, according to this definition, access (to policy-making venues and procedures) and the exchange of resources with policy-makers should be considered as *defining features* of the concept of involvement, while influence (on the outputs and outcomes of the decision-making process) should be understood as *a possible consequence* of the involvement process. In other words, it is possible for stakeholders to be *involved* in policy-making without having any *influence* on decisions taken.

This definition relies on three key notions: access, resources and influence (on outputs and outcomes).

We understand **mechanisms for access** as the precise *venues and procedures* through which trade unions exchange views with EU and national public authorities in the framework of the Semester <sup>(5)</sup>. These venues and procedures can be either formal or informal. Furthermore, as explained above, simple access is not a sufficient condition (or a necessary one) to achieve influence. Yet, it can be considered as a ‘facilitating intermediate objective’ (Bouwen 2002) of interest groups wishing to influence the policy process. Crucial for our research is the fact that, besides seeking access to different kinds of actors (e.g. politicians, bureaucrats, etc.) in order to be involved in the Semester, national trade unions can choose between gaining access to the ‘EU’ cycle of the Semester (the first half of each year), the ‘national’ cycle (the second half of each year) or both. In this sense, in our study, access is ‘multi-level’ (Beyers 2002).

**‘Resources’** is the second defining feature of involvement. In this research, we adopt a broad definition of resources, including (Dente 2011): a) political resources, basically consensus <sup>(6)</sup>; b)

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4. The ETUC (2016) defines ‘*quality involvement*’ as a ‘*dialogue in a meaningful (related to access to documents) and timely manner, with adequate capacities (trade union resources) and at the appropriate level of interlocutor*’. We prefer to stick to our definition because involvement is not always ‘quality’ involvement. As said above, the ultimate aim of this research is to provide trade unions with advice and recommendations, helping them to achieve good quality involvement in the Semester.
  5. Specific examples of venues and procedures for involvement in the Semester will be provided in Deliverable D 1.2 ‘Guidelines for country reports’.
  6. We assume that, in our case, a proxy to measure the amount of consensus of trade unions is their representativeness (in terms of membership) in each country.

economic and financial resources <sup>(7)</sup>; c) legal resources <sup>(8)</sup>; and d) cognitive resources (including data and information and cognitive theories and models). To this list we add (e) organisational resources (e.g. the capacity to coordinate internally and with other trade unions in order to be involved in the Semester process). Importantly, the **availability** of (some of) these resources is not in itself sufficient to be **involved** in the policy making process. Indeed, the relationship between interest groups and decision-makers is an exchange of resources, where the former typically search for political influence <sup>(9)</sup> and the latter have an interest in building relationships with groups who control valuable resources (Blom-Hansen and Daugbjerg 1999 quoted by Binderkrantz 2008: 178). In other words, in order to be involved in the Semester, trade unions should have the ‘right’ resources, i.e. those needed by policy-makers. Among these resources, information and expertise are particularly important when interacting with public officials in general and the European Commission in particular (Beyers 2004: 218). This holds especially true in the framework of the European Semester, defined by some scholars as an increasingly evidence-based process (Zeitlin and Vanhercke 2014).

Determining the **influence** exerted by interest groups (in our case, trade unions) on the policy-making process is an aspect of this research which is both important and challenging. Indeed, the literature on interest groups stresses the problems involved in assessing influence, especially in complex decision-making processes (Arts and Verschuren 1999) as is the case for the Semester. In this study, we adopt the basic definition of influence proposed by Dür (2008:561), i.e. influence as ‘[...] an actors’ ability to shape a decision in line with her preferences’. The question is, influence on what? We distinguish between:

- a) Influence on the agenda setting: the capacity of national trade unions to influence the priorities of the European Semester at both the European level (e.g. affecting the contents of the AGS) or national level (e.g. contributing to the definition of the priorities of the NRPs).
- b) Influence on the **outputs** of the policy process: the influence of national trade unions on key *documents* of the Semester at both the European and national levels, including: the Annual Growth Survey (AGS), the Country Reports (CRs) and the National Reform Programmes (NRPs).
- c) Influence on the **outcomes** of the policy process: the actual impact of national trade unions on concrete policy *decisions* taken by decision-makers in the framework of the Semester at both the European (e.g. the CSRs) or national levels (e.g. legislations or decisions concerning specific policy reforms or agreements between the social partners).

Basing ourselves on the key dimensions listed above, we can identify the **type** of involvement of national trade unions in the Semester. We distinguish between <sup>(10)</sup>:

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7. These resources may be useful, for instance, when it comes to setting up mechanisms for internal and external coordination with a view to be involved in the Semester, or at improving the expertise of trade union members in order to allow them to effectively contribute to the Semester.
  8. For instance, the right of the social partners to be consulted/involved in specific policy-making processes such as national and European social dialogue.
  9. Influencing policy making is not the only aim pursued by interest groups. Indeed, these groups could follow, in addition to a ‘logic of influence’, a ‘logic of membership’, i.e. pursuing the objective of structuring themselves and acting ‘[...] so as to offer sufficient incentives to their members to extract from them adequate resources to ensure their survival, if not growth’ (Schmitter and Streeck 1999: 19). While interest groups generally follow both logics at the same time, we hypothesise that, in our case, the logic of influence is prevalent. This expectation is based on the findings in the literature. EU level and national trade unions are ‘associations of associations’ (Schmitter and Streeck 1999). These kinds of organisations are more likely to seek to influence the policy process (ibid: 52). Such expectations in relation to the European Semester are confirmed by the study by Sabato *et al.* 2017.
  10. In drawing this typology, we have drawn on and further elaborated the classification provided by the Combat Poverty Agency (2006).

a) *No involvement*: lack of mechanisms and/or resources for involvement or lack of interest to be involved.

b) *Information*, i.e. the simple sharing of knowledge, which is a prerequisite for all other forms of involvement. This includes, for instance, meetings between the European Commission or national governments and trade unions to share information on the respective actions undertaken (or to be undertaken) in the framework of the Semester, without any willingness to *discuss, let alone agree* on them. In some case, these exchanges may happen ex-post, i.e. after that key policy documents have already been published. This was for instance the case, until 2014, of meetings between the European Commission and EU trade unions, which were held after the publication of the AGS and CSRs (Sabato *et al.*, 2017).

b) *Consultation*, i.e. the possibility to express views on a proposal thus contributing to the final outputs and/or outcomes, but without being expressly involved in the making of those outputs and outcomes (that is up to policy-makers). For instance, the study by Sabato *et al.* (2017) shows that inputs by European and national trade unions have been used by the Commission in order to fine-tune the Country Reports, even though the general analysis contained in those documents firmly remains in the hands of the Commission. In these cases, it would be important to distinguish between consultation on: a) the setting of the agenda (e.g., the definition of the priorities in the AGS or the NRPs); b) the outputs (e.g. on the contents of the CRs or of the NRPs); and c) the outcomes (e.g. on the content of the CSRs or national legislation).

c) *Participation*, i.e. the ability to directly influence the process and to have their views incorporated in the final outputs/outcomes. This is for instance the case for some countries where the views of the social partners are annexed to the national reform programmes or some parts of these documents are written with the contribution of the social partners (Eurofound 2016, 2017). Here again, it appears important to distinguish between participation in the agenda setting and participation in decision concerning the outputs or the outcomes of the Semester.

d) *Co-decision*, i.e. consensual decisions on policy choices and priorities, ensuring joint ownership of the final outputs and/or outcome. In other words, in this case social partners are involved in the policy-making process from the agenda setting stage to the definition of the outcomes.

Importantly, four elements are key to achieve quality and meaningful involvement beyond the simple sharing of information (ETUC 2016): a) the *quality of the documents* exchanged; b) the availability of enough *time* and *expertise* to analyse and discuss them; c) *timely involvement* (i.e. involvement at defined, key stages of the Semester and d) the possibility to interact with *interlocutors at the appropriate level* (i.e., the ones that really have a stake in decisions concerning the Semester).

Two other key concepts should also be clearly defined: the domestic relevance of the Semester and actors' strategies.

First, the **salience of the Semester** at the national level is an important element to help us understand the (different degrees of) interest of national trade unions in gaining access to the venues and procedures linked to the Semester. It should indeed not be taken for granted that national trade unions are always keen to be involved in the Semester: they may prefer to use other mechanisms in order to influence the policy making process. Indeed, the importance of the European Semester for national trade unions may vary considerably across Member States, a circumstance that

may determine the efforts and resources they choose to devote to achieving involvement in the process.

Second, in order to become involved in the policy-making process, thus potentially exerting an influence on its outputs and outcomes, interest groups can follow different **strategies**. In this research, we broadly define 'strategies' as *the approaches followed by national trade unions in order to become involved in the various milestones of the Semester process*. The literature on interest groups (see Binderkrantz 2008; Binderkrantz and Krøyer 2012) distinguishes between 'insider' strategies and 'outsider strategies'. **Insider** strategies basically consist of direct contacts with either bureaucratic bodies (e.g. the European Commission or national administrations) or elected bodies (e.g. parliaments). **Outsider** strategies generally consist of media campaigns to reach the broader public or of members' mobilization to organise protests.

Although these strategies are not mutually exclusive, according to the findings of the literature (Binderkrantz and Krøyer 2012, Dür and Mateo, 2014, Weiler and Brändli 2015), we expect that, to be involved in the Semester, trade unions mainly rely on insider strategies targeted at elected bodies and, especially, at bureaucracies. This hypothesis will be verified in the course of the study. One question, however, arises: *what are the 'determinants' of the involvement strategies followed by national trade unions?* Drawing, again, on the literature on interest groups (Binderkrantz and Krøyer 2012, Dür and Mateo 2014, Weiler and Brändli 2015), we identify a number of factors determining organisations' choices when it comes to the most suitable strategy to be adopted: (a) policy goals and expectations of relevant players; (b) the institutional setting and the specific issue area; (c) the available resources; (d) the stage of the policy-making process; and e) the availability of mechanisms to coordinate the action of the various organisational levels.

As for the latter point, we refer to the procedures through which trade unions coordinate internally (at various levels) prior to contributing to the EU and national Semester, as well as procedures for coordination between and within trade union confederations at the national level. This point is extremely important since the European Trade Union Confederation is to be considered as an 'association of associations', while national trade unions typically have a confederation structure. As the literature shows (Schmitter and Streeck 1999), coordinating the interests of the various members and managing their diversity, in these kinds of organisational arrangements, is particularly challenging. Coordination mechanisms and their quality can obviously affect the type of strategies that trade unions can implement as well as their effectiveness.

Furthermore, two other issues related to trade unions' strategies should be explored. First, how do the various national confederations coordinate between them in order to be involved in the Semester (if they do so)? Second, possible joint actions with other actors such as political parties and /or social NGOs.

### 3. Key variables and case selection

In this research, we identify the *salience* of the Semester at the national level, the *mechanisms for access* and *resources* required as “**dependent variables**”, affected (this is our hypothesis) by two “**independent variables**”:

a. The **institutional setting**. In our case, two institutional determinants for social partner involvement can be identified, the interaction between which should be researched and analysed: first, the specific national procedures of the European Semester; second, the dynamics of national social dialogue more generally. With regard to the latter, we consider the industrial relations cluster to which the country belongs to be a key factor. In order to assess this, we have chosen to use the geographical typology proposed by Eurofound (2015), which distinguishes between: (a) Northern countries; (b) Central-Western countries; (c) Western countries; (d) Southern countries; and finally (e) Central-Eastern countries. Importantly, the features of the institutional setting have a key influence on the mechanisms for access available and the resources needed in order to be involved.

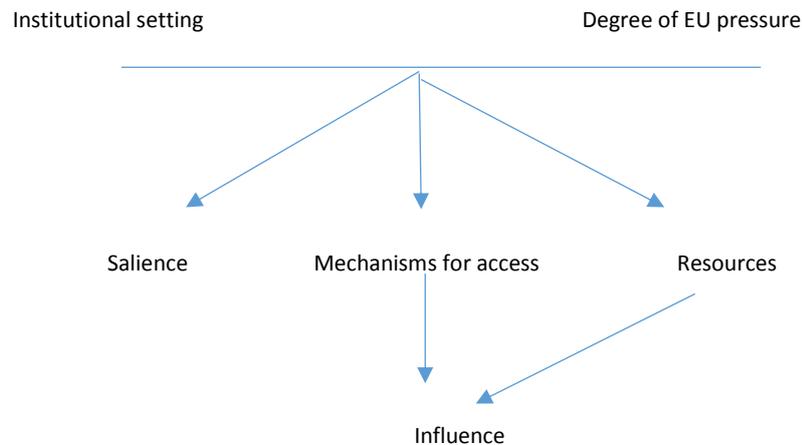
This institutional dimension is essential to the analysis, since the relationship between social dialogue structures and the procedures of the Semester are key to all other aspects of this research. Three hypotheses exist in the literature about this relationship (Sabato *et al.* 2017). First, it could be thought that strong national social dialogue systems facilitate the involvement of national social partners in the European Semester. Conversely, it is also possible that when national social dialogue is already strong, social partners have less interest in being involved in the procedures of the European Semester. Finally, one could hypothesise that the procedures of the European Semester can be used by trade unions to overcome possible ‘blockages’ of national social dialogue (e.g. by putting pressure on national governments or the employers’ union).

b. The second aspect to be considered is the **degree of EU pressure** that Member States face: we will distinguish between ‘strong’, ‘moderate’ and ‘weak’ EU pressure. In order to measure this variable, we rely on Stamati and Baeten (2014: 15), who created an index of ‘EU leverage’. The highest value of EU influence is attributed to countries that previously signed a Memorandum of Understanding (but are now subject to the ordinary Semester procedures). The other Member States are classified in the remaining groups (‘moderate’ or ‘weak’ leverage), using factors such as the number and content of the Country-specific Recommendations they received, whether they are Eurozone countries and whether they have been subject to an Excessive Deficit Procedure (EDP) or have signed an Economic Partnership Agreement (EPA).

Countries subject to the ‘ordinary’ procedures of the European Semester (CSRs only) are deemed to be subject to ‘weak’ EU pressure. Countries belonging to the euro area are classified as being under a ‘moderate’ level of pressure, given the possibility of sanctions in case of non-compliance with European debt and deficit criteria. The same applies to countries subject to an Excessive deficit procedure (EDP) or to the Macroeconomic Imbalances Procedure (MIP). Programme countries (or former programme countries) are labelled as subject to a high level of EU pressure. The degree of EU pressure is thus an important criterion for case selection. *We hypothesise that the more EU pressure is present, the more national trade unions are incentivised to take part in the process*, since this circumstance will increase the profile of the Semester at the national level. This hypothesis will be verified through the study. Indeed, an alternative hypothesis could be that, in the presence of very strong EU pressure, governments are more prone to implement reforms unilaterally, without clashes with the social partners (Sabato *et al.* 2017).

We hypothesise, the *mechanisms for access* and the *resources* available affect the **influence** of national trade unions in the Semester (Figure 1 below shows the relation between the variables identified).

**Figure 1. Key variables**



**Source:** author's own elaboration

In turn, the relation between the key dimensions of mechanisms for access, resources exchanged and influence exerted will allow us to identify the type of involvement of national trade unions.

In order to select the case-studies, we use the two independent variables identified above (institutional framework and degree of EU pressure) plus the availability of relevant resources, which, as explained above, is a key aspect of involvement in policy-making. In particular, we refer to trade unions' **European Semester resources**. As explained above, we hypothesise that the resources in which policy-makers are most interested are *information and expertise*. As a proxy for measuring the availability of these types of resources, we will use the degree, in terms of both quality and quantity, of national trade unions' involvement in ETUC coordination exercises concerning the European Semester (including the 'ETUC Toolkit Semester 2.0' discussed in Section 1.2). This information is provided by the ETUC through a self-assessment of their national affiliates' activities and will be checked through the case studies.

As for the **degree of EU pressure**, our starting point is the work by Stamati and Baeten (2014; see above) who distinguish between 'strong', 'moderate' and 'weak' pressure. This said, in order to have a more updated and detailed understanding of the situations in the countries under scrutiny, we have further reworked and nuanced this classification, relying on the expert opinion of the national teams<sup>11</sup>). For instance, according to the criteria of Stamati and Baeten (2014), Portugal – a former Programme country – should be classified under the category of 'strong' EU pressure. However, the situation has changed over time and, especially after the appointment of a government led by the Socialist party in October 2017, the country has gained more autonomy *vis-à-vis* EU prescriptions. Consequently, we consider *Portugal* as a country subject to 'moderate to strong' EU pressure. Conversely, always according to the criteria proposed by Stamati and Baeten (*ibid.*), Italy should be considered as a country subject to moderate EU pressure. However, though not formally under a Memorandum of Understanding, the country has been subject to a form of 'informal conditionality' (Agostini *et al.* 2015) and its economic and budgetary policies have been under a strict and

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11. The author would like to thank Tom Bevers (FPS Employment, Labour and Social Dialogue - Belgium) for raising this point during the INVOTUNES kick-off meeting and providing concrete advice.

continuous scrutiny by EU institutions (<sup>12</sup>). In this sense, also Italy should be considered as a country subject to ‘moderate to strong’ EU pressure.

As for Germany, being a member of the euro-area, Stamati and Baeten (2014) would consider it as a country subject to a moderate degree of EU pressure. Yet, the degree of adaptation of the country to EU prescriptions seems rather low as showed, for instance, by the resistance to the reiterated Recommendation of the Commission to address its surplus. For these reasons, we consider *Germany* as a country subject to a ‘weak to moderate’ degree of EU pressure. Conversely, not being a member of the eurozone, Hungary should be classified as a country under a ‘weak’ degree of EU pressure. However, considering a relatively high rate of adaptation to EU Recommendations, we consider *Hungary* as subject to a ‘weak to moderate’ degree of EU pressure. As for the other countries analysed in the present study, we consider Finland, Belgium and Bulgaria as subject to a ‘moderate’ degree of EU pressure and Sweden to a ‘weak’ one.

Using the three variables mentioned above, we have selected **eight Member States for conducting detailed case studies**: Belgium, Bulgaria, Finland, Germany, Hungary, Italy, Portugal, and Sweden. The case selection is based on a **most-dissimilar-cases selection strategy**, aiming to select cases which present variety in the dimensions relevant for the analysis (cf. Table 1). This research strategy should allow for a **certain degree of generalisation** of the findings beyond the selected Member States and help us identify targeted strategies for improving the effectiveness of involvement in each Member State. Furthermore, the relatively large number of case studies, representing almost **one third of EU Member States** (8 out of 28), should make it easier to generalise the research findings.

The sample of Member States includes (see Table 1):

- a. Countries belonging to the Northern industrial relations cluster (Finland and Sweden); the Central Western cluster (Belgium and Germany), the Central Eastern cluster (Bulgaria and Hungary) and the Southern cluster (Portugal and Italy).
- b. Two countries subject to a moderate to strong degree of EU pressure (Italy and Portugal), three countries with a moderate degree of pressure (Belgium, Bulgaria and Finland), two countries subject to a weak to moderate degree of EU pressure (Germany and Hungary) and one subject to a weak degree of pressure from the EU (Sweden).
- c. Countries with medium Semester resources (Finland, , Germany, Hungary, Italy, Portugal and Sweden ) and with high resources (Belgium and Bulgaria).

**Table 1. Summary table for case selection**

Dimensions			
Countries	Industrial relations system*	Degree of EU pressure**	Trade union Semester resources***
Finland	Northern	Moderate	Medium
Sweden	Northern	Weak	Medium
Belgium	Central-West	Moderate	High
Germany	Central West	Weak to moderate	Medium
Bulgaria	Central-Eastern	Moderate	High
Hungary	Central-Eastern	Weak to moderate	Medium
Italy	Southern	Moderate to strong	Medium
Portugal	Southern	Moderate to strong	Medium

**Sources:** \*Author’s own elaboration, drawing on Eurofound (2015); \*\* Author’s elaboration, based on Stamati and Baeten (2014); \*\*\* ETUC self-assessment.

12. The most striking example of this is the letter jointly signed by the President of the ECB and his designated successor sent to the Italian government in the summer 2013. The letter set out a detailed policy agenda, as well as the legal instruments through which it should be implemented.

As already explained, one of the aims of the present research is to identify the **strategies** followed by national trade unions with a view to becoming involved in the European Semester. Here, we hypothesise that the strategies selected depend on 5 factors (cf. Figure 2): (a) the *policy goals and expectations* of relevant players; (b) the *institutional setting* <sup>(13)</sup> and the *specific issue area*; (c) the *available resources*; (d) the *stage of the policy-making process*; and (e) available mechanisms for coordination. In short, we assume that the institutional setting plays a key role, determining constraints and opportunities for involvement, access points, and resources needed. The issue area may determine the targets of national trade unions’ strategies <sup>(14)</sup>. Furthermore, the strategies for involvement followed by trade unions may vary depending on the specific stage of the policy-making at which they want to be involved. The role of goals and expectations in defining actors’ strategies is self-evident.

**Figure 2. Determinants of trade unions’ strategies**



**Source:** author’s own elaboration

Clearly, the key criterion to assess the effectiveness of trade unions’ strategies is to what extent these strategies allow them to achieve their goals (which, in our case, we assume to be to exert an influence on the outputs and outcomes of the Semester).

**3.1 The ‘in-depth case study’: the European Semester and national social dialogue**

Besides providing an overview of mechanisms for access, resources available, influence, and strategies for involvement (as well as the links between the Semester and national social dialogue) in the selected countries, the research team will also perform in-depth case study on how trade unions have been involved in the development of a specific national policy initiative linked to the Semester (in one of the areas dealt with in this study). The initiatives to be selected should be linked to **national or subnational social dialogue processes**.

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13. Admittedly, the relationship between institutional settings and interest groups’ strategies is circular. On the one hand, from a neo-institutionalist perspective, the institutional setting determines the strategy for involvement by providing specific venues and procedures for access as well as opportunities and constraints. On the other hand, the strategies implemented by interest groups may affect and actually modify the key features of institutional settings.

14. For instance, since the EU has limited competences in the domain of employment and social policy and wages, national trade unions might prefer to target national decision-makers.

**Crucially**, one should notice that the aim of the in-depth case studies is **not** to investigate the influence of the European Semester on national policy decisions but to understand **if and to what extent** the European Semester and national social dialogue interact and what is the role played by national trade unions in the framework of this interaction (if any).

This raises an important and challenging question. *How can we **disentangle** the decision-making procedures linked to the Semester from decisions taken (exclusively) in the context of national policy-making (e.g. social dialogue)?* In other words, how can we disentangle, at national level, the procedures of the Semester from the 'ordinary' decision making process, which may not be linked at all to the Semester? One solution to this dilemma would be to focus exclusively on the outputs of the process, i.e. to verify how and to what extent trade unions have been involved in the drafting of national Semester documents such as the NRPs. In this research we will try to be more ambitious: we will assess, to the extent of the possible, the involvement and influence of national trade unions on the **outcomes** of the decision-making process.

In order to be able to establish that (a) a domestic policy initiative addressed in the framework of national social dialogue is linked to the European Semester and (b) that trade unions are involved in the making of that initiative, all eight case studies should select *initiatives that have been addressed in the framework of the Semester* in both the EU cycle (e.g. in the CSRs or their recitals) and the national cycle (e.g., mentioned in the National Reform Programmes or the Stability or Convergence Programmes) of the Semester.

In selecting these initiatives, case studies will rely on a **two-step approach**. First, the national teams will select two or three policy initiatives for which the degree of EU pressure is high, meaning that the theme has been repeatedly raised in Semester documents, such as the CSRs, and/or the in-depth reviews of the Macro-economic imbalances procedure, and/or the Commission's assessments of national Stability and Convergence programmes drafted annually as part of the Excessive deficit procedure. Second, we national teams will submit the selected initiatives to the expert advice of the national Trade Unions' Semester Liaison Officers (TUSLO's), who can provide input regarding the choice of the initiative for the in-depth analysis (the list of TUSLOS is available from the INVOTUNES Basecamp).

In other words, based on our hypothesis that the greater the pressure from the EU, the greater the incentive for trade unions to be involved in the Semester, we follow a **most-likely case selection strategy**. This strategy should enable us to generalise the findings to some extent, based on the assumption that, if the expected outcome is not present in those cases, it is unlikely to be present in other cases.

## 4. Research methodology

### 4.1 Introduction

The present research will combine **qualitative** and **quantitative** research methods. For **qualitative research**, we will base ourselves on the analysis in the *scientific literature* (in particular the literature on interest groups, Europeanisation and multi-level governance) and on secondary sources (i.e. documents produced by EU-level and national trade unions and public authorities). In addition to desk research, a number of *semi-structured interviews* will be carried out with trade union representatives and public authorities in the selected Member States and at the EU level. With a minimum of **eight interviewees** per case study, the respondents will be made up of: trade unions' Semester liaison officers, national trade unionists from national confederations, EU and national policy makers (including a European Semester Officer) and employers' representatives at the national level (see the Guidelines for case studies for more details).

As for **quantitative research**, in order to reach as many trade union representatives in the Member States as possible and produce results which are more generally applicable, we will carry out an *online survey* (in English) covering the main confederal trade union organisations in the 20 Member States not considered by the case studies in the present analysis. In order to ensure the possibility to cumulate the findings of the survey with the findings from our case studies (gathered through qualitative methods), the questions for the online survey and the questionnaires for the interviews in the in-depth case studies will be very similar. They will cover topics such as awareness of the Semester among national trade unionists and an assessment of the mechanisms for access, outputs and outcomes of the involvement process.

### 4.2 The challenge of measuring influence: methodological insights from the literature

As reported above, measuring the influence of interest groups on the outputs and the outcomes of the policy process is a formidable challenge. Looking at the scientific literature, **three methodologies** can be identified (Dür 2008):

1) *Process-tracing*. The aim of process-tracing (George and Bennet 2005) is to identify the causal chain and causal mechanisms linking an independent variable to the outcome of a dependent variable. In the case of interest groups' influence on policy-making, researchers should *'[...] scrutinize groups' preferences, their influence attempts, their access to decision makers, decision makers' responses to the influence attempts, the degree to which groups' preferences are reflected in outcomes and groups' statements of (dis-)satisfaction with the outcome'* (Dür 2008: 562).

2) *Attributed influence*. In this methodology, groups can be asked, usually by mean of surveys, to provide a self-assessment of their influence or an assessment of other groups' influence (Dür 2008: 565). In addition to this, surveys could be also submitted to other observers, who should report on groups' reputation for influence (ibid.)

3) *Assessing the degree of preference attainments*. *'In this method, the outcomes of political processes are compared with the basic ideal points of actors [...] The distance between an outcome and the ideal point of an actor reflects the influence of this actor'* (Dür 2008: 566).

A further methodology that appears particularly promising is the '**EAR** <sup>(15)</sup> **instrument**' (Arts and Verschuren 1999). Based on triangulation, it combines the attributed influence method with process

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15. EAR stands for 'Ego-perception (E), alter-perception (A) and research analysis (R)'.

tracing. In a nutshell (ibid.), the EAR instrument relies on three dimensions: (a) *Ego-perception (E)*, i.e. actors' perception of their own influence on policy making or of the lack of it; (b) *Alter-perception (A)*, i.e. the perception of other key players of the influence of the interest group under scrutiny; and (c) *researcher analysis*, i.e. '[...] a check by the researcher of the validity of these perceptions, based on a reconstruction of the players' goal achievements [...]' (Arts and Verschuren 1999). Researchers' analysis should also involve careful documentary scrutiny to check the validity of actors' perceptions. If the ego- and alter-perceptions disagree, the researcher's judgement prevails (ibid: 418).

In our case, we need to measure the ego-perception of national trade unionists and the alter-perceptions of other actors, such as national and European officials and business representatives.

### 4.3 The units of analysis

In the present research, we will mix different methodologies. This is because we are addressing **three different units of analysis** at different **levels** <sup>(16)</sup>, from the broader to the more specific level:

- 1) The **EU 28 level**. The aim of this strand of the research is to provide a broad overview of the mechanisms for access, resources available, influence (outputs and outcomes) and types of national trade union involvement in the Semester in the 28 EU Member States (i.e. 20 Member States covered by the online survey plus the eight case studies). The methodologies used will be an online survey (cf. Section 4.1) based on the *attributed influence* method. Respondents to the surveys will be national trade unionists at the confederal level, including the Trade Union Semester Liaison Officers (TUSLOS).
- 2) The **national level** (8 countries). The aim of this strand of the research is to identify, more precisely, the mechanisms for access, resources available, strategies, and influence of trade union involvement in the Semester (and, potentially, the type of involvement) and to have a preliminary idea of how the Semester interacts with the 'ordinary' national policy making process (in particular, social dialogue and its evolution over the period under scrutiny). The analysis will be limited to the eight Member States selected. In this case, the methodology used will be the *attributed influence* method (involving, besides trade unionists, other relevant actors) complemented by *documentary analysis*.
- 3) A specific **policy initiative** (the in-depth case studies). The aim of this strand of the research is to obtain a detailed view of the mechanisms for access, the resources available, the strategies, the influence and, potentially, the type of involvement of national trade unions in a specific national policy initiative linked to the Semester, as well as showing the (possible) linkages between the Semester and national decision-making processes (in particular, social dialogue). The methodology to be followed here is *process tracing, together with the EAR instrument*. The analysis will be limited to the eight Member States selected.

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16. This implies that the level of detail will vary according to the various levels (strands) of the research, ranging from a broad overview of the situation in the 28 EU Member States to a detailed analysis of the specific policy initiatives selected.

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With the financial support of the

