

Master Thesis

Double Diploma

Changes in political discourse in the Open Method of Coordination on Employment and the Open Method of Coordination on Social Inclusion:

An analysis of the neo-liberal and social investment discourse.

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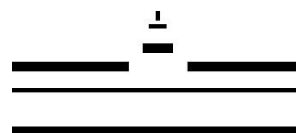
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Abstract

In the literature quite contradicting views exist in regard to which discourses are marking the European Union's social policy, and more precisely the content of the Open Methods of Coordination. Therefore, in this thesis it will first be researched to what extent the content of the OMC on Employment (Council of Ministers' Employment Guidelines) and the OMC on Social Inclusion (European Council Spring Presidency Conclusions) were marked by the neo-liberal and social investment discourse between 2000 and 2013. This discourse analysis is based on the theory of discursive institutionalism, which considers the role of the actors involved in the formulation of the discourse. Secondly, it is aimed at explaining the presence of these discourses by relating them to two possible independent variables (debt and ideology). For this purpose the research starts with performing a qualitative content analysis that uses Atlas.ti to apply an innovative coding scheme that was developed specifically for this thesis. This coding exercise showed that the social investment discourse was marking the content of the two OMCs stronger than the neo-liberal discourse in all years from 2000 to 2013. Hereby the social investment discourse was especially dominant for the sub-categories 'Education' and 'Equality', whereas for the core aspects of the two OMCs - 'Employment' and 'Social Inclusion and Poverty' - ambiguity existed, as both discourses mention these categories. Concerning the role of the two independent variables debt and ideology, the statistical analysis showed that these have to be disregarded as an explanatory factor. However, generally national pressures seem to drive certain discourses stronger in the content of the European Council Spring Presidency Conclusions. Another interesting finding was the fact that the number of sentences that deals with social policy decreased in both OMCs from 2009/2010 on, which was in line with a majority of Member States having excessive debt. Research revealed that attention was shifted to economic issues, which could be an indication of a move towards neo-liberalism. On the other hand it could just mean that Member States are concerned with other issues and therefore do not care much about what is adopted in the OMCs, as these are not linked to any sanctions. The thesis ends with the recommendation that the European Council Spring Presidency Conclusions might benefit from being based on a Commission proposal like the Council of Minister's Employment Guidelines are.

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List of Abbreviations

BEPG	Broad Economic Policy Guidelines
CAQDAS	Computer-assisted Qualitative Data Analysis Software
CHES	Chapel Hill Expert Survey
CMP	Comparative Manifestos Project
EU	European Union
EES	European Employment Strategy
Kalpha	Krippendorff's Alpha
NL	Neo-liberalism
OMC	Open Method of Coordination
QS	Quasi- sentences
SI	Social Investment
SIP	Social Investment Package
SGP	Stability and Growth Pact

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1. Introduction

In the European Union (EU), social policy is made through the Open Method of Coordination (OMC), which was officially created with the so called Lisbon Strategy in 2000¹². In order to be able to analyse the EU's social policy, one has to analyse the discourse present in the OMCs. This is due to the fact that the OMC is "mainly a matter of discourse" (Barbier, 2011, p. 5) and "EU social policy could [even] be regarded as the realm of discourse *par excellence*" (Barbier, 2011, p. 5).

In the literature quite contradicting views exist in regard to which discourses are marking the European Union's social policy, and more precisely the content of the Open Methods of Coordination. Some authors claim that the social OMCs are marked by a neo-liberal discourse, while other refer to them as social investment strategies.

Several scholars for example state that the Lisbon Strategy presents a social investment perspective (Morel, Palier, & Palme, 2009, 2011; Palme, 2009; Vandenbroucke & Vleminckx, 2011) as employment, quality of jobs and investing in people is promoted (Jacobsson, 2009, p. 120; Palme, 2009, p. 177). Others consider the same Strategy and the OMCs to be based on a strong neo-liberal agenda, which was reinforced in the re-launched Lisbon Strategy of 2005 (Lundvall & Lorenz, 2011, pp. 4,5). This was on the one hand enhanced by the fact that Commission President Barroso (2004 – present) "initiated a shift in emphasis giving more attention to economic growth and job creation and less to social cohesion" (Lundvall & Lorenz, 2011, p. 238). On the other hand the financial crisis that hit Europe in 2008 caused the Member States to implement (neo-liberal) austerity measures and decreased the attention paid to social policy even more (Barbier, 2011, p. 16). However, in 2013 the European Commission created a Social Investment Package (SIP) that urges the Member States to "better reflect social investment in the allocation of resources and the general architecture of social policy. This means putting greater focus on policies such as (child)care, education, training, active labour market policies, housing support, rehabilitation and health services" (Commission, 2013a, p. 9). This Package is by some authors seen as a "fundamental and positive re-orientation in the way that the EU and its Member States approach social policy" (socialserviceseurope.eu, 2013, p. 3) and is seen as a re-activation of the social dimension of Europe (Vanhercke & Natali, 2013, p. 21). Other scholars however consider the SIP as being just lip service and not altering "the fact that the EU's dominant discourse is still embedded in 'ordoliberalism'" [Barbier, 2012, quoted in Vanhercke (2013, p. 112)].

Due to the fact that these analyses mainly rest upon a global reading of the OMCs and at times only refer to a single quote, it is impossible to evaluate which of these authors' conclusions are accurate. Thus no clear analysis exists, but rather contradiction is present

¹ Although the Broad Economic Policy Guidelines (BEPG) and the European Employment Strategy (EES) already embodied a 'prototype- OMC', it was not till the year 2000 that the Lisbon European Council made the method an official policy tool.

² The Lisbon Strategy is also referred to as Lisbon Agenda or Lisbon Process.

about whether the social OMCs contain a neo-liberal or social investment discourse. Hence the interesting question arises which perspective is really marking the European Union's social policy, and more precisely the content of the Open Methods of Coordination. Researching this is relevant as it will show whether one coherent discourse was prevailing and thereby allows making recommendations for further policy-making and welfare state modernization. Next to this, "the credibility of a discourse is likely to benefit from consistency and coherence across policy sectors" (Schmidt, 2008, p. 311).

As it is not possible to analyze all social OMCs, the focus of this thesis lies on those two OMCs that have been applied the longest: the OMC on Employment and OMC on Social Inclusion. This allows to study how the content these OMCs was marked by a specific discourse over time, as well as the influence of different kinds of actors on this discourse.

The OMC on Employment, more precisely the Council of Minister's Employment Guidelines (also called European Employment Strategy), is created through a proposal of the European Commission, which has to reach a qualified majority in the Council of Ministers. The OMC on Social Inclusion, which is found in the European Council Spring Presidency Conclusions, is made by the European Council. Next to the Commission the Member States are hence involved in shaping the content of the two OMCs. Due to this, it will be interesting to find out whether the Member State's debt, as well as their governments' ideological position have an effect on the extent to which the two OMCs contained the neo-liberal or social investment discourse.

The aim of this thesis is thus twofold: on the basis of a comparison of two selected OMCs (OMC on Employment and OMC on Social Inclusion) it will first be researched to what extent the neo-liberal and social investment discourse marked these OMCs. Secondly, it is aimed at explaining the presence of these discourses by relating them to two possible independent variables (debt and ideology). In order to do so, this thesis is structured as follows: The next chapter will provide the theoretical framework of the study. Here, the main concepts will be introduced, alongside with detail on the EU's social policy discourse and the position of the actors involved in this discourse. Beside this, the assumed relationships at work will be specified through the main research question, the sub-questions and the hypotheses. Chapter three deals with the methodology for the discourse analysis, and more precisely with the methodology for the data collection and the data analysis. The data retrieved for the content of the two OMCs is collected through a qualitative content analysis that uses Atlas.ti to apply a detailed coding scheme. For the independent variables the data is obtained unobtrusively from the Chapel Hill Expert Survey (CHES) and Eurostat. The outcome of the analysis of this data can be found in Chapter four, which gives the answer to the sub-questions, as well as provides the outcomes of the hypotheses testing. The paper ends with a conclusion, which includes a discussion on the ambiguity that was found, the likelihood of uploading and downloading and the meaning of less sentences dealing with social policy. Besides this, the theoretical relevance is pointed out, a recommendation is given, as well as the limitations of the study and aspects for further research are explained.

2. Theoretical Framework

This chapter sets out the theoretical framework and thus defines the main concepts that will be applied, as well as specifies the research question, sub-questions and hypotheses. In short, a discourse analysis will be undertaken, which will analyse in depth the EU's social policy discourse, which is found in the Open Methods of Coordination. In order to gain an overview, the evolution of this discourse, as well as the actors involved and their positions will be explained below. To be precise, the research aims at finding out to what extent the content of the OMC on Employment (Council of Minister's Employment Guidelines) and of the OMC on Social Inclusion (European Council Spring Presidency Conclusions) is marked by the neo-liberal and social investment discourse, and how this presence can be explained.

2.1. Discourse Analysis

When one wants to analyse the content of the EU's social policy, which is created through the Open Method of Coordination, one has to analyse the discourse present in the OMCs. This is due to the fact that the OMC is "mainly a matter of discourse" (Barbier, 2011, p. 5) and "EU social policy could [even] be regarded as the realm of discourse *par excellence*" (Barbier, 2011, p. 5). Therefore, in this thesis an analysis of the European Union's social policy discourse in form of a qualitative content analysis of two OMCs will be undertaken. But before going into detail on the EU's social policy and the OMCs, it first will be explained what discourse analysis is.

In social science, 'discourse' is often interchangeably used with terms like 'frame', 'ideology', 'idea', 'opinion', 'perspective', and 'argument'. At first sight, discourse is a "linguistic action, be it written, visual or oral communication, verbal or nonverbal, undertaken by social actors in a specific setting determined by social rules, norms and conventions" (Wodak & Krzyzanowski, 2008, p. 5).

In this thesis 'discursive institutionalism', as developed by Schmidt (2008, 2010), will be used as an analytic framework. This framework is especially useful, as it is concerned with the substantive content of ideas and the interactive processes through which actors articulate and communicate their ideas in their institutional context (Schmidt, 2008, p. 306). Those ideas are more precisely communicated via discourse, which provides "insights into the dynamics of institutional change by explaining the actual preferences, strategies, and normative orientations of actors" (Schmidt, 2010, p. 1). The institutions are hereby the structures and constructs of meaning internal to the actors, who are able to "think outside the institutions in which they continue to act, [communicate and deliberate critically about them], persuade themselves as well as others to change their minds about their institutions, and then [...] take action to change them, [...] by building 'discursive coalitions' for reform" (Schmidt, 2010, p. 16).

Actors thus have subjective interests and behave rationally when pursuing their goals, as they are able to state their intentions, reflect upon their actions, reason with others and change their minds in response to persuasion (Schmidt, 2010, p. 17). Fairclough (2005, p. 77) adds to this that discourses are serving political goals and are basically specific ways of representing (or imagining) a certain political-economic order. By using a specific discourse, particular values, meanings and eventually ways of action are prescribed and proscribed and the range of possible policy options and possible policy outcomes gets defined (Humphreys, 2009, p. 319; Litfin, 1994, p. 13; Yanow, 2000, p. 12). Schmidt (2008) explains that “most discursive interactions actually involve both arguing and bargaining” (p. 312). This is backed up by Humphreys (2009) who states that “discursive struggles are often struggles over power” (p. 319). However, in situations where a large number of actors has to be persuaded, these struggles make it sometimes rather difficult to come to an agreement. Easing this problem can be achieved through vagueness of discourse, which “especially helps in the context of international diplomacy, when the same discourse can be read in radically different ways” (Schmidt, 2008, p. 311).

Overall, ideas and discourse thus matter and are in the European Union most essential when it comes to social policy, as this is basically the realm of discourse *par excellence* (Barbier, 2011, p. 5). As social policy is coordinated through the Open Method of Coordination in the European Union (see below for detail), it will be analysed how the content of this method is marked by two specific discourses.

2.2. Evolution of the EU’s social policy discourse

Before performing a content analysis of the EU’s social policy discourse, which is the aim of this study, it is helpful to first research how this discourse has evolved. Such an overview is beneficial for two reasons. On the one hand, it shows which actors and at times also external events influence the content of the discourse, and are thus important factors to account for. On the other hand, the historical context provides a framework that helps to explain the findings made in this thesis.

Historically, social policy has always been subordinate to economic issues in the European Union. Due to this, “the master discourse has consistently been the economic coordination and communicative discourse [...] with social policy and economic policy being regarded as separate fields” (Barbier, 2011, pp. 9-10). However, in the mid- and late 1990s the situation started to change and was subject to shifts throughout the years. Barbier (2011) actually identifies three distinct periods of discursive approach: 1995-2004, 2005-2009 and 2010 and onwards.

Phase 1: 1995-2004

The first activity in the area of social policy already took place in 1992, before the start of Barbier’s first specified period. That year, eleven states attached a Protocol and an Agreement

on Social Policy to the Maastricht Treaty. Real progress in form of a 'social chapter' was however hindered by the veto of the UK (O'Connor, 2005, p. 347), as will be explained in more detail below.

The first major change took place in 1997, when the Agreement of social policy was incorporated into the Amsterdam Treaty, together with an employment title (Nugent, 2006, p. 373). The Amsterdam Treaty in short established 'a high level of employment' as one of the Union's specific objectives, called for coordinated action on employment by the Member States, and also considered mainstreaming equality between men and women as a key objective (O'Connor, 2005, p. 348). Hence it can be concluded that the employment title that institutionalized the European Employment Strategy (EES) presented a big advancement in the EU's social policy discourse. Barbier (2011) explains that "with the EES, the issue of 'full employment' returned to the EU agenda, and the 'quality' issue was included [and] social cohesion and inclusion in the labour market constituted a third pillar" (p.14).

A next milestone in regard to the EU's social policy discourse was the creation of the Open Method of Coordination in 2000. This creation occurred at the Lisbon European Council Spring meeting together with the adoption of the Lisbon Strategy. This Strategy's main goal was "to become the most competitive and dynamic knowledge-based economy in the world capable of sustainable economic growth with more and better jobs and greater social cohesion" (EuropeanCouncil, 2000). In regard to social policy the focus lay on modernizing the European Social Model, via the OMC, by investing in people and combating social exclusion (EuropeanCouncil, 2000). Several scholars therefore state that the Lisbon Strategy presents a social investment perspective (Jacobsson, 2009; Morel et al., 2009, 2011; Palme, 2009; Vandenbroucke & Vleminckx, 2011). Others however consider the same Strategy and the OMCs to be based on a neo-liberal agenda (Lundvall & Lorenz, 2011, pp. 4,5).

Generally, the OMC was judged to be an appropriate policy tool as it is not only a voluntary process for political cooperation, but also a mean for "spreading best practice and achieving greater convergence towards the main EU goals" (EuropeanCouncil, 2000). This is due to the fact that it involves the adoption of non-binding guidelines and objectives, as well as includes quantitative and qualitative indicators and is subject to periodic monitoring, evaluation and peer review organised as mutual learning processes (EuropeanCouncil, 2000). Although no sanctions exist with this 'soft law', enforcement is strengthened by benchmarking, peer pressure and 'naming and shaming' (Hix, 2005, p. 247; Nugent, 2006, p. 375). To sum it up with Radaelli's (2003, p. 17) words: "the March 2000 European Council was instrumental in forging the open method as discourse. The OMC as discourse yielded political coherence to existing practices". Barbier (2011) backs this up by explaining that the Open Method of Coordination is specified in the literature as "mainly a matter of discourse" (p. 5).

The Laeken European Council Meeting which was held in December 2001, discussed the topics raised by the Lisbon Strategy in more detail. This included a discussion on the progress towards the employment targets - overall employment rate of 70% and a female employment

rate of 60% by 2010 - that were specified the previous year (European Council, 2000). Most importantly, the Meeting brought the issue of social inclusion to the forefront as 18 common indicators were established “that included, for the first time, indicators about job and employment quality” (Barbier, 2011, p. 14). This emphasis is in line with what is advocated by the social investment discourse.

Phase 2: 2005-2009

The second period that was identified by Barbier (2011) ranges from 2005 to 2009. One important development in regard to the OMC was the fact that the OMC processes were reformed and streamlined in 2005 and 2006: The EES was merged with the Broad Economic Policy Guidelines (BEPG) and the OMC on Social Inclusion was combined with the process on pensions and health and long-term care (Commission, 2006; Deroose, Hodson, & Kuhlmann, 2008, p. 836). However, with this streamlining, the role played by the social policy discourse decreased, as attention shifted towards other issues.

This already started with the second Kok Report ‘Facing the Challenge’ from 2004, which reviewed the progress made on the Lisbon Strategy. The Report concluded that progress has been disappointing, which is due to the lack of determined political action by the EU and its Member States, as well as an overloaded agenda, poor coordination and conflicting priorities (Kok, 2004, p. 6). The relaunch of the Lisbon Strategy that was based on this Report in turn “explicitly gave primacy to job creation and growth while talking less of combating social exclusion” (Jacobsson, 2009, p. 120). The Kok Report from 2004 hence led to a change in the EU’s social policy discourse, because it “clearly privileged an orthodox neoliberal strategy, with the subordination of social policy reforms to the growth strategy” (Barbier, 2011, p. 15). This decrease of attention on social policy was worsened by the financial crisis that hit Europe in 2008. Due to the fact that the Member States had to deal with the consequences of the financial crisis, “the social policy discourse was set aside entirely” (Barbier, 2011, p. 16).

The Lisbon Treaty, which came into force in 2009, was intended to strengthen the EU’s social dimension. It recognises the social values and objectives of the Union in the founding Treaties, includes some new objectives for social matters as well as recognises the legal value of the Charter of Fundamental Rights of the EU (europa.eu, 2010). However, the competences of the EU in the social policy area remained largely unchanged (europa.eu, 2010). Therefore it could be concluded that “the Lisbon Treaty will have only a minor impact on social Europe [and] in the long term, European social policy will remain subordinate to the economy” (Schönmann, 2010, p. 5).

Phase 3: 2010

The third of Barbier’s (2011) periods of discursive approach started in 2010, with the creation of Europe 2020. According to Barbier (2011), Europe 2020 can be considered “the first phase of the renewal of the EU’s social policy discourse” (p.17). However, Barbier (2011, p. 18) is at the same time critical about the success of this renewal, as especially in regard to poverty the

flagship initiative lacks credibility and does not include specific targets. He sums the situation up with the following words:

“There would appear to be no doubt that firm ideological support for ‘structural reforms’ will be unconditional and omnipresent for the foreseeable future, all of which tends to substantiate the provisional assumption as to the continuing marginalization of the OMCs and social policy intervention: this will be the order of the day in the coming years, just as it was in the 2005-2008 period” (Barbier, 2011, p. 18).

It can be concluded that the social policy discourse in the EU changed throughout the last two decades. In the late 1990s and early 2000s most attention has been paid towards social issues, whereas from 2005 on economic aspects moved to the forefront. However, it is not clear to what extent the social policy discourse was marked exactly by the neo-liberal or social investment discourse in the past. All that can be said is that the EU’s social policy discourse is definitely subject to change over time, whereby different actors seem to influence this change.

2.3. Actors involved in the EU’s social policy discourse and their position

After having described the EU’s social policy discourse, the question arises how this discourse came into existence, or more precisely: which actors were involved in defining the EU’s social policy discourse, and which positions did they take?

In order to find out which actors shaped the EU’s social policy discourse, it first has to be researched who is involved in the creation of the Open Method of Coordination, which coordinates social policy in the European Union. In this thesis, the OMC on Employment and the OMC on Social Inclusion will be analysed, and hence the actors involved in these two methods are of interest here.

OMC on Social Inclusion

The OMC on Social Inclusion is a so called ‘light’ policy area in which no guidelines are published, and “the objectives are not adopted by the Council of the European Union but only by the European Council” (Büchs, 2009, p. 52) at its annual spring meetings. While adopting the common objectives, the heads of state in the European Council decide by consensus. As “member state governments take into account their political interests at home when negotiating the OMC objectives” (Büchs, 2008, p. 28), intergovernmental bargaining is taking place. During this bargaining process, each Member State uses a specific discourse in order to obtain an outcome that is closest to its ideal point. Member States are thus assumed to behave rationally and bargain with each other in several ways. The building of coalitions and alliances are hereby considered a good option for pooling bargaining power and influencing the substance of the discourse (Barbier, 2011, p. 9; Tallberg, 2008, p. 687).

OMC on Employment

Concerning the adoption of the annual European Employment Guidelines, the decision-making process is more complex, as specified in Article 148TFEU (ex Article 128)³:

“The Council⁴, on a proposal from the Commission and after consulting the European Parliament, the Economic and Social Committee, the Committee of the Regions and the Employment Committee referred to in Article 150, shall each year draw up guidelines which the Member States shall take into account in their employment policies. These guidelines shall be consistent with the broad guidelines adopted pursuant to Article 121(2).” (Europa.eu, 2007).

In order to agree on the Commission proposal, the Council of Ministers needs a qualified majority, while unanimity is necessary for rejecting or amending it (Article 293TFEU). At first sight it thus looks like the Commission is in the driving seat when it comes to making the Employment Guidelines, as its proposal has to be amended by unanimity. Research has however shown that this is not entirely the case. As the Commission is obliged to make a proposal, it can neither threaten to withdraw the proposal nor wait for the right moment to publish it, nor not publish it at all. This means that the Commission loses its implicit veto right (Jobelius, 2003, p. 9). The Commission can however still exert its agenda-setting power “as majority voting gives agenda-setting power to the actor responsible for policy initiation” (Hix, 2005, p. 306). This power allows the Commission to formulate a proposal that is “closest to its preferences and would still reach a qualified majority in the Council” (Jobelius, 2003, p. 25).

It can thus be concluded that in regard to the EU’s social policy, and more precisely for the OMC on Social Inclusion and the OMC on Employment, the Commission, as well as the Member States (in the Council and the European Council) shape the discourse. The fact that these actors shape the EU’s social policy discourse has been confirmed by authors like Barbier (2011). The EU’s social policy discourse is according to Barbier (2011) intrinsically political and “should be considered as the product of an ongoing and rather open-ended struggle for ideas, a war waged by a limited number of élite actors by confronting ‘social models’ with one another” (p.8). When talking about social policy at EU level, all actors try to advance their own specific discourse. Hence a change in discourse results from changing ideas of the actors involved, which are subject to intergovernmental bargaining. This is based on the theory of liberal intergovernmentalism, which stipulates that “governments are assumed to act purposively in the international arena but on the basis of goals that are defined domestically” (Moravcsik, 1993, p. 481). The Employment Committee, in which the Commission and the Member States discuss the Commission’s proposal for the Employment Guidelines, for

³ Even though the TFEU is quoted here, the decision making process for the European Employment Guidelines has been the same since its creation by the Amsterdam Treaty and thus applies to each year included in this research equally.

⁴ Council is referring to the Council of Ministers here.

example is “driven by intergovernmental, interest-driven bargaining rather than results-oriented open deliberation” (Rhodes, 2005, p. 298). Barbier (2011, p. 10) explains that in the EU, “the conflicts of values in social policy choices that were less apparent from 1998 to 2004 were bound to reemerge and in the following years it became increasingly impossible to suppress them [and the financial] crisis inevitably led to sharpening of these value conflicts”.

2.3.1. Commission

As was just explained, the position of the European Commission influences the formulation of the EU’s social policy discourse, and specifically the discourse present in the content of the Employment Guidelines. In the mid- 1990s the Commission started to bring social aspects onto the EU’s Agenda and especially the Commission’s President Jacques Delors (in office from 1985 to 1994) was pushing for the advancement of social policy at the EU level. Under his auspices a White Paper on Growth, Competitiveness and Employment was published in 1993, which provided the basic elements for the EU’s social policy discourse (Barbier, 2011, p. 14). Next to this, in 1994, a White Paper called ‘European Social Policy: a Way Forward for the Union’ was presented. It specified the “shared values which form the basis of the European social model: democracy and individual rights free collective bargaining, the market economy, equality of opportunity for all and social welfare and solidarity” (Commission, 1994, p. 2). Besides this, the Commission pointed out that economic and social progress must go hand in hand (Commission, 1994, p. 2). Overall, under President Delors “the Commission was extremely active and took the lead in promoting new processes, not shy, on occasion, of confronting member states” (Barbier, 2011, p. 13). Next to Delors, Commission president Prodi also arbitrated in favour of DG employment and social affairs (Barbier, 2011, p. 14) but after the end of Prodi’s term in 2004, attention on social policy decreased, as shown above.

The new Commission under Barroso “was considerably less active in the social field” (Barbier, 2011, p. 15) and “initiated a shift in emphasis giving more attention to economic growth and job creation and less to social cohesion” (Lundvall & Lorenz, 2011, p. 238). The OMC in turn became routinized and the social policy discourse was basically set aside entirely (Barbier, 2011, p. 16). This is also due to the decrease of the Commission’s powers, vis-à-vis those of the Member States. On the one hand, the Commission had to face the failed referenda on the Constitutional Treaty, while on the other hand it was excluded from any decisions made about fiscal stimuli and financial help for Greece.

In 2013, the Commission after a long time provided substantive input for the EU’s social policy discourse again, by introducing a Social Investment Package for Growth and Cohesion⁵. This Package specifies that social policies should be regarded as social investments that yield (medium- and long-term) benefits. It further emphasizes to modernise social policies to

⁵ Communication from the Commission: Towards Social Investment for Growth and Cohesion – including implementing the European Social Fund 2014-2020 (COM/2013/083/final).

optimise their effectiveness and efficiency. Next to this it stresses topics like prevention, improving people's opportunities to participate in society and the labour market, fight poverty and social inclusion and help the EU's citizens throughout their lives (Commission, 2013b).

On the positive side, this Package shows that the Commission has realized that austerity policies have rather adverse effects (Vanhercke, 2013, p. 112) and that social investments are more beneficial for dealing with the consequences of the financial crisis, as they can combine social and economic governance. The Social Services Europe Network believes that "the substance of the package represents a fundamental and positive re-orientation in the way that the EU and its Member States approach social policy" (socialserviceseurope.eu, 2013, p. 3), and even refers to it as an important paradigm shift in European social policy (p. 3). Vanhercke and Natali (2013, p. 21) back this up considering the SIP as a re-activation of the social dimension of Europe. However, on the negative side, the main "problem is how to give substance to the formal agreements and to avoid empty declarations" (Vanhercke & Natali, 2013, p. 21). Austerity measures are still used, and indirectly accepted by the Commission, whereas a real change can only come about if social investments will actually be made. Vanhercke (2013) even states that the Social Investment Package "does not alter the fact that the EU's dominant discourse is still embedded in 'ordoliberalism' (Barbier, 2012), even though it has now been firmly established that recession hurts, but austerity kills" (p. 112). The fact that the Commission under Barroso introduced the SIP could hence be considered as merely an attempt to improve his rather negative reputation when it comes to social policy at the EU level. As shown, there are positive and negative aspects to the introduction of Social Investment Package, and it is at the time of writing too early to tell what the Commission's intentions are and whether a real change in discourse back to social aspects and more precisely towards social investment will occur.

2.3.2. Member States in the Council and European Council

Next to the Commission, the EU's Member States are trying to influence the EU's social policy discourse, in form of the Council of Ministers and the European Council.

The fact that Member States have an impact on the role played by social policy at the EU level already became clear in 1992. As described above, the Conservative Government of the UK vetoed the creation of a social chapter, and hence only eleven states attached a Protocol and an Agreement on Social Policy to the Maastricht Treaty. However, when the Labour Government became elected in the UK, all objections were withdrawn and it was possible to include an Agreement on Social Policy in the Treaty of Amsterdam (O'Connor, 2005, p. 348). This shows that "the social policy discourse at the EU level is political [among other aspects in regard to] the oppositions between governments depending on their partisan orientation" (Barbier, 2011, pp. 10-11). Hereby the Member States have to make compromises and form coalitions in order to come to an agreement among each other and with the Commission.

Next to contradictions between the Member States, a struggle for ideas exists also between the Member States and the Commission. While the Commission was pushing social policy issues forward in the 1990s, the European Council was lagging behind. Only in 2001, when the Nice European Council adopted the agreement on the European Social Policy Agenda, it caught up with Commission's ideas already presented in its White Paper on Social Policy in 1994 (O'Connor, 2005, p. 349).

However, from 2005 onwards the Commission's powers decreased vis-à-vis those of the Member States. Hence, "in the absence of any distinctive substantive input from the Commission, the final version of policy discourses in various areas was, by this stage, essentially the outcome of traditional horse-trading between member states" (Barbier, 2011, p. 15). This led to the fact that the social policy discourse basically disappeared from 2008 on, as the Member States were concerned with the consequences of the financial crisis. The crisis was hereby "used systematically by member states to impose social protection cuts and containment measures" (Barbier, 2011, p. 20), which the Commission was silently supporting. Those cuts and austerity measures were especially at the order of the day because right-wing governments were in the majority and according to Barbier (2011, p. 11) "the élites in all member states underwent a conversion, back in the 1990s, to 'managerial neo-liberalism' (Jobert, 1994; Campbell and Pedersen, 2001)". Overall, many Member States were against furthering social policies at EU level and against 'social federalism' (Barbier, 2011, p. 20).

Two-level game

The discourse is thus shaped by the domestic interests of each Member State in the intergovernmental bargaining process, which involves a two-level game.

As explained by Moravcsik (1993, p. 481), each government's position is based on domestically defined goals and is "changing in accordance with national political decisions" (Barbier, 2011, p. 9). The Ministers in the Council of Ministers and the European Council all have to fulfill the political mandates from their ministries 'back home' (Jacobsson & Vifell, 2003, p. 12). A 'two-level game', as first described by Putnam (1988), thus applies to the negotiations on the content of the OMCs. During this two-level game, Member States are uploading, as well as downloading ideas about social policies in the OMCs.

Uploading hereby refers to a process of change initiated at national level, followed by an actual change at the EU level (Stiller & van Gerven, 2012, p. 121). To be precise, in this thesis it involves the transfer of social policy ideas marked by neo-liberalism or social investment to the content of the Employment Guidelines and European Council Conclusions. In the Netherlands for example, "Minister Melkert successfully positioned ideas about comprehensive activation on the EES agenda" (Stiller & van Gerven, 2012, p. 128). Downloading on the other hand for example occurs "if a process of policy change at the domestic level is preceded by usage of the EES" [(Stiller & van Gerven, 2012, p. 121), based on Radaelli (2004:10)]. Hereby, politicians are however selective and "often 'cherry pick' aspects of the OMC according to their political interests so that only those aspects of the OMC

are used which suit their current policy plans” (Büchs, 2007, p. 105). Hence the OMCs is often applied by national ministers to legitimize, justify or speed up domestic reforms (see Stiller and van Gerven, 2012 for detail). This selective downloading is based on the fact that the Member States are keen on maintaining their national autonomy in regard to social policy. Next to this, maintaining national autonomy over social policy can be achieved by being ambiguous, as “vagueness [of discourses] especially helps in the context of international diplomacy, when the same discourse can be read in radically different ways” (Schmidt, 2008, p. 311).

To sum up, when it comes to the EU’s social policy discourse, the Commission, the Council and the European Council all try to advance their own ideas and hence shape the discourse. Doing so involves negotiating and bargaining, through which the Commission and the Member States eventually have to reach agreement. As shown, the ideas present within the EU’s social policy discourse have changed over time, which is due to the changing preferences of the actors involved. It can be concluded that “the influence of social policy discourse is [...] limited by, on the one hand, the predominance ascribed to overall macroeconomic coordination, and, on the other, the paramount role played by national compromises in the social policy area” (Barbier, 2011, p. 12).

2.4. Neo-liberal and social investment discourse

As just stated, the Commission, the Council and the European Council all try to advance their own ideas in regard to social policy, but what are those ideas specifically? Two political discourses can theoretically mark the content of the EU’s social policy: neo-liberalism and social investment⁶.

Neo-liberal discourse

In the late 1970s and 1980s, especially under Reagan and Thatcher, the neo-liberalism discourse became dominant, which assumes that markets can generate well-being. This assumption derives from the fact that markets are based on competition, economic efficiency and choice (Larner, 2000, p. 5) and are hence the model for proper government (Steger & Roy, 2010, p. 12). This was seen as a reason for ‘rolling back’ the welfare state by redesigning and limiting social programmes, as these are viewed to be in conflict with economic prosperity and employment growth (Jenson, 2009, p. 30; Larner, 2000, p. 7; Morel et al., 2011, p. 2). In short, it was feared that “spending in the present would risk mortgaging the wellbeing of future generations [and therefore] it was better to keep debt low than to do that” (Jenson, 2009, p. 37).

Employment growth and market participation in general are seen by neo-liberalists as the solution to (social) problems (Jenson, 2009; Morel et al., 2011). They therefore advocate that

⁶ Social investment is also referred to as ‘social development’, ‘enabling state’, ‘developmental welfare state’ or ‘productive social policy’. In this thesis, the most prominent description of ‘social investment’ will be used.

‘any job is a good job’ and are in favour non-standard labour contracts, less protection and increased wage flexibility (Lundvall & Lorenz, 2011, p. 13). The assumption is that by giving people any job, poverty will get reduced, which in turn will lead to social inclusion. Next to this, a reduction of the tax burden is believed to increase the incentives to work (Glazer, 1984, p. 84).

The overall aim is thus to force the unemployed into any paid work, so that they rely as little as possible on social benefits. Neo-liberals actually feel that unemployment benefits “undermine the incentives that move the poor into economic action and out of poverty” (Glazer, 1984, p. 78) and are hence convinced that people would actually work if unemployment benefits were reduced (Kus, 2006, p. 508). Generally “the social safety net [should be] reduced to a bare minimum in favour of a system that emphasized personal responsibility” (Harvey, 2005, p. 76). This personal responsibility applies to many areas, from providing for one’s own pension, over paying for private health services, to only making use of public education until able to support oneself.

In order to allow people to “pay for the service they chose, taxes must be reduced [and in consequence] if taxes were to be reduced, so must public spending” (Ridley, 1992, p. 81). This shows that neo-liberalists despise publicly funded services as they believe that private markets are able to generate well-being. Therefore, public policies should be based on the ‘D-L-P Formula’⁷: Deregulation (of economy), Liberalization (of trade and industry), Privatization (of state-owned enterprises) (Steger & Roy, 2010, p. 14). Next to this, competition and efficiency should be inserted into public services by applying the market-principles of privatizing and marketizing (Crouch, 2011, p. 20; Jenson, 2009, p. 38; Steger & Roy, 2010, p. 35). The overall assumption is thus that “inequality is inherent in markets and is necessary to motivate economic actors” (Jenson, 2009, p. 36), so that the state does not need to focus on reducing it.

Social Investment Discourse

The social investment discourse emerged in the late 1990s and can be summarized with the slogan ‘preparing rather than repairing’. ‘Repairing’ refers to social policies that are aimed at repairing damages that already occurred by providing ex-post redistribution (Giddens, Diamond, & Liddle, 2006, p. 120; Nikolai, 2009; Vandenbroucke, Hemerijck, & Palier, 2011, p. 5). Instead of this ex-post provision, the social investment discourse focusses on prevention and wants to prepare, as well as protect the population to face the new social risks⁷ of our contemporary societies. ‘Preparing’ specifically describes “interventions that aim at helping disadvantaged people by improving their life chances, particularly their chances to enter and succeed in education and in the labour market” (Bonoli, 2009, p. 55). Due to this the social

⁷ New social risks include “ageing populations, the shift to a knowledge-based and service economy, deregulated financial markets, mobile global capital, environmental concerns and the threats of climate change (Morel et al., 2009, p. 15). For more detail also see Bonoli (2007).

investment state is also referred to as 'enabling state', as it enables citizens to care for themselves rather than caring for them (Nikolai, 2009, p. 100).

In order to enable citizens to care for themselves, public support should be provided throughout a person's life. Therefore, "the social investment perspective is based on a life-chance/life-course perspective [which] suggests that policies can be effective only if the whole chain is maintained, from early childhood education and care⁸ to lifelong training and active ageing" (Vandenbroucke et al., 2011, p. 13). Hence, investments into human capital should not only be made from childcare to higher education, but also into post-secondary education, training, and learning throughout the whole life-course (Vandenbroucke et al., 2011, p. 22). This will prepare and enable the population, as well as help it to succeed in the labour market of the knowledge- based economy.

In regard to the labour market the focus lies on quality jobs, which "aid in both the acquisition of skills and the protection of the value of the skills already acquired" (Morel et al., 2011, p. 355). Such up-skilling can be achieved by providing training, re-training and work practice, which at the same time prevent the depletion of human capital during a period of unemployment (Morel et al., 2009, p. 10; 2011, p. 10). This is connected to providing positive incentives like employment subsidies and individualized counselling, with the aim of improving employability. Next to this, flexibility in the labour market should be linked to security provisions, called flexicurity, and any transitions in a person's career should be supported by 'active securities' or 'social bridges' (Morel et al., 2009, p. 156; Vandenbroucke et al., 2011, p. 11).

Besides this, the social investment discourse considers equality of (job) opportunity and equality in income and in access to learning important aspects (Morel et al., 2009, p. 16; 2011, p. 363). The same is the case for gender equality, which can be achieved through family-friendly employment policies and specific measures to support women's. Next to this, a dual earner family should be facilitated through "a neutral, individual taxation regime, maternity-cum-parental leave with job-security and subsidized childcare" (Giddens et al., 2006, p. 115). In order to provide all this support, public services are seen as a crucial element. Such services are considered as investments in people, in order to increase employability and employment levels and prepare citizens for the 'knowledge-based' economy (Morel et al., 2011, p. 12).

Public services are according to the social investment discourse also needed to help people without adequate income, to invest into the health of the population and to provide public pension support. For financing such public programmes, as well as for investing in future tax payers, taxation is crucial (Palme, 2009, p. 179). In sum, public services, as well as quality jobs, up-skilling, life-long learning and gender equality are believed to foster greater social inclusion, which in turn will also reduce poverty. Hence generally "social investments may be

⁸ Early childhood education and care is one of the main focuses of a social investment strategy and referred to by many researchers. For more information see for example (Jenson, 2009, p. 37; Morel et al., 2011, p. 355; Vandenbroucke et al., 2011, p. 6).

defined as public expenditure that combines the solution of social problems with enhancing economic performance” (Bonoli, 2009, p. 81).

Differences

When comparing the neo-liberal and social investment discourse it becomes evident that quite some discrepancies exist between these two discourses. First, even though both discourses contain a supply-side approach, this approach differs majorly. For neo-liberalists any problems of supply can be solved by calling on workers to make themselves more employable (Jenson, 2009, p. 41). In case this is not possible neo-liberalists accept the need to provide income support for avoiding poverty, which should however be the only public spending made. The supply-side focus of the social investment discourse on the other hand realizes that “poverty and lack of access to services (including education) can hinder adequate supply” (Jenson, 2009, p. 41). Due to this, social investments are needed to help the citizens to get re-established in the labour market and into society (Jenson, 2009, p. 41).

The different supply-side approaches show at the same time the contradiction between spending on avoiding poverty in the present and investments made which focus on the future. These diverging time frames constitute the second major difference between the two discourses. The neo-liberal discourse focusses on the present by pushing all citizens onto the labour market. Next to this, it is trying to keep current public spending low, so that the wellbeing of future generations is not impeded (Jenson, 2009, p. 37). Social investments on the other hand should be provided throughout the life-course of a person. Hence “for social spending to be effective, and therefore worthwhile, it must not simply be consumed in the present to meet current needs, but it must be an investment that will pay off and reap rewards in the future” (Jenson, 2009, p. 37). As mentioned above, investment should thus be made throughout a person’s life, from early childhood education and care over lifelong training to active ageing.

This is directly linked to the third difference between the two discourses: the role of the welfare state. Neo-liberalists consider the market as the proper form of government and therefore advocate to roll back the welfare state and the influence of the government in general. Hence the neo-liberal discourse advocates to limit social programmes, as these are viewed to be in conflict with economic prosperity and employment growth (Jenson, 2009, p. 30; Lerner, 2000, p. 7; Morel et al., 2011, p. 2). The social investment perspective is proposing exactly the opposite: “since it is difficult to privately and/or collectively insure new social risks, and as capacitating social services are not self-evidently supplied by private markets, it is imperative for public policy to step in and provide effective protection against such risks” (Vandenbroucke et al., 2011, p. 8). This shows that the welfare state plays an important role under the social investment perspective, while private markets are viewed as inadequate. Next to this, social policy is not considered to be in conflict with economic and employment growth, but seen as a productive factor which enhances growth and employment (Nikolai, 2009, p. 100).

The research undertaken here has shown that the neo-liberal and social investment discourse have quite contradictory views on how social problems should be addressed (for a more detailed explanation of the two discourses see Annex 2). The interesting question thus arises how the EU's social policy discourse looks like, and more precisely to what extent the OMCs are marked by a neo-liberal and/or social investment discourse. This is especially interesting in light of the fact that a coherent discourse does not only prescribe the optimal course of policy but also because "policymakers are likely to be in a stronger position to resist pressure from societal interests when they are armed with a coherent policy paradigm" (Hall, 1993, p. 290).

2.5. Research Questions

As stated in the introduction, it has not been researched yet which perspective (neo-liberalism or social investment) marks EU social policy and whether a coherent discourse is underlying the OMC on Employment and the OMC on Social Inclusion. Therefore, the main research question of this thesis looks as follows:

To what extent was the content of the Council of Ministers' Employment Guidelines⁹ and the content of the European Council's Spring Presidency Conclusions from 2000 to 2013 marked by the neo-liberal and the social investment discourse and how can this marking be explained?

This main research question is supplemented by several sub-questions that will be answered throughout the thesis:

1. To what extent is the content of the Council of Ministers' Employment Guidelines and the European Council's Spring Presidency Conclusions from 2000 to 2013 marked by the neo-liberal discourse?
2. To what extent is the content of the Council of Ministers' Employment Guidelines and the European Council's Spring Presidency Conclusions from 2000 to 2013 marked by the social investment discourse?
3. How does the EU Member States¹⁰' excessive debt effect the strength of the social investment and neo-liberal discourse in the content of the Council of Ministers' Employment Guidelines and the European Council's Spring Presidency Conclusions in each year from 2000 to 2012¹¹?
4. How does the EU Member States' government's ideological position effect the strength of the social investment and neo-liberal discourse in the content of the

⁹ Although it is the Commission who makes the proposal for the Employment Guidelines, it is the Council of Ministers that adopts this proposal, due to which the Guidelines are officially called "Council Decision on guidelines for employment policies of the Member States".

¹⁰ Due to the fact that Croatia only joined the EU on 1 June 2013, it was not involved in the creation of the Employment Guidelines and European Council Conclusions, and is therefore not included in the analysis.

¹¹ As this research is undertaken in 2013, the Eurostat data for excessive debt have not been published yet and the analysis hence only deals with the years 2000 to 2012.

Council of Ministers' Employment Guidelines and the European Council's Spring Presidency Conclusions in each year from 2000 to 2013?

The research that will be undertaken is exploratory, as well as explanatory and the analysis will be longitudinal over fourteen years (2000-2013) for two OMC fields. Such a longitudinal analysis is judged to be the most appropriate method for answering the research question as it is "often the best way to study changes over time" (Babbie, 2007, p. 103). The exploratory part of this research deals with analysing to what extent the content of the OMC on Employment and the OMC on Social Inclusion were marked by the neo-liberal and social investment discourse. To be precise, the two OMCs refer to the Council of Ministers¹² Employment Guidelines (OMC on Employment) and the European Council's¹³ Spring Presidency Conclusions (OMC on Social Inclusion). For simplicity, in this thesis the Council of Minister's Employment Guidelines are referred to as Employment Guidelines and the European Council's Spring Presidency Conclusions are called European Council Conclusions. The explanatory part of this thesis looks at two factors that are predicted to influence the extent to which the OMCs are marked by each discourse: 'governmental debt' and the 'Member States' governments' ideological position', as is shown in Figure 1. The hypotheses linked to this, will now be explained in detail.

Figure 1: Influence of debt and ideological position on the content of the OMCs



2.6. Hypotheses

In order to answer the main research question and the sub-questions that were stated above, four hypotheses have been created to guide the analysis. Due to the fact that two different sets of documents are analyzed in this thesis, all hypotheses will be tested twice – once for the content of the Employment Guidelines and once for the content of the European Council Conclusions.

¹² 'Council of Ministers' is also referred to as Council of the European Union, or simply Council. It is always comprised of one minister per country, responsible for the policy field under discussion (Commission, s.a.-a).

¹³ 'European Council' refers to European Union institution comprised of the heads of state or government of every EU country, the Commission President and the European Council President (Commission, s.a.-b).

The Commission and Social Investment

The first hypotheses is closely linked to the already mentioned decision-making process, and more precisely to the role of the Commission. As the Commission makes a proposal for the Employment Guidelines, but not for the European Council Conclusions, it is possible to research whether this makes a difference in the degree to which the OMCs are marked by a certain discourse.

The Commission brought social policy onto the EU's agenda and was very active in the social field from the mid- 1990s to about 2005. Already in 1993 the Commission pointed out that economic and social progress must go hand in hand and mentioned several aspects in its White Papers from 1993 and 1994 that are in line with social investment. It for example puts emphasis on investment in education and training, reconciling employment and household/family life, fighting poverty and social exclusion by more than just providing new jobs, as well as paying special attention to the older population and to young people without adequate training (Commission, 1994). However from 2005 onwards, under President Barroso, attention towards social policy decreased considerably. This only started to change in 2013 again, when the Social Investment Package for Growth and Cohesion was introduced. This Package presents a definite focus on social investment and a shift back towards social policy in general. However, it remains to be seen whether this Package is more than an empty declaration or merely an attempt to improve Barroso's negative reputation in regard to social policy at the EU level. In any case, this SIP shows that the Commission is advocating social investments, which is an idea that is likely to be found back in the content of the Employment Guidelines, even though real action might not follow.

Barbier (2011) for example states that in 2010, "the substance of social policy discourse does not differ radically from that disseminated from 1993" (p.18), which indicates that the Commission seems to have leaned rather towards social investments than towards neo-liberalism throughout the years. This does not mean that the Employment Guidelines will be documents based purely on the social investment discourse, but at least it is likely that this discourse will be more dominant there than in the European Council Conclusions. This is due to the fact that the entire content of the European Council Conclusions is subject to twenty-seven different Member States' views on social policy. Therefore it is likely that in the content of these Conclusions, the social investment discourse is not as dominant as in the content of the Employment Guidelines, as a common denominator always has to be found among the Member States.

Due to this, the first hypothesis is phrased as follows:

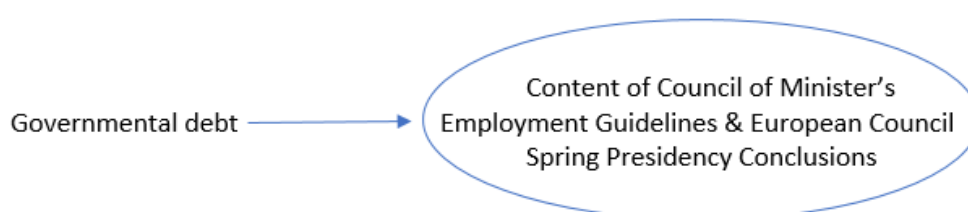
H1: The social investment discourse is likely to mark the content of the Employment Guidelines stronger than the content of the European Council Conclusions, as the Commission is involved in the creation of the former and not the latter.

Governmental debt

As explained above, the EU's social policy discourse is highly political, whereby each government's position is defined by its domestic situation. Hence, it can be assumed that a change in the domestic situation of the Member States will affect the discourse that is present in a given OMC.

One of those domestic situations that has an influence on a government's preferences and its room for action is assumed to be governmental debt, as shown in Figure 2.

Figure 2: Influence of governmental debt on the content of the OMCs



Due to this, governments with an excessive debt are hypothesized to allocate less money towards social investments and rather support a neo-liberal strategy, while governments without excessive debt are expected to do the contrary. This assumption is based on two main arguments, the cost of each strategy, and the areas in which cuts are being made.

In case Member States are breaching the limits of the Stability and Growth Pact (SGP)¹⁴, they have to take immediate measures to correct their national finances and decrease their excessive debt. Such a way of action is in line with a neo-liberal strategy, which advocates cutting spending and especially "target those government programmes that did not demonstrate immediate measureable benefits" (Steger & Roy, 2010, p. 44). The social investment strategy however "is not a cheap option that allows substantial budgetary savings [and] fully-fledged social investment strategies will [actually] require additional resources" (Vandenbroucke & Vleminckx, 2011, p. 463). Increasing spending is however not allowed in a situation of excessive debt and even governments which want to make social investments have to abstain from doing so. Besides this, research has shown that in order to decrease their debt, governments first cut social expenditure (Lora & Olivera, 2007, p. 229; Perotti, 1996, p. 108). These kind of cuts are welcomed by neo-liberals, who especially consider "social policy as a cost and a hindrance to economic and employment growth" (Morel et al., 2011, p. 2). Cutting social expenditure goes however against the core of the social investment strategy, which sees such expenditures as the solution to social problems and a way for enhancing economic performance (Bonoli, 2009, p. 81). It can thus be concluded that the reduction of

¹⁴ The Stability and Growth Pact has been reformed with the Euro Plus Pact in 2011 but is still used for the argumentation here, as the SGP applied during most of the years this research is dealing with (2000-2011).

excessive debt is more likely to go hand in hand with a neo-liberal strategy, while it is not an option to follow a social investment strategy in such a situation.

If Member States do not have an excessive debt, and no cuts are needed, the situation is hypothesized to look exactly the opposite. In this case, the social investment discourse can thrive as there is room for social expenditures and making investments that yield benefits in the medium- or long- run. As governments thus do not have to make cuts, but instead have room to spend money, it is assumed that the social investment discourse will be more dominant compared to the neo-liberal discourse.

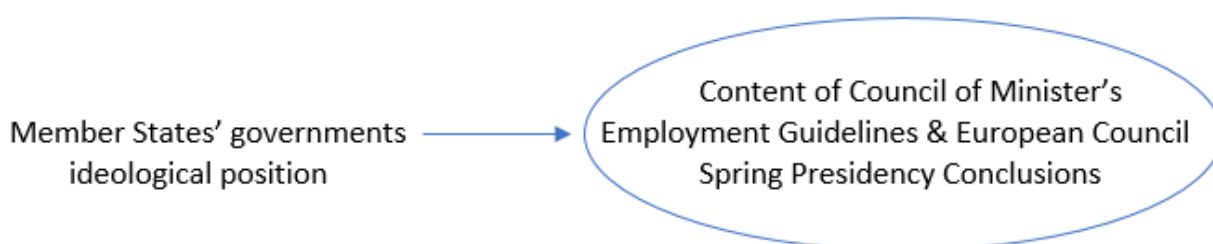
Therefore, the second hypothesis looks as follows:

H2: The more Member States have an excessive debt, the more likely it is that the neo-liberal discourse will be dominant in the content of the EU documents under analysis, whereas the more Member States do not have an excessive debt, the more likely it is that the social investment discourse will be dominant in the content of these documents.

Member States' ideological position

The research above has shown that “the social policy discourse at the EU level is political [due to] oppositions between governments depending on their partisan orientation” (Barbier, 2011, pp. 10-11). This partisan domestic situation in turn is believed to influence the extent to which both discourses are present in the two OMCs, as shown in Figure 3.

Figure 3: Influence of Member States' government's ideological position on the content of the OMCs



It is hypothesized that right-wing governments are more likely to advocate neo-liberalism at the European level, while left-wing governments are closer to the social investment discourse. This is due to the fact that neo-liberalism is considered a 'right-wing ideology', while social investment on the other hand is supported more by left-wing governments. Hooghe, Marks, and Wilson (2002, p. 976) for example, place neo-liberal parties on the Right of the Left-Right scale. Boréus (1997, p. 264) takes the same point of view by explaining that “the shift to the right [in the Swedish political debate in the late 1970s/early 1980s] occurred because neo-liberal ideas had become more frequently expressed”. The social investment discourse is most strongly linked to social democratic (left-wing) parties. Morel, Palier and Palme (2011, p. 370) explain that “there are some clear cross-national correlations in the sense that countries with a stronger political representation of social democracy have been more inclined to implement

such [social investment] policies”. Lewis and Surender (2004, p. 164) even describe social investment as the hallmark of social democratic states.

Based on this, the following third hypothesis has been developed:

H3: The more Member States have a right-wing government, the more likely it is that the neo-liberal discourse will be dominant in the content of the EU documents under analysis, whereas the more Member States have a left-wing government, the more likely it is that the social investment discourse will be more dominant in the content of these documents.

The influence of national pressures

The fourth and last hypothesis that will be tested in this thesis resulted from the two hypotheses that were just explained as it also deals with the Member States’ national situation.

As was explained before, the content of the European Council Conclusions is solely adopted by the Member States, while the Commission makes a proposal for the Employment Guidelines. Hence, it is primarily the Commission which determines the content of the Employment Guidelines, as it ‘only’ has to get a qualified majority of Member States to agree on the proposals’ content. Hence, national pressures like debt and the government’s ideological position are less important in the formulation of these Guidelines than for the European Council Conclusions. This is based on the fact that the European Council Conclusions are subject to the wishes of all Member States, who all have a certain ideas that they want to put forward. Intergovernmental bargaining is thus taking place, during which each Member State’s position is influenced by national pressures at home.

Due to this, the fourth hypothesis looks as follows:

H4: It is likely that national pressures are driving certain kinds of discourse more extensively in the content of the European Council’s Spring Presidency Conclusions than in the Council of Ministers’ Employment Guidelines.

To sum up, two of the four hypotheses (H1 and H4) that were created deal with comparing the findings made for the content of the Employment Guidelines and European Council Conclusions. The other two hypotheses, H2 and H3, predict the effect that ‘governmental debt’ and the ‘Member States’ ideological position’ have on the content of those two OMCs.

3. Methodology

This chapter provides the methodology for the discourse analysis, and more precisely for the data collection and the data analysis. The data for this research is collected unobtrusively, which “reduces the biases that result from the intrusion of the researcher or measurement instrument” (Trochim, 2006). For the dependent variable ‘content of the Employment

Guidelines and European Council Conclusions’ a qualitative content analysis will be undertaken, which involves five steps that will all be explained in detail. The data collection for the independent variables ‘governmental debt’ and ‘Member State’s government’s ideological position’ includes a secondary data analysis. All the collected data will be analysed with several statistical tests through Atlas.ti and IBM SPSS Statistics 21.0.

3.1. Discourse Analysis

3.1.1. Focus on Social Policy Discourse

The analysis in Chapter 2.2. has shown that attention towards social policy has changed immensely throughout the years, which makes an analysis of this policy field not only interesting, but also relevant. Barbier (2011, p. 5) explains that “an examination of EU political discourse [...] is particularly important not so much for its own sake as because its analysis provides a key tool for a more general understanding of EU politics”. For these reasons, an analysis of the EU’s social policy discourse will be undertaken in this thesis.

The goal is to discover which discourses mark the EU’s social policy, more precisely the content of the OMC on Employment and the OMC on Social Inclusion, which contain this policy. Hence it is aimed at finding out which discourse the actors involved are advocating and how they want to move forward in regard to social policy. Discourses are used to express ideas and frame issues, which according to Radulova (2009, pp. 3-4) has three main functions: pointing out social problems, offering explanations for those problems and proposing a policy (non-) action. Due to this, it will be looked at what is explicitly stated in the OMCs in regard to social policy – which social problems the actors address, how they explain these and what action they propose or object.

For this purpose a coding scheme was developed (see Chapter 3.2.2 below) that involves specific sub- categories in regard to social policy. These sub-categories show how specific topics should be dealt with according to the two discourses that will be analysed in this thesis: neo-liberalism and social investment. Hence as we are interested in what is stated explicitly in regard to the EU’s social policy discourse, the coding scheme only involves social aspects.

Hereby the social investment discourse is expected to have a rather positive tone, advocating state investments to improve people’s chances in life, especially in education and the labour market. The neo-liberal discourse on the other hand is likely to have a rather negative tone, as it is emphasizing the free market as an alternative to state intervention. As stated by Radulova (2009, pp. 3-4) it is thus expected that each discourse points out and explains social problems in a specific way and in turn proposes actions or non-actions on how to deal with those problems.

However, it has to be mentioned that neo-liberalists might not only state which actions or non-actions they prefer in regard to social policy, but also might shift attention away from social aspects towards economic issues. In case the findings made in this thesis will show that

there was a decrease in attention on social policy, this could be considered a move towards neo-liberalism. Certainly, in that situation further research would be needed into whether attention has really shifted towards economic aspects. As this is beyond the reach of this study, this would be an interesting topic for further research.

3.1.2. Steps in Discourse Analysis

Discourse is a “linguistic action, be it written, visual or oral communication, verbal or nonverbal, undertaken by social actors in a specific setting determined by social rules, norms and conventions” (Wodak & Krzyzanowski, 2008, p. 5). In this thesis, written communication about the EU’s social policy discourse will be analysed, which is manifested in the content of the Open Method of Coordination on Employment and the Open Method of Coordination on Social Inclusion.

The actors that formulate this discourse are the Commission and the Member States, which come together in the Council of Ministers and the European Council. Especially discursive institutionalism focusses on the role of these actors and the interactive process through which they communicate their ideas via discourse (Schmidt, 2008, p. 306). Hence, discursive institutionalism is concerned with the preferences and strategies of the actors involved, and the persuading, arguing and bargaining between them. As such power struggles are taking place during the formulation of the OMCs, relying on the theory of discursive institutionalism is especially appropriate for this thesis, and most relevant for the assumed influence of the independent variables.

In order to be able to analyse the EU’s social policy discourse in the Open Method of Coordination, a qualitative content analysis has to be conducted. Content analysis can be described as “the study of recorded human communications, such as books, websites, paintings, and laws” (Babbie, 2007, p. 320). A qualitative approach was chosen as analysing to what extent the documents were marked by specific discourses cannot be done by merely counting certain words like ‘activation’, but requires an interpretation of such words and sentences in their context. The recorded human communications in this thesis are the Council of Ministers’ Employment Guidelines (OMC on Employment) and the European Council Spring Presidency Conclusions (OMC on Social Inclusion). To be more precise, the natural sentences that are making up the content of these Employment Guidelines and European Council Conclusions will be analysed. As the intention is to find out which discourses are explicitly advocated in these sentences, the manifest content will be analysed. Hereby, the context in which each sentence stands will of course be considered, so that the true meaning can be discovered.

As explained above in Chapter 2.4 the two discourses that can be present in the content of the Employment Guidelines and European Council Conclusions are the neo-liberal discourse and the social investment discourse. In order to be able to analyse the content of the two OMCs in regard to the neo-liberal and social investment discourse, all documents have to be

coded. Before this coding exercise can be undertaken, a coding scheme first has to be developed and this coding scheme's inter-coder reliability has to be evaluated. These steps will be explained in detail in part 3.2.2 of this Chapter, together with how the content of the Employment Guidelines and the European Council Conclusions was sampled, and why natural sentences were chosen as a coding unit. During the creation of the coding scheme, it was decided to not only code the two discourses in general, but every specific aspect of them, in order to capture what each discourse is referring to exactly. For this reason, specific sub-categories have been developed, which focus on aspects like 'employment', 'equality', 'education' etc. In order to code the data, based on the coding scheme with its sub-categories, the computer-assisted qualitative data analysis software programme Atlas.ti will be used.

3.2. Methodology for data collection on dependent variables

This chapter will show that the research on the dependent variable consists of a qualitative content analysis of the content of all Council of Ministers' Employment Guidelines and European Council's Spring Presidency Conclusions from 2000 to 2013. For this analysis a coding scheme was developed, as well as specific explanations and instructions are provided (see Annexes 1 to 3). Research on the coding unit and the calculation of the inter-coder reliability led to the conclusion that it is best to use natural sentences and that a coding scheme that consists of specific sub-categories is reliable (Kappa of .7308).

3.2.1. Conceptualization of the dependent variable

The dependent variable in this study is the content of the Council of Ministers' Employment Guidelines and the European Council Spring Presidency Conclusions. The former document is in the literature also referred to as OMC on Employment, while the latter document makes up the OMC on Social Inclusion. (For the sampling process that underlies the selection of these two OMCs, see part 3.2.2 below.)

The OMC on Employment more precisely refers to the European Employment Strategy. This Strategy, also referred to as Luxembourg process, was adopted at the Luxembourg European Council meeting in 1997 and institutionalized through the Treaty of Amsterdam in form of an employment title (now Art. 145-150 TFEU). The non-binding Employment Guidelines that make up the EES thus became the first OMC that was used in the EU. Prior to the re-launch of the Lisbon Strategy in March 2005, these Employment Guidelines were published annually by the Council of Ministers, based on a Commission proposal. In 2005 however it was decided to coordinate the Employment Guidelines and the Broad Economic Policy Guidelines (BEPG) so that they now both cover a three- year cycle (Deroose et al., 2008, p. 836). Therefore, in some years (2004, 2006, 2007, 2009, 2011 - 2013) the Employment Guidelines of prior years were maintained and hence the data collected for those prior years will have to be used again during the data analysis.

Concerning the OMC on Social Inclusion, no guidelines exist, but common objectives are adopted annually by the European Council. This happens at the European Council's spring meetings, which have to be devoted to economic and social questions (European Council, 2000, p. §36). In 2006, "the existing open methods of coordination in the fields of social inclusion and pensions, and the current process of co-operation in the field of health and long-term care, [were] brought together under common objectives and simplified reporting procedures" (Commission, 2006). The Objectives are thus more encompassing but still published in the European Council Spring Presidency Conclusions, which are adopted every March.

For simplicity, the dependent variable is in this study mostly referred to as "content of Employment Guidelines and European Council Conclusions". The content of these Guidelines and Conclusions is hereby made up of specific ideas and can theoretically include the social investment discourse and the neo-liberal discourse. As the study is longitudinal, the content of the Employment Guidelines and the European Council Conclusions will be analysed for each year from 2000 to 2013.

3.2.2. Content analysis

To be able to conduct the content analysis of the content of the Employment Guidelines and European Council Conclusions, five steps have been undertaken, which will each be explained in detail below: 1.) sampling; 2.) operationalization: developing the coding scheme; 3.) defining the coding unit; 4.) evaluating the inter-coder reliability (and possible revision of coding rules); and 5.) coding the text [adapted from Weber (1990, pp. 21-24)].

1.) Sampling

First, the unit of analysis was sampled purposively, which led to the selection of the OMC on Employment and the OMC on Social Inclusion. Purposive sampling was used as it is quite unlikely that the neo-liberal and social investment discourses are present in the content of those OMCs that do not deal with social policy. Specifying specific criteria thus ensured that only those OMCs that contribute to answering the research question got included. The criteria therefore demand that the selected OMCs are dealing with social policy and have been used for many years, as this allows to study changes over time. When looking at the population of OMCs¹⁵, the OMCs on employment, social inclusion, pensions, youth, education and training, health, as well as long-term care are concerned with social policy (criterion one). From this sub-sample those two OMCs that have been applied the longest were selected (criterion two). The purposive sampling thus resulted in the outcome that the OMC on Employment (since 1997) and the OMC on Social Inclusion (since 2000) were sampled as unit of analysis. As this

¹⁵ The population of OMCs is the following: employment, social inclusion, pensions, youth, health, long-term care, education and training, research/innovation, information society/eEurope, immigration and asylum, culture, enterprise promotion as well as structural economic reform.

research is longitudinal, one document for each year in the period from 2000, when the OMC was official introduced, until the year 2013 will hence be analysed.

The purposive sampling of OMCs thus led to the selection of the OMC on Employment and the OMC on Social Inclusion and more precisely to the selection of seven¹⁶ Council Employment Guidelines and fourteen European Council Spring Presidency Conclusions. Due to the fact that these two types of documents are created through different decision-making processes, their analysis becomes even more interesting. As the Commission makes a proposal for the Employment Guidelines, but not for the European Council Conclusions, it is possible to research whether this makes a difference in the degree to which a certain discourse is dominant. But in order to be able to do so, all documents first have to be coded.

2.) Operationalization

The second step that was undertaken was the development of the coding scheme, also referred to as operationalization. For this research, it was decided to use categorical distinction, which “define[s] units by their membership in a class or category- by their having something in common” (Krippendorff, 2013, p. 106). These categories can be defined either inductively or deductively. For this thesis the deductive approach was chosen, as deductive category definition is most appropriate when theoretical propositions are tested and the structure of analysis is operationalized on the basis of previous knowledge (Babbie, 2007, p. 326; Elo & Kyngäs, 2008, p. 107). The categories of the coding scheme are therefore based on the theories of neo-liberalism and social investment. As the categories have to be so specific that they are mutually exclusive, exhaustive as well as have coding instructions that make it possible to replicate the analysis (Krippendorff, 2013, pp. 128, 132), the coding scheme was specified in a twofold way. First, the scheme was enhanced inductively, by analysing several of the documents. Secondly, the inter-coder reliability was calculated (see below) and the coding instructions were improved based on this. After this twofold revision, the final coding scheme came into existence. A summary of this coding scheme can be found in Table 1, whereas the detailed version is located in Annex 1. For a specific explanation of this coding scheme, please consult Annex 2, as well as have a look at Annex 3 for instructions on how to code the documents.

Table 1: Coding Scheme Summary

Category	Neo- liberal Discourse	Social Investment Discourse
Employment	<ul style="list-style-type: none"> - quantitative understanding of work and labour - any job is a good job - labour market participation the solution to (social) problems - providing (coercive) incentives to push people back onto the labour 	<ul style="list-style-type: none"> - quality jobs - quality jobs help in the acquisition and protection of skills and to fight poverty and social exclusion - improve employability, hence provide training, re-training and work practice

¹⁶ As explained in part 3.2.1. some Employment Guidelines were maintained for several years

	market, e.g. by reducing benefits and tightening eligibility rules	- make transitions pay and help people get back into regular employment
Equality	<ul style="list-style-type: none"> - inequality inherent in markets and necessary to motivate economic actors - no role for state to reduce inequality - no specific forms of support necessary - women and families have to exercise greater responsibility for themselves 	<ul style="list-style-type: none"> - reduce inequality of gender, (job) opportunity, income and access to learning - policies to support women's employment - family- friendly employment policies and subsidized quality childcare provision - part-time work and other flexible working arrangements
Labour market flexibility	- flexibility through non-standard labour contracts, less protection and increased wage flexibility	- combining flexible labour markets with job security (called flexicurity)
Benefits	<ul style="list-style-type: none"> - cut unemployment benefits to give people an incentive to work - no benefits to low-waged workers - abolish high minimum wages - the consequences of harsher economic conditions are considered 'private matters' 	<ul style="list-style-type: none"> - subsidize low-skilled and low-productive work - provide unemployment benefits and public support for job searches - benefits help to avoid poverty and inequality, as well as the depletion of human capital
Public services	<ul style="list-style-type: none"> - markets able to generate all well-being - only for those without adequate income or other means - cut expenditure, limit publicly funded services and increase competition and efficiency 	- publicly funded services for those without adequate income, those in need of support to enter employment and when the market fails to provide the service at an affordable price
Taxation	<ul style="list-style-type: none"> - reduce tax burden - cut income taxes in order to <ol style="list-style-type: none"> give incentives to work restore individual and corporate initiative increase economic activity 	<ul style="list-style-type: none"> - taxation needed to finance public programmes and invest in future tax payers - levy taxes high enough for ensuring insurance and investments - if necessary increase taxes
Education	<ul style="list-style-type: none"> - education provided publicly from kindergarten to high school - parents should support public education financially and with unpaid labour - parents as choice exercising 'consumers' of their children's education - give possibility to opt out of state provision in education 	<ul style="list-style-type: none"> - life- long learning - public support for quality early childhood education - investments and support for higher education and post-secondary education - invest in human capital to prepare the population and help it succeed in the labour market of the knowledge- based economy

	<ul style="list-style-type: none"> - young people should remain in school until able to support oneself and one's family - individuals responsible for their own advancement and further (vocational) training 	<ul style="list-style-type: none"> - prevent early exit from formal education and training - facilitate the transition from school to work, in particular for school leavers with low qualifications - modernize and expand systems of vocational training
Social inclusion and poverty	<ul style="list-style-type: none"> - social inclusion and cohesion via reducing poverty - reduction of poverty by giving people (any) job - support only for those who are truly in need - social safety net should be reduced to a bare minimum in favour of a system that emphasizes personal responsibility 	<ul style="list-style-type: none"> - facilitating access to the labour market, as well as education, for groups that have traditionally been excluded - fight poverty via social investments, social inclusion and creating quality jobs - social inclusion via activation, making work pay and by reducing workless households - minimise the intergenerational transfer of poverty
Ageing population	<ul style="list-style-type: none"> - individuals responsible for providing for their own pensions - private pension provision preferred to public provision - participate in the labour market as long as possible (individual's responsibility) 	<ul style="list-style-type: none"> - public pension support - active ageing policies - flexible working arrangements and thus flexible retirement - provide environments and incentives that promote longer working lives
Health Care	<ul style="list-style-type: none"> - privatisation of health services - ideally make private insurance compulsory - each individual responsible and accountable for own well-being and health care 	<ul style="list-style-type: none"> - provision of public health care services - investments in the health of the population and in that of young children specifically
NL & SI	<ul style="list-style-type: none"> - in case a sentence contains both discourses, it has to be coded with the neo-liberal and social investment discourse 	

3.) Definition of coding unit

The third step involved defining the coding unit, the unit of observation in this study. A coding unit is "the specific segment of content that is characterized by placing it in a given category" [Holsti (1969, p.116) quoted in (Krippendorff, 2013, p. 100)]. This is referred to as unitization and can be exogenous or endogenous. The former does hereby not require any human judgement, while the latter one is dependent on determining "where one unit of content ends and another begins" (Däubler, Benoit, Mikhaylov, & Laver, 2012, p. 938).

For this study, an exogenous specification in the form of natural sentences and an endogenous specification using quasi- sentences (QS) were considered. A natural sentence is

defined to end with the following characters: '.', '?', '!', and ';'. Bullet-pointed sentence- and numbered sentence- fragments are also defined to be 'natural' sentences, even if not ending in one of the previously declared delimiters (Däubler et al., 2012, p. 942). Quasi- sentences are parts of a sentence which refer to different political ideas and are separated by commas, semicolons, colons, or in case of lists by hyphens or dots¹⁷.

Däubler, et al. (2012) researched the use of natural sentences and quasi- sentences as coding units for political texts. They point out that the identification of QS by human beings is linked to potential problems with unitization reliability as "human coders invariably disagree over qualitative decisions regarding the identification of text units and their classification into coding categories" (Däubler et al., 2012, p. 939). However, although the exogenous specification of natural sentences results in higher unitization reliability, Däubler et al. (2012) admit that coding reliability might become an issue (p. 943). This is the case when one natural sentence contains more than one message and human coders have to choose only one of several messages, which in turn affects validity.

Due to these advantages and disadvantages of each type of coding unit, specific attention has been paid to the selection of the coding unit used in this thesis. Therefore, during the calculation of the inter-coder reliability (see next part below) it has been tested whether quasi-sentences or natural sentences are more suitable for this study. Based on the high Kalpha value that was found while coding natural sentences with the specific sub-categories, it was decided to use natural sentences as the coding unit. This is backed up by Däubler et al. (2012, p. 950) who explain that "a substantial gain in reliability, efficiency and replicability can be achieved without sacrificing important substantive information in the texts under investigation".

4.) Calculation of inter-coder reliability

Inter-coder reliability refers to the process whereby "two or more individuals, working independently from each other, apply the same recording instructions to the same units of analysis" (Krippendorff, 2013, p. 271). The outcomes are then compared and the reliability coefficient is calculated in order to determine to what extent the two coders agree. Hayes and Krippendorff (2007, p. 88) compared several calculation methods and came to the conclusion that Krippendorff's alpha (Kalpha) is the best measure of reliability in content analysis.¹⁸

Therefore for this thesis, Kalpha was calculated twice, with the aim of not only evaluating the reliability of the coding scheme, but also to discover the most suitable type of coding unit.

¹⁷ See Wüst & Volkens (2003, pp. 4-5) for examples from the Euromanifestos Project.

¹⁸ The methods that were compared are Percent Agreement, Bennett et al.'s S, Scott's Pi, Cohen's Kappa, Fleiss's K, Cronbach's Alpha and Krippendorff's Alpha. See Hayes and Krippendorff (2007, p. 81 ff.) for more detail on these comparisons and the conclusions that were made.

Both of these calculations were based on the analysis of part of a randomly selected document¹⁹ by the author of this study and one inter-coder.

During the first round, quasi- sentences were coded into either containing the neo- liberal or the social investment discourse (and it was thus not looked at specific sub-categories). The calculation of the inter-coder reliability yielded a Kalpha coefficient of .7699, with a 95% confidence interval of [.6206; .8995], as shown in Table 2.

Table 2: Kalpha of discourses in quasi-sentences

	Alpha	LL95%CI	UL95%CI	Units	Observers	Pairs
Ordinal	.7699	.6206	.8995	80	2	80

Number of bootstrap samples: 10000

According to Krippendorff (2013, p. 325), a coefficient of above $\alpha > .800$ is most desirable, whereas a level between $\alpha \geq .667$ and $\alpha \leq .800$ should only be used for drawing tentative conclusions. This makes a Kalpha-value of $\alpha = .7699$ acceptable for the purpose of this study.

However, in order to test the application of the specific categories and evaluate the use of natural sentences, the inter-coder reliability was calculated a second time. This time an improved version of the original coding scheme²⁰ was provided and natural sentences were coded into the specific sub-categories belonging to each discourse. For this coding exercise, a different second coder was used than before, which prevents that a possible increase in reliability might be caused by coder training. But even though the two coders have a similar educational background, this difference in coders has of course to be kept in mind while making comparisons between the two outcomes.

The Kalpha value that resulted from coding natural sentences into sub-categories was .7308 [.5671; .8692], as shown in Table 3. This coefficient is lower than the one used when coding only according to the two discourses, which is however not surprising. As using specific categories involves a more in-depth analysis compared to using the two general discourses, a value of .7308 is still highly acceptable (for drawing tentative conclusions).

Table 3: Kalpha of sub-categories in natural sentences

	Alpha	LL95%CI	UL95%CI	Units	Observers	Pairs
Ordinal	.7308	.5671	.8692	85	2	85

Number of bootstrap samples: 10000

¹⁹ The document that was randomly sampled for the first round was the Employment Guidelines for 2000. Random sampling for the second round resulted in the Employment Guidelines for 2007, which maintain the Employment Guidelines of 2005, so that the latter were coded.

²⁰ Two improvements were made: First, all categories got specified and enhanced and secondly, several similar categories were combined, for example 'labour market participation' and 'activation' became the single category 'employment' and thereby sub- categories were eliminated at the same time.

This is especially so in light of the fact that the variable is not very easy to code as the differences between the two discourses are at times highly nuanced. Besides this, the coders might sometimes have had a different subjective perception of which category was dominant in a single sentences or might have had problems in case of ambiguity²¹. The Kappa value of .7308 might thus also have been caused by other key threats to reliability like inadequate coder training or coder fatigue (Neuendorf, 2002, p. 145). Also, as mentioned above, it has to be kept in mind that different documents were coded by different coders during the two rounds.

In any case, the coefficient found here lies above those values used in other studies that apply qualitative coding, like the Comparative Manifestos Project and the Euromanifestos Project which were already briefly mentioned above. Research by Mikhaylov, Laver and Benoit (2011) has shown that these two projects²² both rely on coefficients that are “worryingly low, almost all in the range [0.3, 0.5]” (p. 90). This shows that a coefficient of .7308, which is above the acceptable level of $\alpha=.667$ for drawing tentative conclusions, can definitely be considered acceptable.

To sum up, the two rounds of coding have shown that it is possible to apply the specific sub-categories of the coding scheme (and not just the two general discourses), as the Kappa value is .7308. Even though this value is lower than the one found during the first round of coding, using the specific categories is likely to yield more interesting results as it allows for more in-depth conclusions. However, although .7308 is a satisfactory level, especially compared to other projects, one has to keep in mind that it should only be used for drawing tentative conclusions. Besides this, the inter-reliability testing has led to the decision to code natural sentences.

5.) Coding

Having researched this, the fifth and final step involved coding the natural sentences in the content of all Council of Ministers’ Employment Guidelines and European Council’s Spring Presidency Conclusions from 2000 to 2013²³ into the different sub-categories that can be found in the coding scheme in Annex 1. For this coding, the computer-assisted qualitative data analysis software (CAQDAS) programme Atlas.ti was used (see Chapter 3.2. below for detail).

²¹ The coding instructions that were given for the second round specified that in case a sentence does not fit into one single category, the category that is seen as dominant should be picked. In case this was also not possible, the sentences had to be coded NL&SI. For detail see the coding instructions in Annex 3.

²² The Euromanifestos Project applies the approach of the Comparative Manifestos Project (EES, s.a.).

²³ For a detailed description of those documents that will be analyzed, please consult Annex 4.

3.3. Methodology for data collection on the independent variables

This part of the thesis explains how the unobtrusive data collection on the independent variables 'governmental debt' and 'Member states government's ideological position' was performed. The amount of governmental debt is retrieved from the Eurostat dataset 'General government gross debt'. Data for the independent variable 'ideological position' is collected by researching which party was in power in each EU Member State at the time the Employment Guidelines and European Council Spring Presidency Conclusions were made between 2000 and 2013 and by specifying the ideological position of each of these parties (or coalition of parties) by using the Chapel Hill Expert Survey.

3.3.1. Conceptualization of the independent variables

In this thesis, two independent variables are assumed to influence the dependent variable. Hereby, causality is however not assumed, and it will only be tested whether a correlation exists. The first independent variable is 'governmental debt', which has two values: excessive debt and no excessive debt. Excessive debt hereby refers to a debt-to-GDP ratio of more than 60%, and no excessive to a ratio of below 60%, as specified in the EU's Stability and Growth Pact. To be precise, the SGP demands that each Member States' deficit-to-GDP ratio cannot exceed 3% and the debt-to-GDP ratio has to be 60% or lower (europa.eu, 2012).

The second independent variable 'Member States' government's ideological position' also possesses two values: left-wing and right-wing (generally also referred to as conservative). Left-wing and right-wing specifically refers to the governing party's overall ideological location on the left-right scale, ranging from 0 (extreme left) over 5 (centre) to 10 (extreme right). In case of coalitions, the average of all coalition partners' scores is taken, as according to Tsebelis (2000) "all government partners are veto players" (p.463). All partners of the government coalition thus have the same weight and have to accommodate each other's preferences. Due to the fact that extremist parties are generally not in power throughout Europe, and if so, more likely to be part of a coalition, it is highly unlikely that scores on the extreme-left or extreme-right will be found. Therefore, the relationship hypothesized in H3 will not be threatened by these extremist parties that might have different views on neo-liberalism and social investment than their more moderate colleagues.

However, as both of these independent variables are present at the same time, it cannot be determined with certainty whether one of them is the only cause or making a bigger difference than the other. This, as well as the possible influence of a third variable, has to be kept in mind when analysing the data.

3.3.2. Secondary data analysis

The explanatory part of the thesis is dealing with analysing the effect of the independent variables on the dependent variable. The unit of analysis are in this case the European Union's

Member States, while the units of observation are the Member States' governments' debt and their ideological position. As is the case with the exploratory research of this thesis, data on this explanatory part is collected unobtrusively, more precisely via a secondary data analysis.

The data for the independent variable 'governmental debt' is collected from the Eurostat dataset 'General government gross debt'²⁴. Based on this data, the percentage of Member States which had an excessive debt and those which did not will be calculated for every year, except for 2013, as this data is not available yet.

Determining the ideological position of each EU Member State's government between 2000 and 2013, involved three steps. First, it was researched which party was in power in each EU Member State at the time the Employment Guidelines and Spring Presidency Conclusions were made. Secondly, the ideological position of this party was analysed. In case of governments formed by coalitions, the average ideological position of all parties participating in the coalition was taken. The third step involved calculating whether the majority of governments during each year from 2000 to 2013 held a left- wing or a right- wing ideology²⁵.

There are several ways for obtaining data on the ideological position of national parties, ranging from expert surveys over party manifesto analyses, to public opinion and surveys of members of parliament. In regard to national parties in Europe, the most detailed information is provided by the Chapel Hill Expert Survey (UNC, 2010), and the Comparative Manifesto Project (Volkens, Lehmann, Merz, Regel, & Werner, 2013). For this research, it was decided to apply data from the Chapel Hill Expert Survey²⁶ which is due to three main reasons.

First of all, several experts are surveyed, who not only interpreted party manifestos, but also roll call votes, elite surveys, newspaper reports, television debates, parliamentary speeches and opinion surveys of elite positions and parliamentarians or third-party analysts (Hooghe et al., 2010, pp. 2, 3, 6). Secondly, the final calculation of each ideological position called "general left/right" and ranging from 0 (extreme left) to 10 (extreme right) is based on the consensus of these experts. Research has shown that the experts of the CHES are "most in agreement on the positioning of parties on basic dimensions of competition: left/right; economic left/right; gal/tan; general position on European integration; and positions on non-EU policy dimension" (Hooghe et al., 2010, p. 7). The Expert Survey is thus a suitable source, as its reliability is especially high in regard to the data that this research will apply (left/right). Thirdly, the CHES is preferred over the Comparative Manifesto Project, because manifestos

²⁴ The dataset is located at

<http://epp.eurostat.ec.europa.eu/tgm/table.do?tab=table&init=1&language=en&pcode=tsdde410&plugin=1>

²⁵ This whole process was actually conducted twice, as the European Council Conclusions and the Employment Guidelines are adopted at different points throughout the year. For the European Council Conclusions, the ideological position of each government was always retrieved at the beginning of March of each year, as the Conclusions are made each year in March. Due to the fact that the Employment Guidelines are adopted in different months each year, the ideological position of all governments was taken shortly before these Guidelines were adopted (ranging from January to December).

²⁶ The datasets of the Chapel Hill Expert Survey are located at http://www.unc.edu/~hooghe/data_pp.php

mostly indicate “how parties perceive they need to change in order to change voters’ perceptions and win their votes” (Pelizzo, 2003, p. 87) and “tend to locate extreme parties closer to the ideological centre than do other survey-based approaches” (Gabel & Huber, 2000, p. 94). These findings are backed up by Marks et al. [2007, quoted in (Hooghe et al., 2010, p. 10)] who explain that “expert surveys are more consistent with the evaluations of voters and parliamentarians than data currently available from party manifestos”. It can thus be concluded that the overall validity of the Chapel Hill Expert Survey is higher, which is why it was used for retrieving the data on the independent variable ‘ideological position’.

The only drawback of the CHES is the fact that the countries Malta, Luxembourg and Cyprus are not considered and can therefore not be included in the analysis of the variable ‘government’s ideological position’²⁷. Fortunately, the absence of these countries in the analysis is unlikely to threaten the validity of the results, as research has shown that small countries seldom vote against the majority (in the Council of Ministers) (Mattila, 2004). Due to this, “governmental changes taking place in [small] countries do not disrupt the decision-making process much [because] the government of a small country rarely opposes the majority regardless of its ideological position” (Mattila, 2004, p. 47).

To sum up, the data for the independent variable ‘Member States’ government’s ideological position’ was collected by researching which party was in power in each EU Member State at the time the Employment Guidelines and Spring Presidency Conclusions were made between 2000 and 2013 and by specifying the ideological position of each of these parties (or coalition of parties) by using the Chapel Hill Expert Survey. During the data collection process on this variable, some problems were encountered, which can together with their solutions, be found in Annex 5.

3.4. Methodology for Data Analysis

In order to code, as well as analyze the coded data, the computer-assisted qualitative data analysis software programme Atlas.ti was used. CAQDAS, also referred to as qualitative data analysis software, is believed to “enhance credibility building by making the research processes more transparent and replicable” (Hwang, 2008, p. 525). Using such software for content analysis also makes the coding process faster and less laborious as all information can be organized and managed in one single hermeneutic unit. At the same time it has to be kept in mind that coding is still a human undertaking whereby the coder assigns the codes to each coding unit and has to interpret their meaning. But due to the fact that this undertaking is based on a reliable coding scheme and Atlas.ti helps with the data analysis, the likelihood of errors is minimized.

²⁷ During the statistical analysis, Malta, Luxembourg and Cyprus will for this reason be treated as missing values.

All natural sentences present in the relevant parts of the content of the European Council Conclusions and the Employment Guidelines were coded with the programme Atlas.ti through applying the coding scheme (coding-by-list). This coding and classifying of the data “is an integral part of the analysis, which lays the conceptual foundations upon which interpretations – which make action meaningful to others – and explanations are based” (Smit, 2002, p. 67). Those interpretations and explanations are facilitated by Atlas.ti, as it provides assistance to analyze data [Weitzman (2000, p. 805) quoted in (Smit, 2002, p. 74)], which is especially helpful when great amounts of data have to be analyzed. Atlas.ti for example makes it possible to structure the data and visualize networks between it, as well as export its output to SPSS.

The fact that the output of Atlas.ti can be exported to SPSS is advantageous, as IBM SPSS Statistics 21.0 was applied to analyse the data collected on the independent variables, as well as the dependent variables. In order to test hypothesis H1, and thus compare the variables, a Wilcoxon Signed Ranks test was performed. This is a non-parametric test that is used if two variables are related to each other, which is the case here. Next to this, no normal distribution is expected, which means that a paired sample t-test cannot be applied.

For analysing whether there is a correlation between the dependent and independent variables in this study, Pearson’s R correlation coefficient was calculated. This coefficient shows the strength of the linear relationship between two variables, as well as its direction and thus allows to answer sub-questions two and three and thereby hypotheses H2 and H3. In case variables are used which do not meet the assumptions of the Pearson correlation coefficient (interval or ratio variables and a bivariate normal distribution), but which are at least ordinal, Kendall’s tau or Spearman correlation coefficient (also called Spearman’s rho) have to be calculated (Huizingh, 2007, p. 295). “The output of both statistics is similar to the output of Pearson correlation” (Huizingh, 2007, p. 295) and can thus be used to determine the strength and direction of the relationship. As both of these statistics are similar, Kendall’s tau is given preference here, as it is generally more widely used.

3.5. Summary

The data for the two parts of this thesis - the exploratory part and the explanatory part – was collected differently. For the exploratory part, which includes the dependent variable, a qualitative content analysis was undertaken. This involved coding the natural sentences of the content of the Employment Guidelines and the European Presidency Conclusions from 2000 to 2013 into the sub-categories of the neo- liberal or the social investment discourse. This was done by applying the coding scheme, which can be found in Annex 1, through using the qualitative data analysis software programme Atlas.ti. Data on the independent variables, which make up the explanatory part of this thesis, was collected unobtrusively via a secondary data analysis. This includes data from Eurostat for the independent variable ‘governmental debt’ and from the Chapel Hill Expert Survey for the ‘Member states ideological position’. All

this data was then analysed with IBM SPSS Statistics 21.0 through a Wilcoxon Signed Ranks Test and by calculating the Pearson correlation coefficient and Kendall's tau.

4. Analysis

After having collected all data, this chapter presents the analysis of the data. This involves two main aspects: first sub-questions one and two are answered. This is done through an analysis of the percentages to which the dependent variable is marked by the two discourses. Next to this an explanation of the application of the sub-categories that were used while coding is given. Secondly, all remaining sub-questions are answered and the hypothesis are tested through a Wilcoxon Signed Ranks test, and by calculating the Pearson's R correlation and Kendall's tau.

4.1. Findings for sub-question one and two

The first two sub-questions aim at finding out to what extent the content of the Employment Guidelines and the European Council Conclusions was marked by the neo-liberal and social investment discourse between 2000 and 2013. For answering these sub-questions a qualitative content analysis using Atlas.ti has been performed. A detailed overview of the data retrieved during this coding exercise can be found in Annex 6 'Data retrieved with Atlas.ti'. For convenience, histograms are used in this chapter for representing the data graphically.

Both discourses

During the data collection it has been discovered that some sentences contained both discourses and therefore had to be labelled with the category 'NL & SI'. This shows that ambiguity existed, as those sentences did not contain a clear statement. It hence seems like the actors involved in formulating the content of the Employment Guidelines and European Council Conclusions could not agree precisely on how certain issues should be addressed and therefore made unclear and superficial statements. This disagreement might be caused by the fact that the Ministers in the Council of Ministers and in the European Council did not want to make clear commitments, but rather leave room for interpretation.

But overall, only a few sentences contain both discourses. In regard to the content of the Employment Guidelines, in 2001 and 2002 a maximum of seven sentences contained both discourses, amounting to 9.09% and 8.24% of all sentences coded that year. In 2008 and 2009, four sentences (3.81%) and in 2000 three sentences (7.5%) were ambiguous, while all other years only one or two sentences contained the neo-liberal and social investment discourse simultaneously.

In the content of the European Council Conclusions, the frequency is equally low. Eight sentences in 2002 and 2004 had to be labelled with the category 'NL & SI', making up 27.59%

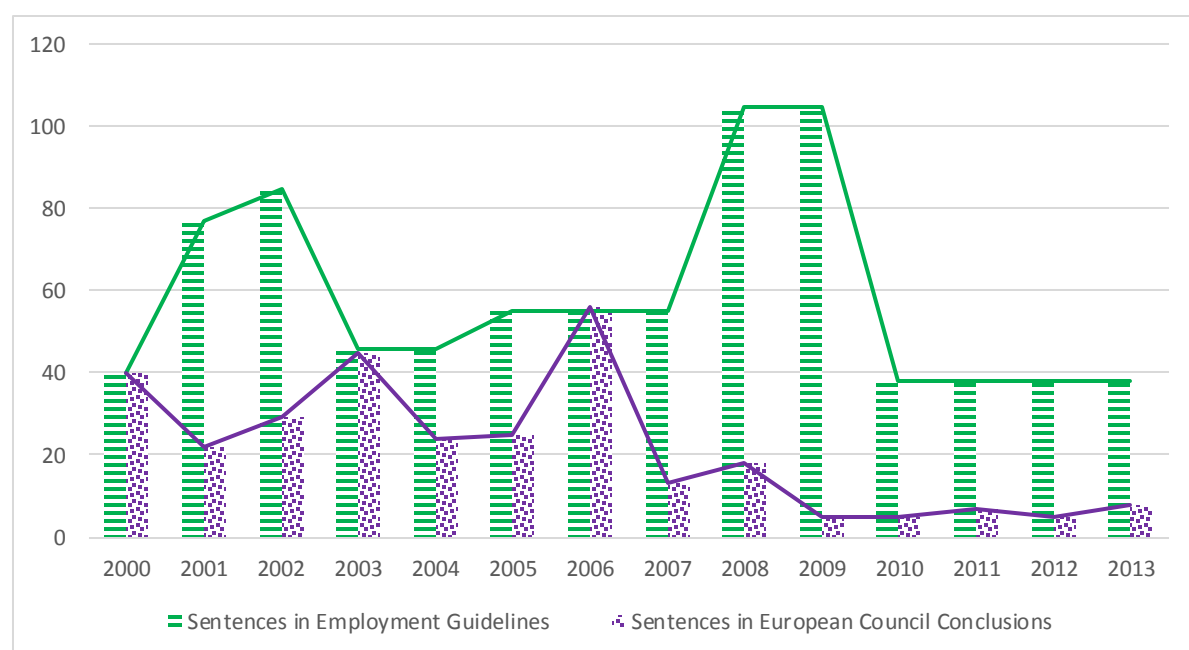
and 33.33%. In 2006 four sentences (7.14%) were ambiguous and three sentences contained both discourses in 2005 (12%) and in 2011 (42.86%). Next to this, in 2013 two sentences (25%) had to be coded 'NL&SI' and one sentence was marked by both discourses in 2007 (7.69%) and in 2012 (20%). This shows that although only a small number of sentences were marked by the neo-liberal and social investment discourse at the same time, this amounted in some years to rather high percentages. This can be explained by the fact that in those years only a rather low total amount of sentences was coded.

Overall, on average the percentage to which both discourses are present in one single sentences is higher in the content of the European Council Conclusions than in the Employment Guidelines, so that it can be concluded that the former are more ambiguous than the latter. This is probably due to the fact that in the European Council all Member States have to agree together on the content of the European Council Conclusions, while one actor - the Commission - is mainly responsible for phrasing the Employment Guidelines. Even though the number of sentences containing both discourses simultaneously is limited, ambiguity is also present in regard to certain sub-categories, as will be shown below.

Total frequencies

Another interesting finding made while coding is that more sentences were coded in the content of the Employment Guidelines than in the content of the European Council Conclusions. In Figure 4 it can be seen that except for the years 2000 and 2006, the content of the Employment Guidelines contained more sentences that deal with social policy, and more precisely with the neo-liberal and social investment discourse.

Figure 4: Frequencies of coded sentences in content of Employment Guidelines and European Council Conclusions, 2000-2013



2000, 2003 and 2006 are those years in which most sentences were coded in the European Council Conclusions, which led to a more or less equal amount of sentences coded in both types of OMCs. In 2000, this is very likely to be due to the fact that the European Council Conclusions contained the Lisbon Strategy, while in 2006 the OMC on Social Inclusion was combined with the process made on pensions and health and long-term care. In 2003, the Employment Guidelines were shorter than in the years before, while the content of the European Council Conclusions was concerned a lot with macroeconomic policies and structural reforms

In 2008 and 2009, a peak exists for the content of Employment Guidelines, as those Guidelines are more detailed than the ones for the period 2005 to 2007. Even though these Employment Guidelines address the same aspects (Integrated Guidelines Nos 17 to 24), all issues are discussed more extensively in 2008. Figure 4 also shows that the frequency for both types of documents decreased in the last four to five years under analysis and has been as low as never before.

As it cannot be measured in this thesis where attention has moved to, research of other scholars has to be relied on. Lundvall and Lorenz (2011, p. 238) for example concluded that the new Commission under Barroso “initiated a shift in emphasis giving more attention to economic growth and job creation and less to social cohesion” (Lundvall & Lorenz, 2011, p. 238). Derks’ (2012) research confirms this, as he observed an increase in attention for economic and financial/monetary affairs in the Commission’s work programmes. Especially in 2010 to 2012 peaks of attention existed for this policy field, which is according to Derks (2012, p. 45) caused by the economic and financial crises that started in 2008. Next to the Commission, the Member States also shifted attention towards economic issues and the crisis was actually “used systematically by member states to impose social protection cuts and containment measures” (Barbier, 2011, p. 20). This not only shows that economic issues gained priority, but could even be considered an indication of the presence of the neo-liberal discourse. Hence, the reason for the small amount of sentences coded could be a shift towards economic issues and more precisely towards neo-liberalism.

It can be concluded, that the documents consist of a different number of sentences coded each year. This is however not a problem for the data analysis, as the percentages to which the discourses are present will be used for answering the sub-questions and testing the hypotheses.

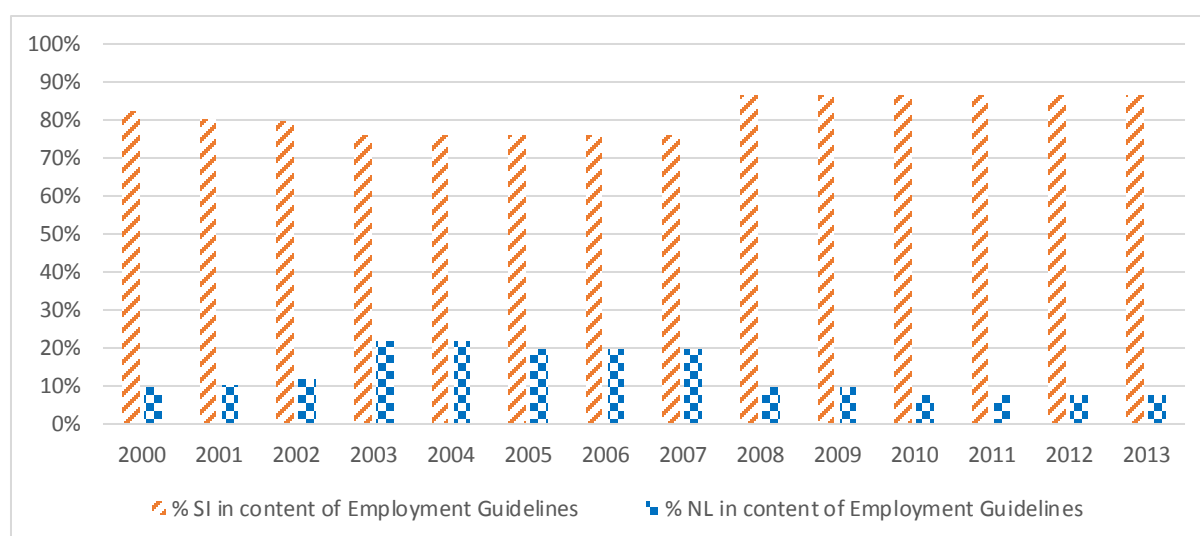
Percentages of discourses in content of Employment Guidelines and European Council Conclusions

The percentages to which the content of the Employment Guidelines and the content of the European Council Conclusions are marked by the neo-liberal and social investment discourse can be found in Figure 5 and Figure 6. It has to be mentioned that in these figures, not all

percentages add up to 100, which is due to the fact that some ambiguous sentences are present in several years, as was just explained above.

In the content of the Employment Guidelines, both discourses are present each year, with the social investment discourse marking the content much stronger, as shown in Figure 5. While the social investment discourse ranges between 76% and 87%, the neo-liberal discourse is present 8% to 22%. This small variation shows that no big changes took place, which allows to tentatively conclude that the actors' preferences seem not to have changed and external events seem not to have had an effect.

Figure 5: Percentages of neo-liberal and social investment discourse in content of Employment Guidelines, 2000-2013

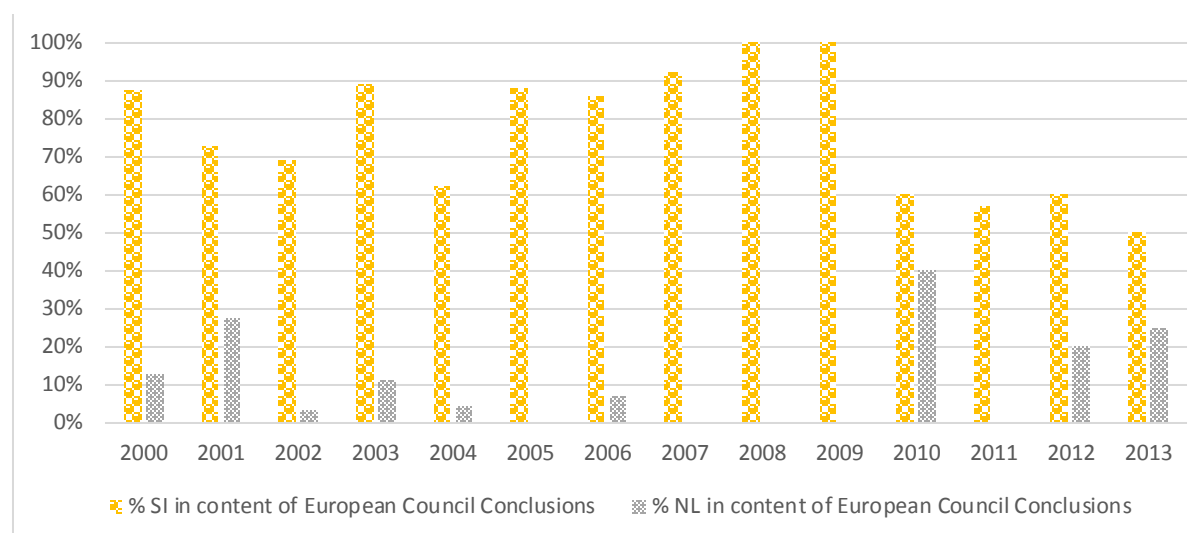


For the content of the European Council Conclusions (Figure 6) the situation looks less steady, which is due to the fact that these Conclusions are published every year, while the Employment Guidelines are several times maintained for two or three years. But despite this unsteadiness, it is obvious that also here the social investment discourse is present much stronger than the neo-liberal discourse. This is the case for each year from 2000 to 2013, whereby the neo-liberal discourse is even absent in five years (2005, 2007-2009 and 2011).

The social investment discourse is marking the content of the European Council Conclusions from 50% to 100%, whereas the neo-liberal discourse is present 0% to 40% of the time. The low percentage for both the neo-liberal and the social investment discourse in 2002, 2004 and 2011 hereby results from the fact that in those years a high percentage of sentences contained both discourses. In 2010, 2012 and 2013, the neo-liberal discourse is marking the content of the European Council Conclusions more than almost all years before, while the percentage for the social investment discourse is the lower than ever before. At first sight it hence looks like the neo-liberal discourse became a bit stronger. However, it has to be mentioned that in the period from 2009 to 2013 only very few sentences were coded at all, so that the percentages found have to be looked at with caution. In 2010 for example the 60%

for the social investment discourse results from three coded sentences and 40% for the neo-liberal discourse presents two sentences only.

Figure 6: Percentages of neo-liberal and social investment discourse in content of European Council Conclusions, 2000-2013



This visual analysis hence allows to conclude that the answer to the first two sub-questions is the same: the content of both types of documents is marked stronger by the social investment discourse than by the neo-liberal discourse in all years under analysis.

Comparison of percentages of discourses in content of Employment Guidelines and European Council Conclusions

Next to seeing which discourse is marking the content of both types of documents stronger, it is also interesting to compare the content of the Employment Guidelines and the content of the European Council Conclusions with one another. Therefore, Figure 7 shows the percentages of the neo-liberal discourse in the content of the Employment Guidelines and the European Council Conclusions from 2000 to 2013. In five years (2000, 2001, 2010, 2012, 2013) the neo-liberal discourse is marking the content of the European Council Conclusions stronger than the content of the Employment Guidelines, while the other eight years the opposite is the case. Especially the year 2010 for the European Council Conclusions stands out in the figure, as the neo-liberal discourse is present 40%. As mentioned above, these 40% only represent two sentences, which is an amount similarly low in all years from 2009 to 2013. Even though in 2012 and 2013 the neo-liberal discourse was present stronger than in most years, overall it is still lower than the percentages to which the social investment discourse was found.

Figure 7: Percentages of neo-liberal discourse in the content of the Employment Guidelines and European Council Conclusions, 2000-2013

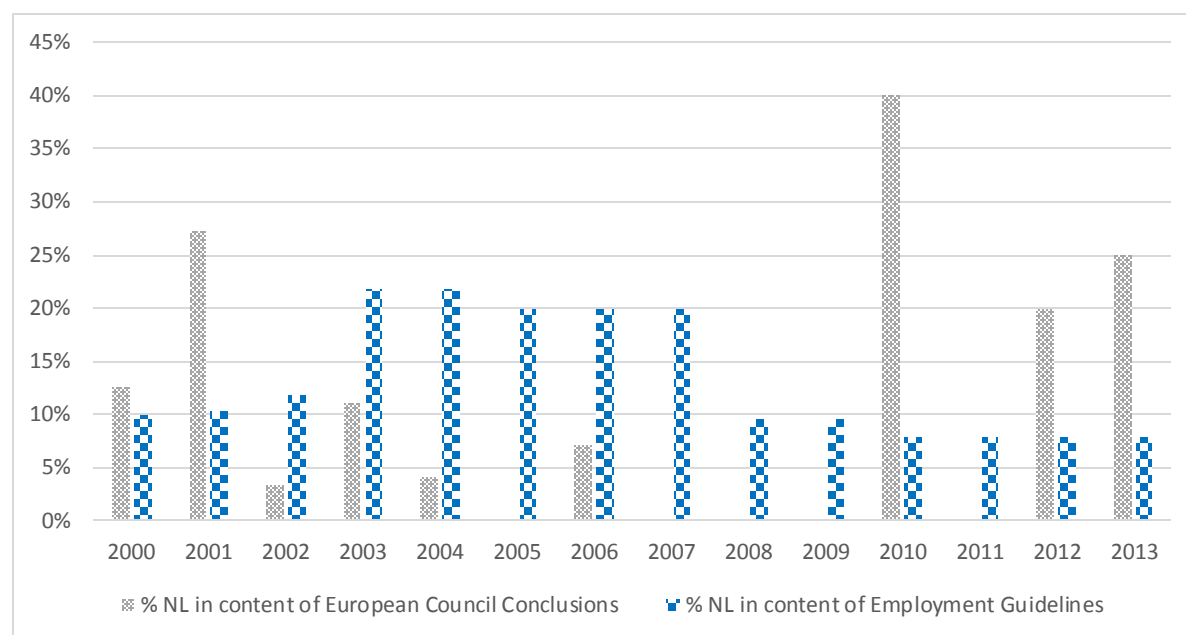
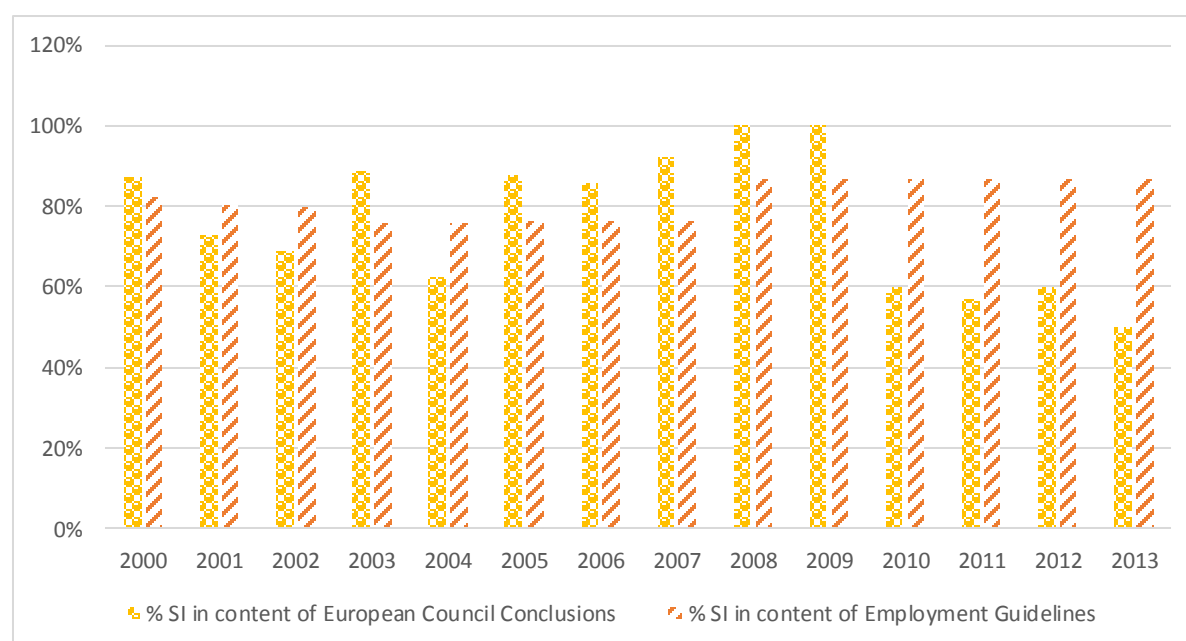


Figure 8 gives the percentages for the social investment discourse in the content of the Employment Guidelines and European Council Conclusions. It can be seen that exactly half of all years the social investment discourse is marking the content of the Employment Guidelines stronger than the content of the European Council Conclusions, while the other half of the time the opposite is the case (seven years each).

Figure 8: Percentages of social inclusion discourse in the content of the Employment Guidelines and European Council Conclusions, 2000-2013



For example, between 2005 and 2009 the social investment discourse is continuously mentioned more often in the content of the European Council Conclusions than in the content of the Employment Guidelines, while the opposite occurred in the period from 2010 to 2013.

The weaker presence of the social investment discourse in the content of the Employment Guidelines from 2005 to 2009 might be caused by the fact that the new Commission under Barroso, which makes the proposal for the Employment Guidelines, “initiated a shift in emphasis giving more attention to economic growth and job creation and less to social cohesion” (Lundvall & Lorenz, 2011). The decrease of the social investment discourse in the content of the European Council Conclusions in the last years could be explained by the fact that at that time “an overwhelming number of member states [was] hostile to furthering social policies at the EU level” (Barbier, 2011). The Commission on the other hand seems to be focussing more on social investment again, which can also be seen in the fact that it published a Social Investment Package in 2013.

Percentages of sub-categories in content of Employment Guidelines and European Council Conclusions

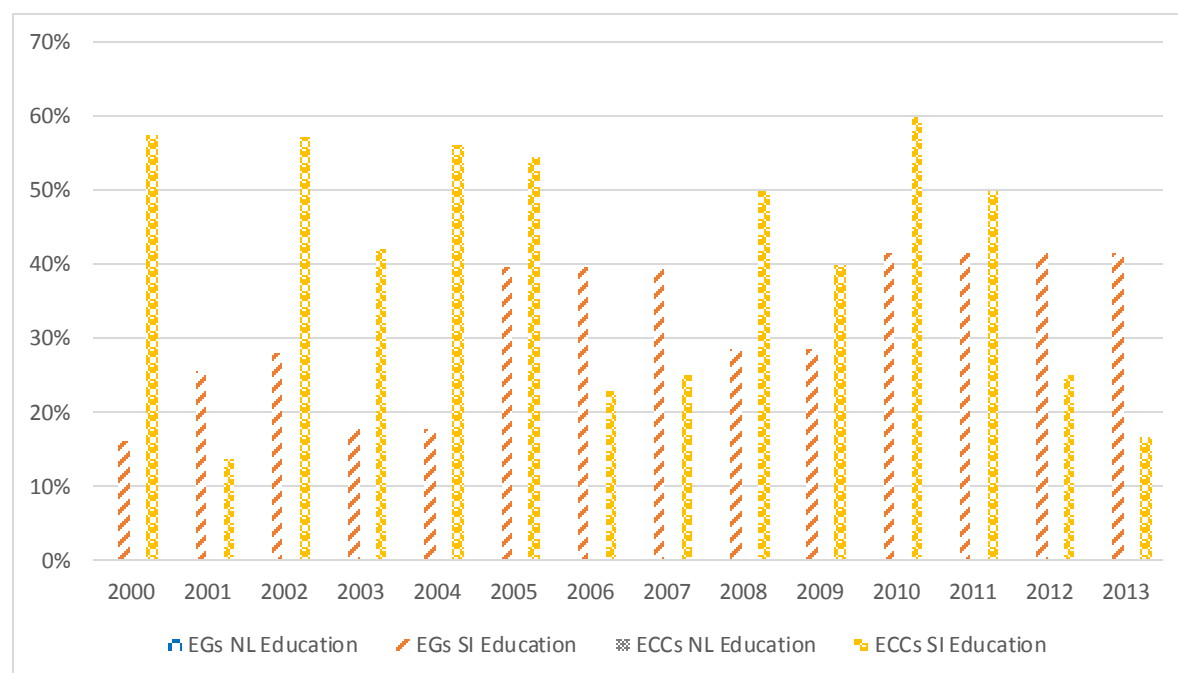
Due to the fact that all sentences in the documents under analysis were coded according to sub-categories, it is possible to give a more nuanced answer to the first two sub-questions. By looking at the percentages to which the different sub-categories are used it is possible to analyse in depth which topics should be addressed in which way, which helps to understand what is really occurring. The data retrieved for this can be found in Annex 7 ‘Percentages for sub-categories’, whereas histograms are provided in this chapter.

Figures 9 to 16 show the results that the qualitative content analysis yielded for the neo-liberal discourse (NL) and the social investment discourse (SI) sub-categories in the content of the Employment Guidelines (abbreviated as EGs) and in the content of the European Council Conclusions (abbreviated as ECCs). Each sub-category will be looked at in detail in this chapter, in order to be able to determine which sub-category was applied by which discourse. This allows to conclude on which aspects each discourse focussed on.

Education

As figure 9 shows, the sub-category Education is only applied by the social investment discourse, while it is not mentioned at all by the neo-liberal discourse. It hereby ranges from 16% to 42% in the content of the Employment Guidelines and from 14% to 60% in the content of the European Council Conclusions. Due to this, Education can definitely be considered a social investment topic. The focus hereby lies especially on the knowledge-based economy and on life-long learning.

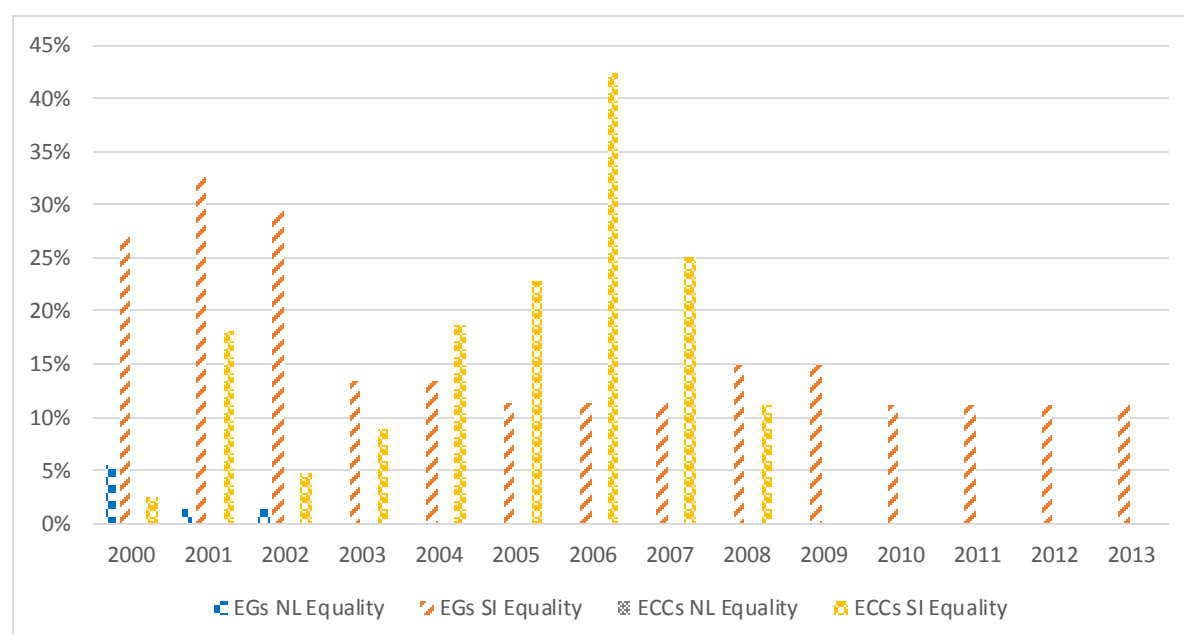
Figure 9: Percentage of sub-category 'Education' in content of Employment Guidelines and European Council Conclusions, 2000- 2013



Equality

The same dominance of the social investment discourse is present for the sub-category Equality, as can be seen in Figure 10.

Figure 10: Percentage of sub-category 'Equality' in content of Employment Guidelines and European Council Conclusions, 2000-2013



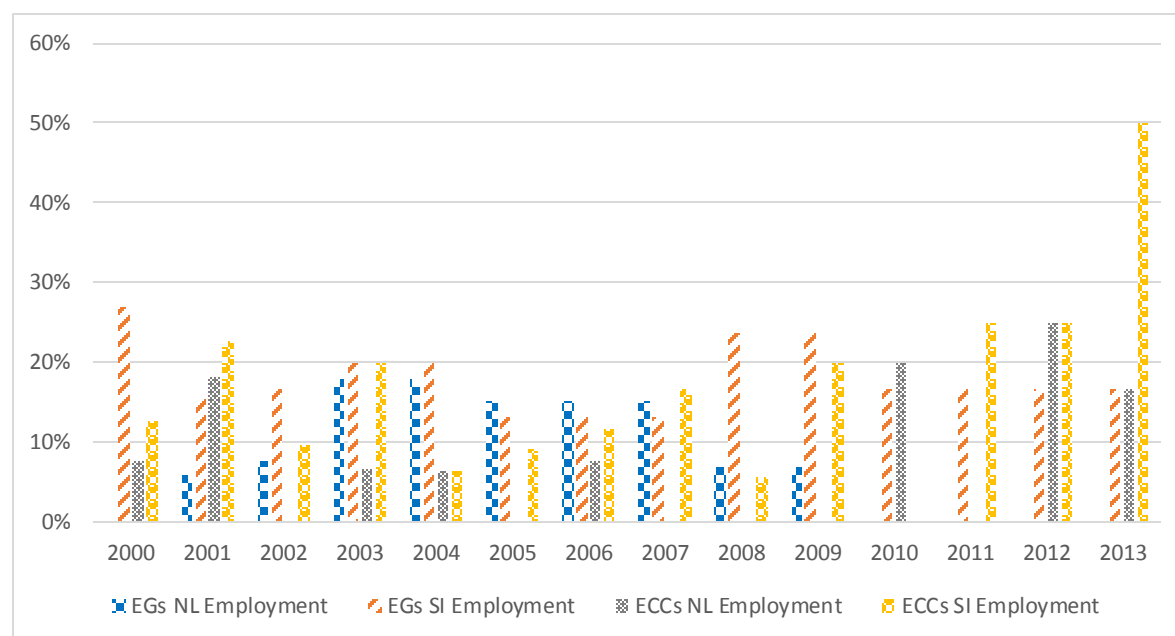
While 'SI Equality' is mentioned almost every year, 'NL Equality' was only used a few times in 2000 to 2002 and not applied again afterwards. Only in the European Council Conclusions 'SI Equality' is not applied from 2009 to 2013, which goes in line with a general shift away from

social policy, manifested in a decrease of sentences coded. Nevertheless, Equality is definitely dominated by the social investment discourse, which focusses on topics like equal opportunities between men and women and family-friendly employment policies. Especially in 2006 the content of the European Council Conclusions was concerned a lot with gender equality, as that year the European Council adopted a European Pact for Gender Equality.

Employment

The sub-category Employment, is coded with both discourses, as Figure 11 shows. Hereby each year the neo-liberal and social investment discourse are referring to Employment, even though not always in both OMCs.

Figure 11: Percentage of sub-category 'Employment' in content of Employment Guidelines and European Council Conclusions, 2000-2013



In most years the social investment discourse is mentioning Employment more than the neo-liberal discourse does, but in 2005 to 2007 the opposite is the case in the content of the Employment Guidelines. In 2012 the percentage is even the same for the both discourses in the content of the European Council Conclusions. On the other hand, in 2000 and between 2010 to 2013 'NL Employment' was not found at all in the content of the Employment Guidelines, which is in line with the general decrease of sentences coded with any discourse in the last years under analysis.

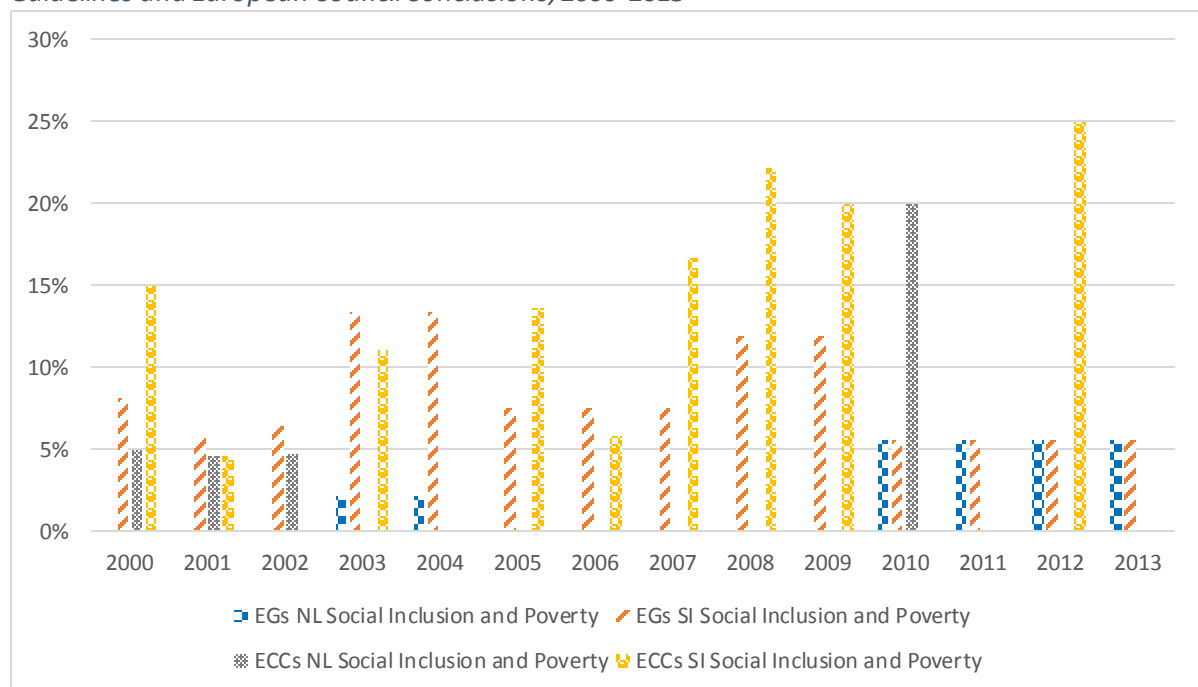
It can hence be concluded that no clear pattern is visible, but ambiguity exists for the sub-category Employment. In regard to the Employment Guidelines (European Employment Strategy) conflicting goals are advocated. Büchs (2007) explains that a tension exists "between the *quality* of work and the 'new full employment' approach of the strategy [as] full employment in the European Employment Strategy does not mean full-time jobs for the whole workforce but can only be achieved by extending the low-wage and low-skills sector"

(p.50). Also, the European Council Conclusions and specifically the Lisbon Strategy called for creating more and better jobs, without specifying what better jobs actually means. It thus clearly represents a mix of the neo-liberal discourse (more jobs) and the social investment discourse (better/ quality-jobs). Next to this, “the relaunch of the Lisbon strategy in 2005 explicitly gave primacy to job creation and growth while talking less of combating social exclusion [and assumed that] growth will solve poverty and social exclusion” (Jacobsson, 2009, p. 120).

Social Inclusion and Poverty

The situation for the sub-category Social Inclusion and Poverty looks similar to the one for Employment. Ambiguity exists, which is especially visible for the years 2010 to 2013 (see Figure 12). Even though in most years the percentage to which the social investment discourse refers to social inclusion and poverty is higher, the neo-liberal discourse is also referring to this sub-category in several years. In the content of the Employment Guidelines from 2010 to 2013, both discourse even refer to social Inclusion and poverty equally (6% each). In the content of the European Council Conclusions ‘NL Social Inclusion and Poverty’ is only used in four years (2000-2002 and 2010). Hereby each of these years it reaches a percentage that is close to ‘SI Social Inclusion and Poverty’ and is in 2010 even more present.

Figure 12: Percentage of sub-category ‘Social Inclusion and Poverty’ in content of Employment Guidelines and European Council Conclusions, 2000-2013



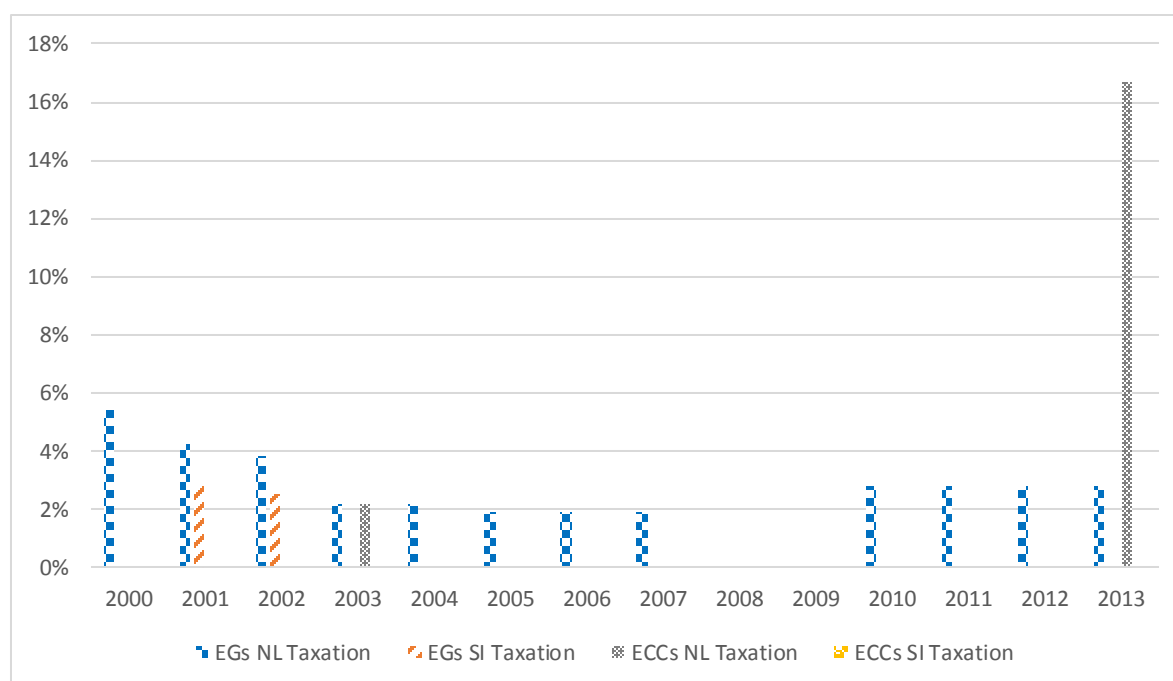
Hence, ambiguity also exists in regard to how Social Inclusion and Poverty should be dealt with. On the one hand, enhancing social inclusion through activation and making work pay is proposed, which goes in line with the social investment discourse. On the other hand, in recent years “the social dimension that was ‘Social cohesion’ has been reduced to ‘poverty

reduction', i.e. narrowed down into what is typical of a (neo-) liberal view of the welfare state" (Lundvall & Lorenz, 2011, p. 14).

Taxation

The sub-category Taxation is mentioned almost all years for the neo-liberal discourse (except in 2008 and 2009), whereas it was only mentioned in two years for the social investment discourse (2001 and 2002), as shown in Figure 13. Taxation can thus be considered a neo-liberal influenced category, whereby it is however not used to a high percentage, except in 2013 (17%). When taxation is mentioned, the focus lies on reducing the tax burden and thereby providing incentives for unemployed people to seek and take up work (see Employment Guidelines for 2001 for example).

Figure 13: Percentage of sub-category 'Taxation' in content of Employment Guidelines and European Council Conclusions, 2000-2013

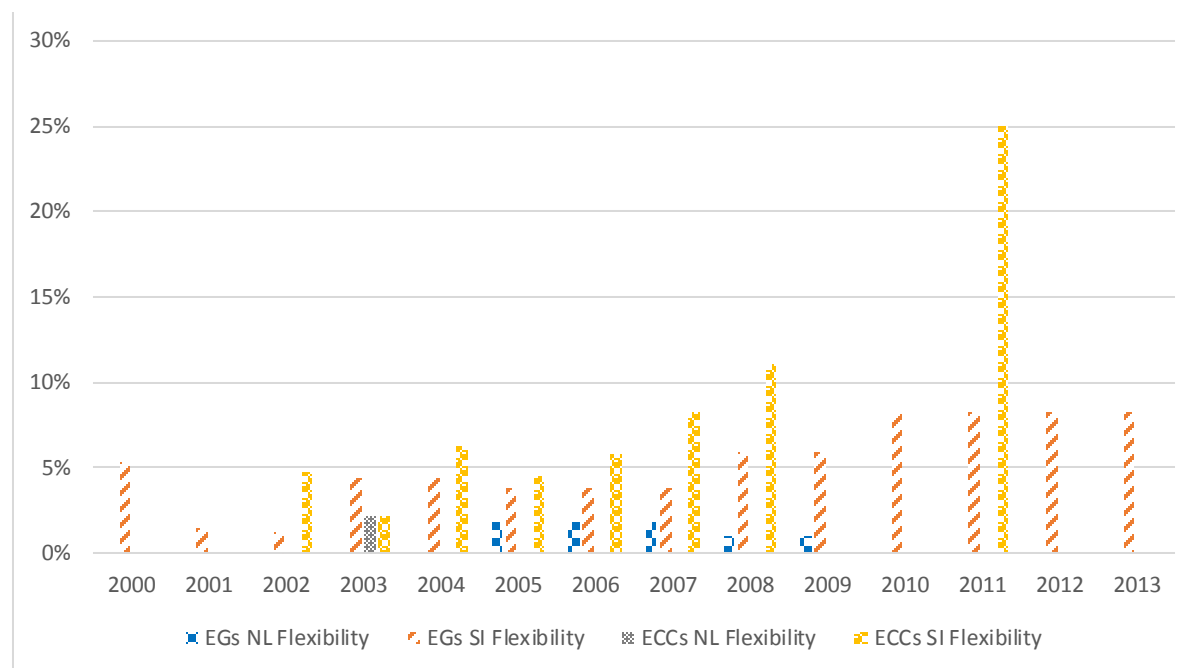


Flexibility

In Figure 14 it can be seen that the sub-category Flexibility is predominantly used by the social investment discourse. Only in 2003 and from 2005 to 2009 it is applied to a very little percentage by the neo-liberal discourse. Overall, especially the content of the European Council Conclusions is marked by 'SI Flexibility'. In 2006 for example the term 'flexicurity' has been used for the first time in these Conclusions, instead of the general description 'flexibility with security'. The same document mentions explicitly that "with a view to making it more attractive for older workers to stay employed for longer, the European Council underlines that active ageing strategies should be implemented [...]" (see European Council Conclusions of 2006 for detail). It can hence be concluded that the sub-category Flexibility is mainly used

by the social investment discourse, which is especially the case for the European Council Conclusions.

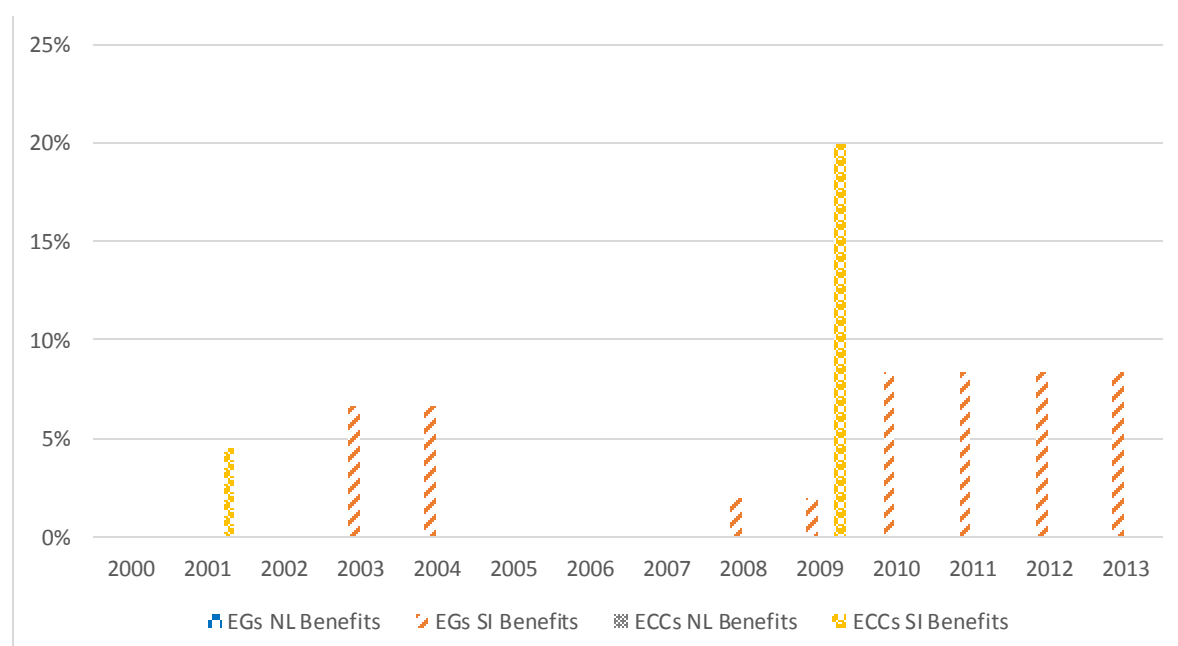
Figure 14: Percentage of sub-category 'Flexibility' in content of Employment Guidelines and European Council Conclusions, 2000-2013



Benefits

Concerning the sub-category Benefits, the neo-liberal discourse is not referring to this topic at all (see Figure 15).

Figure 15: Percentage of sub-category 'Benefits' in content of Employment Guidelines and European Council Conclusions, 2000-2013

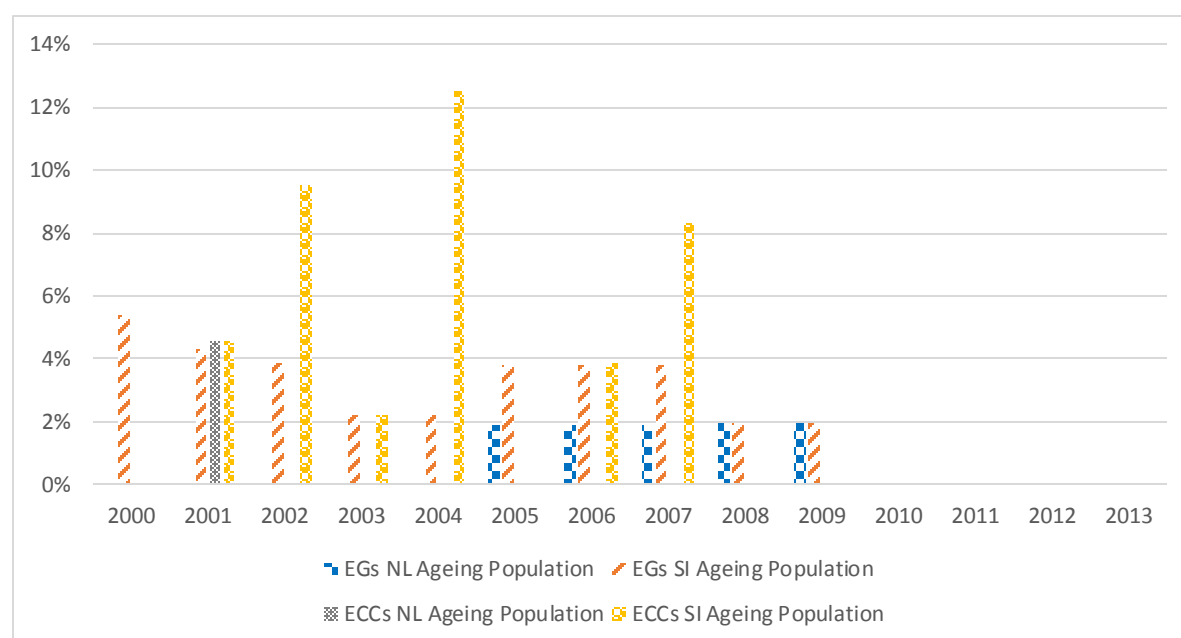


The social investment discourse is making use of this sub-category in several years, while it is not mentioning it in others. In the content of the European Council Conclusions 'SI Benefits' is for example only referred to in 2001 and 2009. In the content of the Employment Guidelines 'SI Benefits' is used in eight years, whereby the percentage is rather low (8% maximum). Thus even though 'NL Benefits' is not applied at all, the few years and low percentages do not really allow to conclude that the sub-category Benefits is marked by the social investment discourse.

Ageing Population

As can be seen in Figure 16, the social investment discourse is mentioning the sub-category Ageing Population in more years and also to a higher percentage in several years.

Figure 16: Percentage of sub-category 'Ageing Population' in content of Employment Guidelines and European Council Conclusions, 2000-2013



In each year from 2000 to 2009 'SI Ageing Population' is found in the content of the Employment Guidelines, while it is present in six years in the content of the European Council Conclusions. At the same time, the sub-category 'NL Ageing Population' has been used in the content of the Employment Guidelines from 2005 to 2009 and even to the same percentage as 'SI ageing population' in 2008 and 2009. It can thus be concluded that the sub-category 'SI ageing population' can be referred to as marked by the social investment discourse in the content of the European Council Conclusions, while no clear conclusions can be drawn for the Employment Guidelines.

Health Care and Public Services

In regard to the sub-categories Health Care and Public Services no statements can be made. Health Care is not mentioned once by the neo-liberal discourse, while it is only mentioned in two years 1% (2008 and 2009) in the content of the Employment Guidelines. For the sub-

category Public Services the situation looks similar: the neo-liberal discourse is not referring to this category, while the content of the European Council Conclusions contains 'SI Public Services' to a low percentage in the years 2001 (5%) and 2002 (9.5%). Due to the fact that both discourses are basically absent, a figure is also not provided for these sub-categories.

In conclusion it can be said that in both the content of the Employment Guidelines and the content of the European Council Conclusions, the sub-categories Education, Equality and Flexibility have to be considered social investment topics. When it comes to Employment, as well as Social inclusion and Poverty, ambiguity however exists, as both discourses mention these categories. The sub-category Taxation on the other hand can be considered a neo-liberal topic without any doubt. The only difference between the two types of documents under analysis is the fact that Ageing Population is dominated by the social investment discourse in the content of the European Council Conclusions but not in the Employment Guidelines. Besides this, it has been discovered that the sub-categories Health Care, Public Services and Benefits basically involve neither discourse.

Hereby it always has to be kept in mind that in the period from 2009/2010 to 2013, the number of sentences containing either discourse has declined which might be due to a shift from social aspects towards economic issues like competitiveness, productivity, growth, restoring the health of the banking sector and fiscal consolidation.

4.2. Hypothesis testing

4.2.1. Hypothesis H1

After having answered the first two sub-questions, the first hypothesis can now be tested: "The social investment discourse is likely to mark the content of the Employment Guidelines stronger than the content of the European Council Presidency Conclusions, as the Commission is involved in the creation of the former and not the latter".

In order to test hypothesis H1 a Wilcoxon Signed Ranks test was performed. This test analyses whether the content of the Employment Guidelines is marked more intensively by the social investment discourse than the content of the European Council Conclusions. As it is also interesting to find out which of the two types of documents was marked stronger by the neo-liberal discourse, the Wilcoxon Signed Ranks test is also applied to determine this.

Table 4 contains the results of the Wilcoxon Signed Ranks tests, whereby especially the two-tailed significance level (p-value) is of interest. The test shows that when it comes to the percentages to which the social investment and neo-liberal discourse are marking the content of the Employment Guidelines and European Council Conclusions, no major differences exist. Hence, hypothesis H1 has to be rejected.

Table 4: Wilcoxon Signed Ranks Test for percentage of discourses

Variables	Z	P-values	Conclusion
Percentage Social Investment Discourse in Content of Employment Guidelines and European Council Conclusions	-.785	.432	Groups equal
Percentage Neo-liberal Discourse in Content of Employment Guidelines and European Council Conclusions	-.722	.470	Groups equal

4.2.2. Hypotheses H2 and H3

Next to comparing the variables under analysis, this thesis also aims at finding out whether there is a correlation between the independent and dependent variables. For this purpose, sub-questions two and three, as well as hypotheses H2 and H3 have been created. The data needed for answering these questions and hypotheses can be found in Annex 8: 'Percentage of Member States with and without excessive debt' and Annex 9 'Member States' governments' ideological position'. For problems encountered during the data collection on the Member States' government's ideological position and their solutions, please refer to Annex 5.

With this data and the percentages to which the discourses are present, the Pearson's R Correlation was calculated, once for the content of the Employment Guidelines, and once for the European Council Conclusions. For answering hypothesis H2, the Pearson's correlation coefficient has been calculated for the percentage of the neo-liberal discourse and the percentage of Member States with excessive debt, as well as for the percentage of the social investment discourse and the percentage of Member States without excessive debt²⁸. For Hypothesis H3, the same has been done for the percentage of the neo-liberal discourse and the percentage of Member States with a right-wing government, as well as for the percentage of the social investment discourse and the percentage of Member States with a left-wing government.

Concerning the content of the Employment Guidelines, no correlation is significant and all coefficients found show a negative correlation (see Table 5), which is opposite of what was hypothesized. In regard to the content of the European Council Conclusions, also no significant correlations were found, as shown in Table 6, but at least three out of four correlations are positive. Only between the percentage of the neo-liberal discourse and the percentage of Member States with a right-wing government, a negative correlation exists.

²⁸ For excessive debt, data was only available from Eurostat until 2012, therefore the year 2013 had to be treated as a missing value.

Table 5: Pearson's Correlation Coefficient for Hypotheses H2 and H3 in content of Employment Guidelines

Employment Guidelines			
	Pearson Correlation Coefficient	Sig. (2-tailed)	N
Percentage Neo-Liberal Discourse & Percentage excessive debt	-.327	.275	13
Percentage Social Investment Discourse & Percentage no excessive debt	-.542	.066	13
Percentage Neo-Liberal Discourse & Percentage right-wing	-.112	.704	14
Percentage Social Investment Discourse & Percentage left-wing	-.372	.190	14

Table 6: Pearson's Correlation Coefficient for Hypotheses H2 and H3 in content of European Council Conclusions

European Council Conclusions			
	Pearson Correlation Coefficient	Sig. (2-tailed)	N
Percentage Neo-Liberal Discourse & percentage excessive debt	.213	.485	13
Percentage Social Investment Discourse & percentage no excessive debt	.433	.130	13
Percentage Neo-Liberal Discourse & Percentage right-wing	-.133	.700	14
Percentage Social Investment Discourse & Percentage left-wing	.127	.666	14

Based on these findings it can be concluded that both hypotheses have to be rejected, as no significant correlations have been found. It has however to be mentioned that it is rather difficult to find significant correlations when analysing only a small number of cases (in this case 13 to 14). Due to this problem, it was decided to lump together the findings made for the content of the Employment Guidelines and the European Council Conclusions. As the aim is to find out how the Member States' excessive debt and their governments' ideological position effected the strength of the two discourse in the content of both of these OMCs, it is possible to temporarily ignore the differences between these two types of documents for the statistical analysis. Doing so allows to calculate the Pearson's Correlation Coefficient for 26 to 28 cases. Table 7 contains the results for this statistical analysis and contrary to what was expected, no significant correlations are found.

Table 7: Pearson's Correlation Coefficient for Hypotheses H2 and H3 in content of Employment Guidelines and European Council Conclusions lumped together

Employment Guidelines & European Council Conclusions			
	Pearson Correlation Coefficient	Sig. (2-tailed)	N
Percentage Neo-Liberal Discourse & Percentage excessive debt	.037	.856	26
Percentage Social Investment Discourse & Percentage no excessive debt	.189	.356	26
Percentage Neo-Liberal Discourse & Percentage right-wing	-.105	.595	28
Percentage Social Investment Discourse & Percentage left-wing	.014	.943	28

At least, three out of four correlations are positive, which was not at all the case when calculating the Pearson's Correlation Coefficient for the content of the Employment Guidelines. The negative correlation that exists between the percentage of the neo-liberal discourse and the percentage of right-wing governments is exactly the same negative correlation that was found for the European Council Conclusions. Hence, also when lumping together the data for the content of the Employment Guidelines and European Council Conclusions, hypotheses H2 and H3 have to be rejected. However, several correlations are in line with the direction hypothesized, even though these are not significant: there is a positive correlation between both discourses and (no) excessive debt, as well as between the social investment discourse and the percentage of Member States with a left-wing government. But as just mentioned, these correlations are not significant and one should be cautious to draw any (tentative) conclusions from this.

4.2.3. Hypothesis H4

The next hypothesis that will be tested is hypothesis H4, which states that national pressures are driving certain kinds of discourse more extensively in the content of the European Council Conclusions than in the Employment Guidelines. In order to test this, the outcomes of the Pearson's R Correlations have to be interpreted. As these correlation coefficients showed, there was not a single positive correlation found for the content of the Employment Guidelines. Hence neither the national pressure of debt nor ideology seems to have had an effect on the content of the Employment Guidelines. This is likely to be due to the fact that the Commission makes the proposal for the Employment Guidelines and thus for a big part influences the discourse, as only a qualified majority of Member States has to accept the proposal. Intergovernmental bargaining and horse-trading that is subject to national factors like debt and/or ideology is thus not strongly taking place. Due to this, further research into

the Commission's position and the influences present inside this institution might be an interesting topic for further investigation.

In the European Council Conclusions on the other hand, three positive correlations are found, two for debt and one for left-wing ideology. The right-wing ideology of the Member States' governments seems not to have an influence, as a negative correlation exists for this. These findings are partly in line with the hypothesis and probably exist as the content of the European Council Conclusions is created by all Member States together, whose positions are strongly shaped by their national agendas. Hypothesis H4 can thus be tentatively confirmed in regard to the national pressure 'debt', as it drives certain kinds of discourse more extensively in the content of the European Council Conclusions than in the Employment Guidelines. Ideology however seems to have no influence in either of the two sets of documents.

4.2.4. Hypotheses H5 and H6

As all hypotheses had to be rejected so far, some other unobserved correlation seems to be at work. The answer to sub-questions one and two showed that the content of both OMCs is marked stronger by the social investment discourse than by the neo-liberal discourse in all years under analysis. However, what could not be considered while analysing the percentages was the fact that the total number of sentences containing either discourse decreased considerably in the period from 2009/2010 to 2013.

As has been pointed out in the methodology section in Chapter 3.1.1., neo-liberalists might not always refer directly to which actions or non-actions they prefer in regard to social policy, but instead might shift attention away from social aspects towards economic issues. With the data collected in this thesis it is not possible to measure where attention has shifted to. However, research by scholars like Lundvall and Lorenz (2011) and Derks (2012) concluded that the Commission's attention for economic, as well as financial/monetary affairs increased in the late 2000s, while it decreased for social matters (see Chapter 4.1. above for detail). Next to this, a similar shift took place among the Member States as they were focussing on dealing with the consequences of the financial crisis. As the crisis was even "used systematically by member states to impose social protection cuts and containment measures" (Barbier, 2011, p. 20) the decrease of coded sentences could be considered an indication of the neo-liberal discourse.

Based on this, it could be assumed that the less sentences are coded each year, the more dominant the neo-liberal discourse, whereas the more sentences are coded each year, the more dominant the social investment discourse. As mentioned before, it is beyond the reach of this thesis to measure this directly here. What can however be tested is whether the amount of sentences coded each year is correlated to the Member States' debt or their ideological position. Especially excessive debt can hereby be used as a proxy for the importance of economic issues, as Member States with excessive debt have to focus on reducing this debt and hence make changes in their economy.

Hypothesis H2 predicted that Member States with an excessive debt are more likely to advocate the neo-liberal discourse, whereas Member States without excessive debt are more likely to support the social investment discourse. Hence in years where a majority of Member States has excessive debt, the neo-liberal discourse is assumed to be supported more, which would mean that less sentences are dealing with social policy, as attention is being shifted towards economic aspects. On the other hand, if a majority of Member States does not have excessive debt, governments have room to make social investments and hence advocate these, which would be manifested in the fact that more sentences are dealing with social policy.

Due to this, the following fifth hypothesis has been created:

H5: If the majority of Member States has excessive debt, less sentences are coded, whereas if the majority of Member States does not have excessive debt, more sentences are coded.

In regard to the Member States' government's ideological position, a similar reasoning exists. Hypothesis H3 stipulated that Member States with a right-wing government are more likely to adhere to the neo-liberal discourse, whereas Member States with a left-wing government are more likely to support the social investment discourse. Based on this it can be assumed that in years where a majority of Member States has a right-wing government, the neo-liberal discourse is advocated more and in turn attention is shifted towards non-social issues so that less sentences are mentioning social policy. In case a majority of Member States has a left-wing government, it is believed that social investments are supported, so that more sentences should be mentioning social policy.

Hence, the following is assumed here:

H6: If the majority of Member States has a right-wing government, less sentences are coded, whereas if the majority of Member States has a left-wing government, more sentences are coded.

It is thus assumed that the situation of a majority of Member States is making a difference and hence not the percentage. This is based on the finding that while negotiating, Member States often build coalitions and alliances, which are considered a good option for pooling bargaining power and influencing the substance of the discourse (Barbier, 2011, p. 9; Tallberg, 2008, p. 687). Adding to this is the fact that negotiations in the EU are generally aimed at achieving co-operation instead of non- agreement. Therefore, those Member States that do not agree with the general discourse at all often have to make concessions, as it is not an

option to yield a veto every time an outcome is not at a government's ideal point²⁹. Due to this, dichotomous dummy variables³⁰ were created for debt and ideology.

Based on this, Kendall's tau Correlation Coefficient has been calculated for the content of the Employment Guidelines (Table 8) and for the content of the European Council Conclusions (Table 9). Table 8 and 9 show that the correlation between the number of sentences coded and governmental debt is significant for the content of the Employment Guidelines as well as for the content of the European Council Conclusions. The national pressure debt did hence not only have an influence on the content of the European Council Conclusions – as was tentatively confirmed with hypothesis H4 - but also on the content of the Employment Guidelines. The reason for this might be the fact that from 2010 on a majority of Member States had excessive debt, while at the same time the power of the Commission decreased versus the powers of the Member States. Hence the latter also played a bigger role in the formulation of the content of the Employment Guidelines, which makes national factors more important.

Table 8: Kendall's tau Correlation Coefficient for total number of sentences and independent variables in content of Employment Guidelines

Employment Guidelines			
	Kendall's tau Correlation Coefficient	Sig. (2-tailed)	N
Number of Sentences & Dummy Debt	.655 (sign 0.05)	.010	13
Number of Sentences & Dummy Ideology	.221	.388	13

Table 9: Kendall's tau Correlation Coefficient for total number of sentences and independent variables in content of European Council Conclusions

European Council Conclusions			
	Kendall's tau Correlation Coefficient	Sig. (2-tailed)	N
Number of Sentences & Dummy Debt	.548 (sign 0.05)	.027	13
Number of Sentences & Dummy Ideology	.337	.174	13

²⁹ Tallberg (Tallberg, 2008, p. 695) explains that this restrained veto-power in the European Council is due to four reasons: 1.) the veto is a measure of last resort; 2.) the use of the veto will have reputation repercussions, if it is used in situations that are not of truly vital national importance for the state concerned; 3.) the veto is only effective if it is not wielded too frequently as this would threaten credibility; 4.) the veto does not put an end to the political process. Conflicts must be solved and proposals adopted.

³⁰ It has to be mentioned, that it is of course more likely to find significant correlations when using dummy variables. However, at the same time, only a small number of cases (13) were analysed, which makes it less likely to find significant correlations and thus equals out the fact that dummy variables were used.

Looking at the data reveals that in a situation where the majority of Member States had an excessive debt, less sentences dealt with social policy, whereas when the majority of Member States did not have excessive debt, more sentences were coded. Between the number of sentences and the Member States' government's ideological position on the other hand no significant correlation is found. This allows to tentatively confirm hypothesis H5, while hypothesis H6 has to be rejected.

The analysis allows to confirm that the Member States' debt, and hence likely economic issues, became more important from 2009/2010 on. Based on this it can be extrapolated that the less sentences are coded each year, the more dominant the neo-liberal discourse, whereas the more sentences are coded each year, the more dominant the social investment discourse. However, the analysis performed above does not allow to conclude this with certainty, as debt was only used as a proxy for the prominence of economic issues. Further research is hence needed in order to be able to confirm that the neo-liberal discourse became dominant throughout the last years.

The likely presence of the neo-liberal discourse shows that probably more data existed for the dependent variable than was directly observed. This might explain why the hypotheses concerned with the independent variables (H2 and H3) have not been confirmed. This rejection might however also be caused by the small sample size, which threatens the statistical conclusion validity.

4.3. Summary

This chapter has shown that the social investment discourse is dominant vis-à-vis the neo-liberal discourse between 2000 and 2013 in all documents under analysis. Hereby, the social investment discourse is especially making use of the sub-categories Education, Equality, and Flexibility while Taxation is (weakly) dominated by the neo-liberal discourse and Ageing Population is applied by the social investment discourse in the content of the European Council Conclusions. However, from 2009/2010 on attention seems to have shifted away from social aspects towards the economic issue of debt, which could be a sign that the neo-liberal discourse has indirectly become dominant.

Next to comparing the two discourses with each other, the aim of this thesis was to analyse differences in the discourses between the two OMCs. In order to do so, a Wilcoxon Signed Ranks test has been performed, which showed that no difference exists in regard to the extent to which the social investment and neo-liberal discourse are marking the content of Employment Guidelines and European Council Conclusions. Hence, hypothesis H1 had to be rejected, as is summarized in Table 10. Next to this, hypothesis H2 and H3 both had to be rejected, as significant correlations could neither be found between the percentages of each discourse and the percentage of debt, nor for the Member States' government's left-right position. Also when lumping together all observations made for the content of the

Employment Guidelines and the European Council Conclusions no significant correlations were found.

Table 10: Summary of Hypotheses- testing

Hypothesis	Summary	Finding
H1	Social investment marking content of Employment Guidelines stronger	Rejected
H2	More Member States with excessive debt, more neo-liberal discourse, more Member States without excessive debt, more social investment discourse	Rejected (also when data is lumped together)
H3	More Member States right-wing ideology, more neo-liberal discourse, more Member States left-wing ideology, more social investment discourse	Rejected (also when data is lumped together)
H4	National Pressures driving certain discourses more in content of European Council Conclusions	Tentatively confirmed in regard to debt
H5	Majority or Member States excessive debt, less sentences coded, majority of Member states no excessive debt, more sentences coded	Tentatively confirmed
H6	Majority or Member States right-wing government, less sentences coded, majority of Member states left-wing government, more sentences coded	Rejected

However, hypothesis H4 could tentatively be confirmed in regard to the national pressure ‘debt’, which is driving certain kinds of discourse more extensively in the content of the European Council Conclusions than in the Employment Guidelines. The governmental debt of a majority of Member States is hereby especially effecting the number of sentences that were coded each year, which allowed to tentatively confirm hypothesis H5. The ideological position of a majority of Member States on the other hand does not yield any positive correlations with the amount of sentences coded, so that hypothesis H6 had to be rejected.

5. Conclusion

In this thesis an analysis of the EU’s social policy discourse that is present in the OMC on Employment and the OMC on Social Inclusion was performed. Such an analysis is especially relevant, as the amount and type of attention towards social policy has changed immensely throughout the years.

The aim of this thesis was twofold: on the basis of a comparison of the content of the OMC on Employment (Employment Guidelines) and OMC on Social Inclusion (European Council Conclusions) it was first researched to what extent these documents were marked by the neo-liberal and social investment discourse. Secondly, it was aimed at explaining this marking by

looking at the influence of two independent variables. To be precise, the dependent variable in this study was the content of the Employment Guidelines and the European Council Conclusions, while the independent variables consisted of the Member States' government's ideological position and their governmental debt. These independent variables are assumed to have an effect on the dependent variable, as next to the Commission, the Member States – in form of the Council of Ministers and the European Council - are involved in the formulation of the content of the OMC on Employment and the OMC on Social Inclusions.

Especially discursive institutionalism points to the importance of the role that these actors play. Actors communicate their ideas via discourse, which provides “insights into the dynamics of institutional change by explaining the actual preferences, strategies, and normative orientations of actors” (Schmidt, 2010, p. 1). These preferences and strategies of, as well as the persuading, arguing and bargaining between the actors involved are therefore a central element of the theory of discursive institutionalism. As such power struggles are taking place during the formulation of the OMCs, relying on the theory of discursive institutionalism was especially appropriate for this thesis, and most relevant for the assumed influence of the independent variables.

The two discourses that were looked at in detail are the neo-liberal and the social investment discourse. In order to find out to what extent these two discourses marked the content of the Employment Guidelines and European Council Conclusions, a qualitative content analysis was performed. This discourse analysis was based on a coding scheme that was developed specifically for this thesis. As the inter-coder reliability for this coding scheme had a Kappa value of .73 the coding scheme can be considered reliable. Next to being reliable, the coding scheme is highly innovative, as no content analysis in regard to the neo-liberal and social investment discourse seems to have been performed before. Therefore, the coding scheme that was developed in this thesis can also be used for further research, e.g. for analyzing the content of national social policies. This allows to perform in-depth analyses of the actual content of those policies and thereby makes it possible to discover directly which discourses were used, instead of making superficial statements or relying on possible explanatory variables.

Next to the coding scheme, the data collected for the EU's Member States' ideological position could be used in further studies. So far, data has only been collected for individual parties and never been presented for the party or coalition of parties that was in power in a given Member State. In this thesis for the first time, the ideology of each Member State's government in each year from 2000 to 2013 has been calculated. Thereby it is possible to make assumptions and predictions about the actions of a certain government based on its left- or right- wing ideological orientation.

When it comes to the first aim of this thesis, it turns out that the content of the Employment Guidelines and European Council Conclusions is marked stronger by the social investment discourse than by the neo-liberal discourse in all years from 2000 to 2013. Next to this, the

amount of sentences that were referring to social policy each year was higher in the content of the Employment Guidelines than in the content of the European Council Conclusions. This shows that the Employment Guidelines talk about social aspects more intensively, which was however not a problem during the analysis, as percentages were used. Another interesting finding was the fact that several sentences contained the neo-liberal and social investment discourse simultaneously. The same became visible again when it was analysed which sub-categories were applied by which discourse. In general, the social investment discourse was especially dominant for the sub-categories Education, Equality and Flexibility, and for the content of the European Council Conclusions also for Ageing Population. For Employment, as well as for Social inclusion and Poverty ambiguity however existed, as both discourses mentioned these categories. The role that this ambiguity played will be described below in more detail. Taxation on the other hand is definitely approached in a neo-liberal way, while Benefits, Health Care and Public Services are not mentioned by either discourse.

During the statistical analysis it has been discovered that the social investment discourse as well as the neo-liberal discourse are marking the content of the Employment Guidelines and the content of the European Council Conclusions to the same extent. Due to this, hypothesis H1 had to be rejected. In the following it was researched whether the extent to which those two discourse marked the content of the documents studied was due to the Member States' governments' ideological position or their amount of (no) excessive debt. The data for this was collected unobtrusively from the Chapel Hill Expert Survey and Eurostat and analyzed with a Wilcoxon Signed Ranks test, and by calculating Pearson's R correlations and Kendall's tau.

It turns out that both the Member States' government's ideological position as well as their governmental debt has to be disregarded as an explanatory factor, so that hypothesis H2 and H3 had to be rejected. For the content of the Employment Guidelines and European Council Conclusions, it thus seems not to be the case that "the social policy discourse at the EU level is political [...] in terms of the oppositions between governments depending on their partisan orientation" (Barbier, 2011, pp. 10-11). However, some positive correlations were found, so that it can be concluded that the national pressure debt seems to drive certain discourses more extensively in the content of the European Council Conclusions than in the Employment Guidelines. Even though significance is absent, hypothesis H4 can therefore tentatively be confirmed for debt. But as both hypotheses dealing with the effect of the independent variables had to be rejected, something else must be going on, which will be discussed in more detail below.

The data analysis showed that the social investment discourse was marking the content of the documents under analysis more than the neo-liberal discourse. However, in the period from 2009/2010 to 2013 the total number of sentences concerned with social policy decreased considerably. This could be an indication of a move towards neo-liberalism, as neo-liberals often shift attention to economic issues like competitiveness, growth, fiscal consolidation etc. As this shift could not be measured directly with the data collected in this

thesis, the influence of the debt and ideological position of a majority of Member States was analyzed by calculating Kendall's tau Correlation Coefficient. It turned out that when the majority of Member States had excessive debt, less sentences dealt with social policy, whereas when the majority of Member States did not have excessive debt, more sentences were coded. As research by other scholars has shown that attention moved towards economic issues, this decrease in sentences dealing with social policy could be an indication of the presence of the neo-liberal discourse. These findings hence allowed to tentatively confirm hypothesis H5. The ideological position however did not have an influence on the number of sentences coded, so that hypothesis H6 had to be rejected.

5.1. Discussion

Ambiguity

The research has shown that on the one hand the social investment discourse is explicitly marking the content of the Employment Guidelines and European Council Conclusions each year more than the neo-liberal discourse does. On the other hand, it can very tentatively be concluded that the neo-liberal discourse has indirectly become dominant from 2009/2010 to 2013 by shifting attention away from social aspects towards the economic issue of debt. However, even in those years when the neo-liberal discourse seems to be indirectly dominant as the number of sentences coded decreased, the social investment discourse is still explicitly referred to. This shows that quite some ambiguity exists in regard to the content of the Employment Guidelines and European Council Conclusions. This ambiguity is also present for several sentences that contain the neo-liberal and social investment discourse simultaneously. Next to this, the sub-categories Employment and Social inclusion and Poverty are mentioned by both discourses so that it is not clear how these aspects should be dealt with.

This ambiguity confirms the finding made by Vandenbroucke, Hemerijck and Palier (2011), who state that "the so-called Lisbon Strategy was strongly influenced by the social investment paradigm, although the political translation of the concept may have been more ambiguous than one might have wished" (p. 5). In regard to the Employment Guidelines, the same is the case, as they "can be used either as a comprehensive social investment strategy focusing on the development of human resources for the needs of the labour market, or alternatively, as a liberalization strategy with little or no social investment" (Morel et al., 2011, p. 362). The reason for this disguise of the true meaning is probably the fact that ambiguity allowed all governments, those tending towards neo-liberalism and those advocating social investments, to accept the OMCs.

This finding is closely related to the theory of discursive institutionalism, which states that not only the substantive content of the actors' ideas, but also the interactive processes through which these actors articulate and communicate their ideas matters (Schmidt, 2008, p. 306). Hereby, among other things, all actors try to convince the other actors to change their minds

about certain situations and institutional circumstances. However, as it is not always possible to persuade others of one's own preferences and strategies, or to build discursive coalitions, "vagueness [of discourses] especially helps in the context of international diplomacy, when the same discourse can be read in radically different ways" (Schmidt, 2008, p. 311).

Up-loading and downloading

The question thus arises whether discursive convergence really took place. At first sight, the Member States overall agreed on a common discourse – social investment - and thus generally seem to be in line on the way social policy aspects should be dealt with. As the social investment discourse is not only dominant in the content of the Employment Guidelines, which is based on a Commission proposal, but also in the content of the European Council Conclusions, uploading of ideas from the national level to the European level seems to have occurred to a certain extent. However, during this uploading, also quite some ambiguity was involved. This ambiguity especially results from the fact that the neo-liberal discourse seems to have become indirectly dominant during the last years, while the social investments are still referred to. By not being specific, it cannot be determined whether a government is following up on any commitments made and hence leaves national governments in total control of their own social policies. Actually, at the moment, "an overwhelming number of member states are hostile to furthering social policies at the EU level" (Barbier, 2011, p. 20).

As the OMC is a voluntary process, the Member States are not obliged to download any aspects from this method of coordination. Due to this, the Member States might not be concerned with what is adopted in the OMC, as they do not plan on downloading anything from these documents afterwards. This could explain why no effect between the independent and dependent variable could be found.

This also shows that it is unlikely that domestic policies are marked by the same type of dominance of the social investment discourse that was found in the content of documents under analysis. Especially the decrease of the number of sentences dealing with social policy during the last years shows that the Member States' priorities are lying with other topics than social investment. Especially in light of the economic consequences of the financial crisis and the Member States' excessive debt, it is difficult to make social investments in the present, which only yield benefits in the future. Hence even though it is easy to talk about making social investments, following up on this discourse demands not only political, but also financial commitment, which seems not to be present at the time as a majority of Member States has excessive debt.

The fact that less attention has been paid towards social aspects in the OMCs shows that others issues gained priority over what is being agreed upon in the OMCs. As this decrease in sentences dealing with social policy is correlated with a majority of Member States having excessive debt, it seems that economic aspects have gained prominence. This is also confirmed by scholars like Lundvall and Lorenz (2011, p. 238), as well as Derks (2012) and can overall be seen as an indication of a move towards neo-liberalism.

In case Member States do decide to download from the content of the OMCs, research has shown that they “often ‘cherry pick’ aspects of the OMC according to their political interests so that only those aspects of the OMC are used which suit their current policy plans” (Büchs, 2007, p. 105). This selective downloading is based on the fact that the Member States are keen on maintaining their national autonomy in regard to social policy, which was also the reason for why ambiguity existed.

5.2. Theoretical Relevance

The aim of this thesis was to find out which perspective was marking the European Union’s social policy discourse, and more precisely the content of two Open Methods of Coordination. Researching this was relevant as a thorough analysis of the content of the Employment Guidelines and the European Council Conclusions has never been done before. Performing such a content analysis under application of an innovative coding scheme allows to draw concrete conclusions and thereby clarify the disagreements that scholars had about whether the social OMCs were marked by the neo-liberal or social investment discourse.

The research conducted here showed that the social investment discourse was dominant in the content of the Employment Guidelines and European Council Conclusions. As “the credibility of a discourse is likely to benefit from consistency and coherence across policy sectors” (Schmidt, 2008, p. 311) this finding could be seen as a positive outcome. However, the neo-liberal discourse has indirectly become dominant from 2009/2010 on by shifting attention away from social aspects towards the economic issue of debt. But, even in those years when the neo-liberal discourse was indirectly dominant, the social investment discourse was still explicitly referred to. This shows that quite some ambiguity exists in regard to the content of the Employment Guidelines and European Council Conclusions, which explains the disagreement among scholars about which discourse is marking the content of the two OMCs.

Ambiguity exists not only generally between the two discourses, but several sentences even contain the neo-liberal and social investment discourse simultaneously. Next to this, the sub-categories Employment and Social inclusion and Poverty are mentioned by both discourses. Especially this latter finding is rather disappointing as the OMC on Employment and the OMC on Social Inclusion were specifically created to address employment and social inclusion but do not state clearly how these two core issues should be dealt with. This is in contradiction with the overall purpose of the OMC, as the method was created with the aim of achieving political cooperation and convergence towards the main EU goals (European Council, 2000). However, in regard to Employment and Social Inclusion and Poverty the actors have different ideas and hence neither a common outlook, nor do they use the same vocabulary. The Employment Guidelines for example “can be used either as a comprehensive social investment strategy focusing on the development of human resources for the needs of the labour market, or alternatively, as a liberalization strategy with little or no social investment” (Morel et al., 2011, p. 362). According to Radaelli (2003), a reason for this could be the fact

that “the OMC is embedded in the master discourse of competitiveness” (p.7). As there is obviously already disagreement in regard to the discourse about certain aspects of the OMC, any coordination of national policies dealing with employment and social inclusion seems to be out of the picture right now. Discursive institutionalism states that ideas matter, but those ideas also have to be presented in a coherent manner in order to be credible and able to lead to (cognitive) convergence and eventually policy change. The presence of two contradicting ideas clearly stands in the way of this.

As explained above, in general the social investment discourse is dominant. This is specifically the case for the sub-categories Education and Equality, which is rather self-evident, as these issues are the core aspects of the social investment strategy. Hence it seems that at least in these areas the Commission and the Member States are in agreement on how they want to move forward. However, a genuine move towards social investments seems to be limited. As mentioned above, Vandenbroucke, Hemerijck and Palier (2011) state that from the outset, the Lisbon Strategy “was strongly influenced by the social investment paradigm, although the political translation of the concept may have been more ambiguous than one might have wished” (p. 5). Thus even though the Lisbon Strategy was intended to mark the beginning of a ‘social investment period’, this intention has not become reality yet. Ambiguity exists and the neo-liberal discourse was indirectly dominant in the last years. No real mind change towards a social investment state seems to have occurred yet, as the OMC is not marked by a coherent discourse. This might be due to the fact that without real sanctions the Member States might not care about what is written in the content of the Employment Guidelines and the European Council Conclusions, as they do not have to implement those things later.

Due to this, the recommendations made in the Commission’s Social Investment Package are also likely not going to be implemented. Dealing with the consequences of the financial crisis and excessive debt seems to have priority over social policy aspects, and especially over making costly social investments that only yield benefits in the future. The application of the Social Investment Package is however believed to be beneficial for dealing with the consequences of the financial crisis, as it can “guide the budgetary austerity policies towards long-term ends and [...] frame wage-cost considerations in a broader perspective on competitiveness” (Vandenbroucke et al., 2011, p. 19). As this is not the case yet, “the first big challenge for the social investment perspective is to become a coherent and convincing economic and social policy paradigm for the years to come and be adopted by most governments in Europe” (Morel, Palier, & Palme, 2013, p. 23).

To conclude, ambiguity of discourse stands in the way of a real cooperation between the Member States about their national social policies. This is especially so in regard to employment and social inclusion and poverty, the core aspects of the OMC on Employment and the OMC on Social Inclusion. Hence a move towards a social investment period did not occur yet and therefore the Social Investment Package is also likely not to be adhered to by all Member States. This could on the one hand be due to the fact that the OMCs are embedded in the master discourse of competitiveness (Radaelli, 2003, p. 7). On the other

hand, it could be caused by the Member States not being very concerned with what is adopted in the OMCs, because it is only a voluntary process and the governments do not plan on changing their social policies based on it. This does not mean that sanctions should be linked to the Open Method of Coordination, which is a change that the Member States would not agree to anyways. However, a change is needed for the OMC to be more coherent.

5.3. Recommendation

One option for raising the importance of the OMCs in the eyes of the Member States could be to base all OMCs on a Commission proposal. This would likely lead to the inclusion of more quantitative indicators, as the Commission is pushing for these³¹. At the present quantitative indicators mainly exist in regard to the Employment Guidelines. In the European Council Conclusions, the Member States themselves on the other hand avoid any of those indicators, as thereby their performance cannot be evaluated clearly and they cannot be held accountable for any (in-) actions. Büchs (2007, p. 114) explains that “quantitative indicators, even if non-binding, are likely to exert stronger pressure for policy adaptation than broadly formulated policy goals”. As quantitative indicators make it possible to measure whether the Member States made changes based on the OMC, governments are likely to care more about what is being adopted in the content of the OMCs.

This is also believed to lead to less ambiguity. This thesis showed that the content of the Employment Guidelines which is made with a Commission proposal, is less ambiguous and includes more sentences that deal with social policy. Of course the same does not necessarily have to be the case if the OMC on Social Inclusion were to be based on a Commission proposal. Obviously, the OMC on Social Inclusion deals with another topic and generally other factors besides the Commission’s influence might be at work, but it is likely that the Commission will try to advance quite similar issues as it does in the content of the Employment Guidelines. Creating the OMC on Social Inclusion with a Commission proposal is also believed to decrease the compromises that occur from the pure consensus decision-making in the European Council. This latter point is backed up by Radaelli (2003, p. 53) who questions “whether the European Council is the most appropriate body to cater for policy coordination”.

Of course such a move would shift power from the Member States towards the Commission, which could push for a supranational coordination of national social policies. However, at the moment “an overwhelming number of member states are hostile to furthering social policies at the EU level” and oppose any form of ‘social federalism’ (Barbier, 2011, p. 20). This goes hand in hand with social cuts that several Member States are making in order to deal with the consequences of the financial crisis. It is therefore rather unlikely that Member States are

³¹ For a good example of this see Jobelius (2003) who explains that the Commission tried to anchor a significant number of quantitative targets in the Employment Guidelines for 2003, as was already briefly mentioned in Chapter 2.2.1.

willing to allow the Commission to be in charge of making a proposal for the OMC on Social Inclusion and thereby push for more (and likely costly) social policy coordination. It therefore has to be concluded that unfortunately, “the influence of social policy discourse is thus limited by, on the one hand, the predominance ascribed to overall macroeconomic coordination, and, on the other, the paramount role played by national compromises in the social policy area” (Barbier, 2011, p. 12).

5.4. Limitations of the study

In this thesis some limitations exist, which should not remain unmentioned. When it comes to reliability, a good Kalpha value was found and hence the coding scheme can be considered replicable and hence reliable. However, while calculating the inter-coder reliability, two different coders were used during each of the two rounds of coding. One might argue in favour or against this approach. On the one hand, using the same person eliminates other factors like selection, on the other hand however, the same person is already familiar with the coding scheme during the second round of coding and might therefore know what is being looked for. But overall, it can be concluded that the construct validity is high, which is especially visible in the Kalpha value of .73. Besides this, the coding scheme is new and rather unique when it comes to analysing documents in regard to the neo-liberal and social investment discourse, and therefore can even be useful for researchers dealing with the same topic. It also has to be mentioned that when human coding is involved, human error is always a possible threat, as concentration for example might be decreasing at times. But of course the coding exercise was done as precise and thoroughly as possible and the data collection has the advantage of being unobtrusive.

The coding scheme developed in this thesis can only measure what was explicitly said in regard to social policy. A shift away from social policy could only be indirectly seen by the decrease in sentences that dealt with social issues, whereby it had mainly to be relied on research performed by other scholars to discover that attention has moved to economic issues. Such a shift of attention away from social aspects towards economic affairs is a strategy used by neo-liberalists as they do not always refer directly to which actions or non-actions they prefer in regard to social policy. Hence, the decrease in the total number of sentences concerned with social policy from 2009/2010 to 2013, could be considered a move towards neo-liberalism which has not been measured during the content analysis. As there was thus more data for the dependent variable as directly observed, this might explain why the hypotheses concerned with the independent variables have not been confirmed. This rejection might however also be caused by the small sample size, which threatens the statistical conclusion validity, or by the fact that Member States do not really care about what is adopted in the OMCs. In any case, more research into where attention has moved to and into the consequences of this is definitely needed.

Next to this it has to be mentioned that the findings made might of course also be influenced by another unobserved factor which was not controlled for in this study, and hence could present a threat to the internal validity. In order to analyse this, other possible aspects are suggested for further research below.

5.5. Further research

The discussion above showed that it seems like the Member States are indifferent to what is adopted in the content of the Employment Guidelines and the European Council Conclusions. On the one hand they advocated social investments, while on the other hand they shifted attention away from social policy, which could be seen as a move towards neo-liberalism. This is assumed to explain the ambiguity that exists and the fact that no significant correlations were found for the influence of the independent variables. However, this might also have been caused by some other, unobserved variable(s), so that future research should definitely look into this.

In regard to the content of the Employment Guidelines, which is based on a Commission proposal, one could analyze what discourse the Commission is advocating outside its proposals. This is helpful as the Employment Guidelines have to be phrased so that at least a qualified majority of Member States accepts them and hence do not show the Commission's pure opinion. For this purpose, the ideological position of the social affairs Commissioner's national party could be used as a proxy for the Commission's ideology. It could then be hypothesized that in years in which the Commission was tending to the left, the social investment discourse was dominant, while the neo-liberal discourse was dominant for years in which the Commission was right-wing. A more precise, but also more work intensive way to determine the Commission's true position in regard to social policy would be to use the coding scheme and perform a content analysis of documents that were published by the Commission. These documents could for example be the Social Agenda, the Commission's work programs or certain communications. By doing so, it is possible to say with certainty if the Commission is the decisive factor for any differences between the content of the Employment Guidelines and the European Council Conclusions.

Besides this, there are several alternative explanations that can be looked at for analyzing how the extent to which the two discourses are present is influenced. First, in regard to those Member States which have a coalition government, one could take the party ideology of the national Minister who went to Brussels and participated in adapting the Employment Guidelines and European Council Conclusions. This one party of the coalition can then be used as a proxy for the whole country's ideological position in the analysis. Secondly, one could look into the role, and more precisely the ideology and debt of the presidency holder, and see whether this country's position had an impact on the extent to which a discourse was present.

As was already mentioned above, more research is also needed for understanding the decrease of sentences dealing with social policy that occurred in the last years under analysis.

It is assumed that this is an indication of a shift towards neo-liberalism, but research is needed to confirm this. This could be done by enhancing the coding scheme to also include economic aspects, although these might not be very explicitly mentioned in the content of the Employment Guidelines and European Council Conclusions which deals with mainly social aspects.

Next to these alternative explanations, it would be interesting to know which position each Member State was exactly taking in regard to the neo-liberal and social investment discourse. Hence it would be nice to know what was going on behind the scenes and how Member States behaved during the negotiations on the content of the Employment Guidelines and European Council Conclusions. Besides this, one could use the coding scheme to analyze the Member States' national social policies to see in how far social investment or neo-liberalism have been incorporated into these policies and hence if policy change did take place at least to some extent.

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7. Annex

Annex 1: Detailed Coding Scheme

This Annex contains the detailed version of the coding scheme, which was developed in Chapter 3.1.1. In order to refer to each sub-category, in the thesis the abbreviations NL (neo-liberalism) and SI (social investment) will be used in form of e.g. NL Employment, SI Education etc.

Discourses		
Category	Neo- liberalism Discourse	Social Investment Discourse
Employment	<ul style="list-style-type: none"> - Quantitative understanding of work and labour - any job is a good job: <ol style="list-style-type: none"> i. part-time work ii. irregular work iii. short-term contracts iv. temporary jobs v. low paying jobs vi. underpaid traineeships - labour market participation the solution to (social) problems, thus create more jobs - force the unemployed into employment, if necessary into low paid, temporary and often unskilled employment - providing (coercive) incentives to push people back onto the labour market to take up 'any job' - generate work incentives by reducing benefits and tightening eligibility rules - benefits are made conditional on certain requirements and efforts to look for a job and take up work (workfare) 	<ul style="list-style-type: none"> - quality jobs - labour market participation in the form of quality jobs helps <ol style="list-style-type: none"> i. in the acquisition of skills (upskilling), ii. the protection of the value of the skills already acquired, iii. to fight poverty, iv. to fight social exclusion - improve employability - provide training, re-training and work practice - provision of skills training with penalties for non-compliance and attendance - provide positive incentives like employment subsidies and individualized counselling - make transitions pay (in case of temporary non-standardized employment relations) and help people get back into regular employment
Equality	<ul style="list-style-type: none"> - inequality inherent in markets and necessary to motivate economic actors - no role for state to reduce inequality - (any) job for women in order to increase employment rate 	<ul style="list-style-type: none"> - reduce inequality - achieve equality of <ol style="list-style-type: none"> i. gender equality ii. (job) opportunity iii. income iv. access to learning

	<ul style="list-style-type: none"> - no specific forms of support necessary - women and families have to exercise greater responsibility for themselves 	<ul style="list-style-type: none"> - policies to support women's employment - family- friendly employment policies - recognize temporary part-time work as a regular job with basic social insurance participation - subsidized quality childcare provision - maternity-cum-parental leave with job-security - part-time work and other flexible working arrangements - neutral, individual taxation regime
Labour market flexibility (also referred to as adaptability)	<ul style="list-style-type: none"> - flexibility through <ol style="list-style-type: none"> i. non-standard labour contracts ii. less protection iii. increased wage flexibility - weaken trade unions 	<ul style="list-style-type: none"> - combining flexible labour markets (in form of relaxed dismissal protection) with job security - labour market regulation and social protection institutions that promote flexible security (also called flexicurity)
Benefits	<ul style="list-style-type: none"> - cut unemployment benefits to give people an incentive to work - achieve via: <ol style="list-style-type: none"> i. end of earnings-related supplement ii. taxation of unemployment benefits iii. extension of the disqualification period iv. tightening of contribution conditions v. abatement for occupations pensions - no benefits to low-waged workers - abolish high minimum wages - the consequences of harsher economic conditions are considered 'private matters' 	<ul style="list-style-type: none"> - provision of in-work benefits - subsidize low-skilled and low-productive work - prevent the unemployed from being caught up in a spiral of debt and poverty - helps to avoid poverty and inequality - preferred to social assistance or allowances as they help to avoid the depletion of human capital - support and prepare the unemployed via the provision of: <ol style="list-style-type: none"> i. unemployment compensation ii. public support for job searches
Public services	<ul style="list-style-type: none"> - markets able to generate all well-being 	<ul style="list-style-type: none"> - Publicly funded services <ol style="list-style-type: none"> i. for those without adequate income

	<ul style="list-style-type: none"> - only for those without adequate income or other means - cut expenditure and limit publicly funded services by <ul style="list-style-type: none"> i. making benefits means-tested ii. making benefits taxable iii. changing indexation rules - insert competition and efficiency into public services by applying the market-principles of privatizing and marketizing - people know better than the state how to spend their own money 	<ul style="list-style-type: none"> ii. for those in need of support to enter employment iii. when the market fails to provide the service at an affordable price - extend public services if necessary - public policies to <ul style="list-style-type: none"> i. increase employability and employment levels ii. support labour market fluidity iii. prepare citizens for the 'knowledge-based' economy iv. facilitate economic growth
Taxation	<ul style="list-style-type: none"> - reduce tax burden - cut income taxes in order to <ul style="list-style-type: none"> iv. give incentives to work v. restore individual and corporate initiative vi. increase economic activity 	<ul style="list-style-type: none"> - taxation needed to finance public programmes and invest in future tax payers - levy taxes high enough for ensuring insurance and investment - if necessary increase taxes
Education	<ul style="list-style-type: none"> - education provided publicly from kindergarten to high school - parents should support public education financially and with unpaid labour - parents as choice exercising 'consumers' of their children's education - give possibility to opt out of state provision in education and to pay for better services in the private sector - young people should remain in school until able to support oneself and one's family - individuals responsible for their own advancement and further (vocational) training 	<ul style="list-style-type: none"> - public support for quality early childhood education - investments and support for higher education and post-secondary education - life- long learning - invest in human capital to prepare the population and help it succeed in the labour market of the knowledge- based economy - individual's contribution desirable - prevent early exit from formal education and training - facilitate the transition from school to work, in particular for school leavers with low qualifications - provision of vocational training - modernize and expand systems of vocational training

		<ul style="list-style-type: none"> - new combinations of theory and practice in the overall education systems - employers and trade unions should invest in vocational training programmes
Social inclusion and poverty	<ul style="list-style-type: none"> - social inclusion and cohesion via reducing poverty - reduction of poverty by giving people (any) jobs - reduction of poverty the main aim of social security, rather than, for example, the protection against sharp drops in income - support only those who are truly in need - social safety net should be reduced to a bare minimum in favour of a system that emphasizes personal responsibility - income support recipients should not disclose their reliance upon the state in order to avoid stigmatization - financial support for those who are really in need allows them to maintain a facade of social integration and dignity 	<ul style="list-style-type: none"> - facilitating access to the labour market for groups that have traditionally been excluded - improve life chances of disadvantaged citizens, particularly their chances to enter and succeed in education and in the labour market - social inclusion via <ul style="list-style-type: none"> i. activation ii. making work pay iii. reducing workless households - fight poverty via <ul style="list-style-type: none"> i. social investments ii. social inclusion iii. creating quality job - minimise the intergenerational transfer of poverty - tackle child poverty and pensioner poverty specifically
Ageing population	<ul style="list-style-type: none"> - individuals responsible for providing for their own pensions - private pension provision preferred to public provision - participate in the labour market as long as possible (individual's responsibility) 	<ul style="list-style-type: none"> - public pension support - active ageing policies - flexible working arrangement and thus flexible retirement - provide environments and incentives that promote longer working lives and thus postpone retirement - provide elderly care for those who cannot work anymore - provide environments that enable learning activities and add more health years to individuals
Health Care	<ul style="list-style-type: none"> - privatisation of health services instead of public provision 	<ul style="list-style-type: none"> - provision of public health care services

	<ul style="list-style-type: none"> - individuals should opt out of state provision in health - ideally make private insurance compulsory - each individual responsible and accountable for own well-being and health care 	<ul style="list-style-type: none"> - investments in the health of the population and in that of young children specifically - good healthcare systems good for individuals' well-being and can improve labour supply and productivity
NL & SI	<ul style="list-style-type: none"> - in case a sentence contains both discourses, it has to be coded with the neo-liberal and social investment discourse 	

Annex 2: Coding Scheme Specification

This Annex explains in detail the categories of the coding scheme, which can be found in Annex 1 above. As explained, the coding scheme was developed deductively, based on the different approaches that the discourses of neo-liberalism and social investment advocate and further enhanced and specified inductively.

i. Employment

The first category is dealing with employment, which involves aspects like labour market participation and activation.

Neo-liberals have a quantitative understanding of work and see market participation as the solution to (social) problems (Jenson, 2009; Morel et al., 2011). They therefore advocate that 'any job is a good job' and are in favour of non-standard work, which includes irregular work, temporary jobs, short-term contracts, part-time work, low-paying jobs and underpaid traineeships (Hartman, 2005, p. 64; Wacquant, 2010, p. 210). They even prefer to "force the unemployed into low paid, temporary and often unskilled employment" (Hartman, 2005, p. 63) so that they rely on benefits as little as possible. In order to do so, neo-liberals apply the concept of welfare to work, called workfare. This concept stipulates that "welfare recipients should be made to work for their benefits" (Pierson, 1994, p. 122). In order to achieve such a behaviour, income-support programs are made less appealing by reducing benefits and tightening eligibility rules so that work incentives are generated (Pierson, 1994, pp. 115, 124). The aim is thus to deter potential welfare recipients by "providing incentives (in a more or less coercive fashion) to return to the labour market" (Morel et al., 2011, p. 8) by accepting any job as soon as possible.

The social investment perspective on the other hand "includes a suspicion that the market may not be producing sufficient income for everyone, that poverty and social exclusion are real problems requiring more than simply 'a job'" (Jenson, 2010, p. 63). Hence, the focus has to lie on quality jobs and has to include preserving human capital, up-skilling and learning. Due to this, quality jobs "include those that aid in both the acquisition of skills and the protection of the value of the skills already acquired" (Morel et al., 2011, p. 355). Up-skilling and improving employability can also be achieved by providing training, re-training and work practice, which at the same time prevent the depletion of human capital during a period of

unemployment (Morel et al., 2009, p. 10; 2011, p. 10). Besides this, the social investment strategy prefers positive incentives like employment subsidies and individualized counselling as it is of the opinion that “activation that aims merely at driving people back to the labour market to accept ‘any job’ is not producing good results” (Vandenbroucke et al., 2011, pp. 12-13). However, if necessary, all of these incentives could be reinforced by applying penalties in case of non-compliance (Mcdowell, 2004, p. 152). Next to this, it is crucial to ‘make transitions pay’. Such transitions are those changes in a person’s personal and professional career that might lead to temporary non-standardized employment relations and therefore need to be supported by ‘active securities’ or ‘social bridges’ as well as the general development of autonomy and employability (Morel et al., 2009, p. 156; Vandenbroucke et al., 2011, p. 11).

ii. Equality

When it comes to the second category equality, the neo-liberal and the social investment discourse have opposing points of view.

For neo-liberals, “inequality is inherent in markets and is necessary to motivate economic actors” (Jenson, 2009, p. 36) and the state does therefore not need to focus on reducing it. Hence, no special efforts are undertaken for any group of people, as “any job is a good job’ with little attention going to needs for supports such as transportation, training or childcare in order to stay in work” (Jenson, 2009, p. 33). Women and (lone) parents are therefore treated like any other ‘employables’ that should be prevented from relying on social assistance and families are “called on to ‘exercise greater responsibility’ for themselves” (Jenson, 2009, p. 30).

Social investment advocates on the contrary consider a reduction of inequality as essential. They even describe equality as “both a precondition for a successful social investment welfare state and an important outcome of social investment policies” (Vandenbroucke et al., 2011, p. 14). This equality takes many forms: gender equality, equality of (job) opportunity and equality in income and in access to learning (Morel et al., 2009, p. 16; 2011, p. 363). In this regard, family- friendly employment policies and specific measures to support women’s employment are needed. In order to make women full participants in the labour market, their career preferences and family functions have to be reconciled (Giddens et al., 2006, p. 115). This reconciliation is especially important in regard to periods of paid and unpaid employment and part-time work, whereby the latter must be “recognized as a regular job with basic social insurance participation” and offer prospects of career mobility (Vandenbroucke et al., 2011, p. 23). Other policies that support a dual earner family are “a neutral, individual taxation regime, maternity-cum-parental leave with job-security and subsidized childcare” (Giddens et al., 2006, p. 115). Under the social investment perspective, especially the provision of subsidized quality childcare is viewed as essential for rising women’s employment rate (Jenson, 2010, p. 64; Morel et al., 2011, p. 10; Vandenbroucke et al., 2011, p. 22).

iii. Labour Market Flexibility

Labour Market flexibility, category three, is a priority for neo-liberals when it comes to labour markets, and is even described as ‘watchword’ by Harvey (2005, p. 75). Ways for introducing

more flexibility into labour markets are according to neo-liberals “non-standard labour contracts, less protection and increased wage flexibility”, which can absorb external shocks by changes in the labour market (Lundvall & Lorenz, 2011, p. 13). In order to be able to pursue this flexibility, trade unions are viewed with hostility and preferred to be weakened (Hartman, 2005, p. 60; Lundvall & Lorenz, 2011, p. 13). The social investment discourse also advocates flexibility, but links it to security provisions, called flexicurity (or flex-security). In detail, this looks as follows: “combining an increase in flexibility in labour relations by way of relaxing dismissal protection, while generating a higher level of security for employees in flexible jobs” (Giddens et al., 2006, p. 117). This security can be achieved by providing specific forms of labour market regulation and social protection institutions (Morel et al., 2011, p. 2).

iv. Benefits

Category four is dealing with benefits, which include for example unemployment support, in-work benefits and minimum income.

Neo-liberals feel that unemployment benefits “undermine the incentives that move the poor into economic action and out of poverty” (Glazer, 1984, p. 78), as they create a ‘why work?’ question (Pierson, 1994, p. 105). Therefore it is believed that “if unemployment benefits were reduced, people would actually work” (Kus, 2006, p. 508). Such a reduction can take many forms, for example the end of earnings-related supplements, taxation of unemployment benefits, extension of the disqualification period, tightening of contribution conditions and an abatement for occupations pensions (Pierson, 1994, p. 107). Next to this, high minimum wages should be abolished and low-waged workers should not receive benefits (Hartman, 2005, p. 66). This is all based on the assumption that “the consequences of harsher economic conditions are considered ‘private matters’ according to neo-liberals” (Morel et al., 2009, p. 67).

The strategy of social investment however considers it crucial to provide unemployment compensation and in-work benefits as well as subsidize low-skilled and low-productive work. This helps to avoid poverty and inequality (Vandenbroucke et al., 2011, p. 23) and especially prevents “the unemployed from being caught up in a spiral of debt and poverty” (Morel et al., 2011, p. 18). Next to this, low paid jobs linked to in-work benefits are preferred over social assistance or allowances, as they help to avoid the depletion of human capital (Morel et al., 2011, p. 10). In order to get well-trained unemployed people back into work, the social investment discourse also suggests public support for job searches (Morel et al., 2011, p. 10).

v. Public services

‘Public services’ is the fifth category and concerned with all publicly funded services, also called social services. Like unemployment compensation, the neo-liberal perspective despises all publicly funded services as markets are viewed to be able to generate well-being. This is based on the fact that public services are considered to be expensive, intrusive, bureaucratic, fraud-ridden, discouraging individual initiatives, as well as create a culture of dependency (Morel et al., 2011, p. 7; Pierson, 1994, p. 105). Public services should therefore only be

provided to those who are without adequate income or other means (Jenson, 2009, p. 36). In order to achieve this, entitlement rules should be changed, while benefits are also cut. The former can for example be achieved by introducing means-testing, making benefits taxable, or changing indexation rules (Pierson, 1994, p. 139). Besides this, neo-liberals call for the insertion of competition and efficiency into public services by applying the market-principles of privatizing and marketizing (Crouch, 2011, p. 20; Jenson, 2009, p. 38; Steger & Roy, 2010, p. 35). This is linked to the assumption that “people know better than the state how to spend their own money” and must be given a choice (Ridley, 1992, p. 80). The social investment discourse on the other hand is not convinced of market principles and the ability of the market to generate well-being for all. Therefore, public services should be provided, especially to those without adequate income, people in need of support to enter employment and when the market fails to provide the service at an affordable price (Jenson, 2009, p. 36). If necessary, public services even have to be extended in order to profit all (Jenson, 2010, p. 61). Overall, public policies are primarily viewed as investments in people, in order to increase employability and employment levels, support labour market fluidity and prepare citizens for the ‘knowledge-based’ economy (Morel et al., 2011, p. 12) and thereby facilitate economic growth.

vi. Taxation

Concerning category six, taxation, the neo-liberal and social investment strategies again have a contrary point of view. Neo-liberalists call for a reduced tax burden via cutting income taxes, as they believe that these reduce incentive to work (Glazer, 1984, p. 84). Next to this, reducing such taxes “would restore individual and corporate initiative, and a flood of increased economic activity would reduce inflation, take care of the poor, eliminate the heritage of racial discrimination, reduce the deficit, and provide the wherewithal for a huge buildup of national defense” (Glazer, 1984, p. 78). As stated before, the social investment discourse prefers a different approach. It feels that taxation is needed in order to finance public programmes and invest in future tax payers (Palme, 2009, p. 179). This at times can also involve an increase in taxes, and thus calls for “political courage to levy taxes high enough for ensuring insurance and investment with middle-class inclusion” (Palme, 2009, p. 191).

vii. Education

When it comes the seventh category public education, neo-liberalists realize that it is necessary to provide education publicly from kindergarten to high school (Jenson, 2009, p. 37). This public education should however be supported financially and with unpaid labour³² by the children’s’ parents (Clarke, 2004, p. 33). Gewirtz, Ball and Bowe [1995, quoted in (Clarke, 2004, p. 33)] explain that this “goes alongside the more visible shift to parents as choice exercising ‘consumers’ of their children’s education”, who should even have the option to “opt out of state provision in [...] education and to pay for better services in the private sector” (Ridley, 1992, p. 80). Overall, “young people should remain in school until able to

³² This unpaid labour can be provided by parents acting as governors, unpaid assistants, fund-raisers, and more generally as ‘active parents’ evoked in home-school contracts (Clarke, 2004, p. 33)

support oneself and one's family" (Jenson, 2009, p. 36). If this point is reached, every individual is responsible for furthering his or her own well-being and (vocational) training according to neo-liberals (Harvey, 2005, p. 65; Larner, 2000, p. 13).

The social investment discourse also advocates public education, although in a much more extensive scope. First of all, they advocate public support for quality early childhood education³³. The main reason behind this is the finding that "the rate of return to a dollar of investment made while a person is young is higher than the rate of return for the same dollar made at a later age" [OECD (2006, p. 37) quoted in (Jenson, 2010, p. 65)]. While making these investments, emphasis should always be put on the high quality of services, in order to achieve the highest rate of return. The social investment discourse does however not only focus on children, but prefers every citizen to engage in life-long learning. Therefore investments should not only be made into higher education, but also into post-secondary education, training, and learning throughout the whole life course (Vandenbroucke et al., 2011, p. 22), in order to prepare the population and help it succeed in the labour market of the knowledge- based economy. The government should however not be solely responsible but expects individuals to contribute towards their own life-long learning and (re-) training (Jenson, 2009, p. 37). Next to this, it is crucial to prevent "early exit from formal education and training, and [facilitate] the transition from school to work, in particular for school leavers with low qualifications" (Vandenbroucke et al., 2011, p. 23). Next to this, social investment supporters see the need to modernize and "[expand] systems of vocational training and [aim] at new combinations of theory and practice in the overall education systems" (Morel et al., 2009, p. 10). In order to do so, employers and trade unions should be encouraged to invest in vocational training programmes as this human capital upgrading can, according to the social investment discourse, contribute to competitiveness (Vandenbroucke et al., 2011, p. 7).

viii. Social inclusion and poverty

The eighth category deals with social inclusion and poverty. Social inclusion is hereby also often referred to as the elimination of social exclusion, social cohesion or social integration, which all have the same goal: include and integrate all people into society.

Neo-liberals believe that social inclusion can be achieved by reducing poverty, which in turn will occur if people are given (any) jobs. The reduction of poverty is therefore the main aim of social security, rather than, for example, the protection against sharp drops in income (Pierson, 1994, p. 111). However, only people who are 'truly in need' should be supported and therefore "the social safety net [should be] reduced to a bare minimum in favour of a system that emphasized personal responsibility" (Harvey, 2005, p. 76). Those citizens, who are recipients of income support should "not [...] disclose their reliance upon the state precisely in order to avoid stigmatization" (Hartman, 2005, p. 68), which in turn increases their attachment to society. Overall, the role of financial support for those who are really in need is believed to allow recipients to "maintain at least a facade of social integration and

³³ Early childhood education is one of the main focuses of a social investment strategy and referred to by many researchers. For more information see for example (Jenson, 2009, p. 37; Morel et al., 2011, p. 355; Vandenbroucke et al., 2011, p. 6).

thus dignity” (Hartman, 2005, p. 68). Overall, economic activity in form of any job is considered the best way for avoiding social exclusion, poverty and being in need of state services.

Instead of poverty reduction, the social investment strategy advocates “facilitating access to the labour market for groups that have traditionally been excluded” as the way for fostering greater social inclusion (Morel et al., 2011, p. 2). More generally, disadvantaged people like disabled citizens or ethnic minorities, need to get supported “by improving their life chances, particularly their chances to enter and succeed in education and in the labour market” (Bonoli, 2009, p. 55). This support can take various forms, ranging from activation, to making work pay and reducing workless households [Esping-Andersen et al. (2002) quoted in (Jenson, 2009, p. 42)]. Poverty has of course also be reduced, which can be achieved via social investments, social inclusion, as well as through the creation of quality jobs. The aim is to minimize the intergenerational transfer of poverty as well as tackle child poverty and pensioner poverty (Jenson, 2009, p. 33; Morel et al., 2011, p. 11; Newman & McKee, 2005, p. 659).

ix. Aging population

In regard to aspects concerning the ageing population, category nine, neo-liberals see individuals responsible for providing for their own pensions and prefer private over public provision. This private and individual responsibility is linked to the assumption that everybody should participate in the labour market as long as possible.

The social investment perspective on the other hand emphasizes public pension support, as “pensions are still important to protect against income insecurity in old age” (Nikolai, 2009, p. 101). The provision of pensions should however go hand in hand with active ageing, flexible retirement, as well as the provision of elderly care for those who cannot work anymore (Morel et al., 2009, p. 120; Vandenbroucke et al., 2011, p. 24; Vandenbroucke & Vleminckx, 2011, p. 454). Next to this, it should be invested in “environments that enable learning activities [in order to] promote longer working lives as well as adding more health years to individuals” (Morel et al., 2011, p. 367). If this is achieved, the problems linked to an aging population and the provision of pensions will be decreased according to social investment proponents.

x. Health care

Concerning category ten, the neo-liberal discourse favours a privatisation of health services that substitute public provision (Pierson, 1994, p. 132). The assumption hereby is that each individual should be “held responsible and accountable for his or her own actions and well-being”, which extends to the realm of health care (Harvey, 2005, p. 65). Therefore, people should be allowed to opt out of state provision in health, or private insurance should even be made compulsory (Pierson, 1994, p. 134; Ridley, 1992, p. 80). According to the social investment perspective, public health services should not be abolished, but are needed. Investments should be made into the health of the population and into that of young children specifically (Morel et al., 2011, p. 6). The assumption made is that “good healthcare systems

are not only good for individuals' well-being but can also improve labour supply and productivity " (Jacobsson, 2009, p. 120).

xi. NL & SI

Some sentences are rather ambivalent and can contain both discourses. In this case the sentence has to be coded with the neo-liberal and social investment discourse, labeled "NI & SI".

Annex 3: Coding instructions

In order to have a content analysis with a high reliability, it is necessary to have coding instructions that make it possible to replicate the analysis (Krippendorff, 2013, pp. 128, 132). For this purpose, this Annex first explains how the content has to be coded, and secondly, which parts of each document will have to be coded.

1. General coding instructions

1.1. Code whole (also referred to as natural) sentences

As explained above, natural sentences will have to be coded. A natural sentence is defined to end with the following characters: '.', '?', '!', and ';'. Bullet-pointed sentence- (or numbered sentence-) fragments are also defined to be 'natural' sentences, even if not ending in one of the previously declared delimiters (Däubler et al., 2012, p. 942). Hereby, only the manifest content has to be coded, as the analysis aims to discover which discourse Member States are explicitly advocating.

1.2. Code each sentence into one of the categories specified in the coding scheme

Each sentence has to be coded into one of the ten categories specified in the coding scheme.

1.3. In case not only one single category fits

In case a sentence cannot be coded in one of the categories, two ways of action are possible: develop a new category or pick the dominant category.

First, if a natural sentence seems to refer to one of the two discourses, but does not exactly fit into any of the categories of the categorization matrix, a new category needs to be developed. This step is called inductive category development.

Secondly, it might be the case that one sentence includes one discourse but aspects of two or more different sub-categories. If this is the case, the category that seems to be dominant has to be picked. Here an example: "in addition, it is important to develop a policy for active ageing, encompassing appropriate measures such as maintaining working capacity, lifelong learning and other flexible working arrangements, so that older workers are also able to

remain and participate actively in working life” (Council, 2000). Although lifelong learning would fall into the category of ‘education’, the focus here lies on ‘active ageing’, which should be picked as the dominant category.

1.4. In case a sentence contains both discourses, please indicate this

Some sentences are rather ambivalent and might contain both discourses. In this case the sentence has to be coded with the neo-liberal and social investment discourse (NL & SI).

1.5. Look at the context in case of doubt

In order to decrease the uncertainty and ambiguity about a certain sentence, the context unit in which each sentence stands should be looked at. Context units are “units of textual matter that set limits on the information to be considered in the description of recording units” (Krippendorff, 2013, p. 101). In this study, the whole paragraph will be used as context unit. An example is the sentence “Moreover, these systems should interact to increase the incentive to return to the labour market” (Council, 2000). As it is not clear what “these systems” means, it should be looked at the prior sentence in this case.

2. Guidelines for coding documents

The selection of OMCs ensured that only those documents that are dealing with social policy got included. However, not each entire document is directly concerned with social policy, as table of contents, procedural matters and the like are also mentioned. Therefore, in order to facilitate the analysis, only the content of each document that focuses on social policy and can theoretically include the neo-liberal and/or social investment discourse will have to be coded.

In regard to the Council Decisions on the Employment Guidelines, this means that the recitals³⁴ will not be coded, since they solely state the reasons for the act. The coding will just be performed on the enacting terms, starting with Article 1.

Concerning the European Council Spring Presidency Conclusions, it is slightly more difficult to define which parts are relevant for coding, as these conclusions also deal with several aspects other than social policy. Generally it can be said that the whole document should be coded, but in case a whole title is not containing any discourse, this title should be excluded. To facilitate this process, the main guideline is to code those titles that are concerned with issues like the economic and social situation, employment, economic reform, social cohesion, the Lisbon Strategy, Europe 2020 etc. Titles that refer to technical matters (ratification, better regulation), climate change/energy policy, external/international relations, agriculture, and other aspects that do not stand in relation to social policy, do not have to be coded. As these instructions may not fit every European Council Conclusion, titles that do not allow the coder

³⁴ “The ‘recitals’ are the part of the act which contains the statement of reasons for the act; they are placed between the citations and the enacting terms. The statement of reasons begins with the word ‘Whereas:’ and continues with numbered points [...] comprising one or more complete sentences” (eur-lex, s.a.).

to define at first sight whether they are concerned with social policy, will have to be looked at in detail.

In regard to the annex of each document, it was decided that only those annexes, which are mentioned in one of the coded parts of each document, will be included in the analysis.

Annex 4: Documents for analysis

1. Council Employment Guidelines

Name	Document name	Comments
Council Decision on guidelines for Member States' employment policies for the year 2000 (adopted 6 March 2000)	6433/00 LIMITE SOC 53 ECOFIN 54 FISC 20	
Council Decision on Guidelines for Member States' employment policies for the year 2001 (adopted 5 January 2001)	14375/00 LIMITE SOC 485 ECOFIN 368 FISC 215	
Amended proposal for a Council Decision on Guidelines for Member States' employment policies for the year 2002 – Political agreement (of 6 December 2001)	14912/01 SOC 523 ECOFIN 378	In Document “5417/02 SOC 20 ECOFIN 21” of 24 January 2002 called “Council Decision on Guidelines for Member States' employment policies for the year 2002 – Adoption” the guidelines are not listed, only adopted.
COUNCIL DECISION of 22 July 2003 on guidelines for the employment policies of the Member States	(2003/578/EC)	
COUNCIL DECISION of 4 October 2004 on guidelines for the employment policies of the Member States	(2004/740/EC)	Guidelines from 2003 maintained
COUNCIL DECISION of 12 July 2005 on Guidelines for the employment policies of the Member States	(2005/600/EC)	
COUNCIL DECISION of 18 July 2006 on guidelines for the employment policies of the Member States	(2006/544/EC)	Guidelines from 2005 maintained
COUNCIL DECISION of 10 July 2007 on guidelines for the employment policies of the Member States	(2007/491/EC)	Guidelines from 2005 maintained
COUNCIL DECISION of 15 July 2008 on guidelines for the employment policies of the Member States	(2008/618/EC)	

COUNCIL DECISION of 7 July 2009 on guidelines for the employment policies of the Member States	(2009/536/EC)	Guidelines from 2008 maintained
COUNCIL DECISION of 21 October 2010 on guidelines for the employment policies of the Member States	(2010/707/EU)	
COUNCIL DECISION of 19 May 2011 on guidelines for the employment policies of the Member States	(2011/308/EU)	Guidelines from 2010 maintained
COUNCIL DECISION of 26 April 2012 on guidelines for the employment policies of the Member States	(2012/238/EU)	Guidelines from 2010 maintained
COUNCIL DECISION of 22 April 2013 on guidelines for the employment policies of the Member States	(2013/208/EU)	Guidelines from 2010 maintained

All documents can be found in the **Register of the Council of the European Union, which is located at** <http://www.consilium.europa.eu/documents?lang=en> or in the Official Journal of the European Union, which can be accessed via http://eur-lex.europa.eu/RECH_mot.do?ihmlang=en .

2. European Council Presidency Conclusions

Name	Details and Comments
Presidency Conclusions Lisbon European Council 23 and 24 March 2000	Officially created the Open Method of Coordination
Presidency Conclusions Stockholm European Council 23 and 24 March 2001	
Presidency Conclusions Barcelona European Council 15 and 16 March 2002	
Brussels European Council 20 and 21 March 2003 Presidency Conclusions	8410/03 POLGEN 29
Brussels European Council 25 and 26 March 2004 Presidency Conclusions	9048/04 POLGEN 20 CONCL 1
European Council Brussels 22 and 23 March 2005 Presidency Conclusions	7619/1/05 REV 1 CONCL 1
Brussels European Council 23/24 March 2006 Presidency Conclusions	7775/1/06 REV 1 CONCL 1
Brussels European Council 8/9 March 2007 Presidency Conclusions	7224/1/07 REV 1 CONCL 1
Brussels European Council 13/14 March 2008 Presidency Conclusions	7652/1/08 REV 1 CONCL 1

Brussels European Council 19/20 March 2009 Presidency Conclusions	7880/1/09 REV 1 CONCL 1
European Council 25/26 March 2010 Conclusions	EUCO 7/10 CO EUR 4 CONCL 1
European Council 24/25 March 2011 Conclusions	EUCO 10/1/11 REV 1 CO EUR 6 CONCL 3
European Council 1/2 March 2012 Conclusions	EUCO 4/2/12 REV 2 CO EUR 2 CONCL 1
European Council 14/15 March 2013 Conclusions	EUCO 23/13 CO EUR 3 CONCL 2

The European Council Conclusions from 2000 to 2002 can be found at <http://www.european-council.europa.eu/council-meetings/conclusions/archives-2002-1993> while the European Council Conclusions from 2003 to 2012 are located at <http://www.european-council.europa.eu/council-meetings/conclusions>.

Annex 5: Data collection problems and solutions for ‘Member States’ ideological position’

During the data collection process for the independent variable ‘Member States’ ideological position’, two problems were encountered, which were solved in different ways. First, some parties are not mentioned in the dataset that was applied for a certain year, which is mainly due to the fact that they only came into existence a few months or years after the dataset was published. The absence of several parties from a given dataset becomes especially visible for the years 2010 to 2013 in the new Member States. Therefore, always when this was the case, the values for those parties were retrieved from the previous dataset, or if this was not possible the 2010 dataset was used and the means of the raw data were calculated manually.

The second problem that was encountered during the data collection is related to missing values. There are three different situations for which missing values had to be applied. First, in Greece during 2000 and 2001, the government possessed a value of exactly 5 and can therefore neither be called left- wing, nor right- wing. Secondly, there are several years in which technocratic or caretaker governments were in power, as was the case in the Czech Republic in 2009 and 2010 (the letter for the European Council Conclusions only), in Belgium in 2010 and in Italy in 2012. As these governments are made up of independent parties, and/or supported by parties from both the left and the right, they cannot be placed on either the right or the left of the ideological spectrum and are therefore also treated as missing values. The third situation in regard to missing values is concerning Luxembourg, Malta and Cyprus. As mentioned above, these countries are not included in the CHES datasets, but treating these countries as missing values is not a problem as they rarely vote against the majority (see chapter 3.1.2. ‘Methodology for independent variables’ for detail).

Annex 6: Data retrieved with Atlas.ti

Data retrieved with Atlas.ti from content of Council of Minister’s Employment Guidelines

Year	NL #	NL %	SI #	SI %	NL&SI #	NL&SI %	Total #
2000	4	10	33	82.5	3	7.5	40
2001	8	10.39	62	80.52	7	9.09	77
2002	10	11.76	68	80	7	8.24	85
2003	10	21.74	35	76.09	1	2.17	46
2004	10	21.74	35	76.09	1	2.17	46
2005	11	20	42	76.36	2	3.64	55
2006	11	20	42	76.36	2	3.64	55
2007	11	20	42	76.36	2	3.64	55
2008	10	9.52	91	86.67	4	3.81	105
2009	10	9.52	91	86.67	4	3.81	105
2010	3	7.89	33	86.84	2	5.26	38
2011	3	7.89	33	86.84	2	5.26	38
2012	3	7.89	33	86.84	2	5.26	38
2013	3	7.89	33	86.84	2	5.26	38

Data retrieved with Atlas.ti from European Council Spring Presidency Conclusions

Year	NL #	NL %	SI #	SI %	NL&SI #	NL&SI %	Total #
2000	5	12.5	35	87.5	0	0	40
2001	6	27.27	16	72.73	0	0	22
2002	1	3.45	20	68.97	8	27.59	29
2003	5	11.11	40	88.89	0	0	45
2004	1	4.17	15	62.5	8	33.33	24
2005	0	0	22	88	3	12	25
2006	4	7.14	48	85.71	4	7.14	56
2007	0	0	12	92.31	1	7.69	13
2008	0	0	18	100	0	0	18
2009	0	0	5	100	0	0	5
2010	2	40	3	60	0	0	5
2011	0	0	4	57.14	3	42.86	7
2012	1	20	3	60	1	20	5
2013	2	25	4	50	2	25	8

NL Sentences which include the neo-liberal discourse

SI Sentences which include the social investment discourse

NL&SI In case a sentence contains both discourses it is labelled "NL&SI"

Frequency of sentences

% Percentage of sentences

Annex 7: Percentages for sub-categories

Percentages of neo-liberal discourse sub-categories found in content European Council Conclusions (1 being 100%)

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
NL Ageing Population	0	0.05	0	0	0	0	0	0	0	0	0	0	0	0
NL Benefits	0	0	0	0	0	0	0	0	0	0	0	0	0	0
NL Education	0	0	0	0	0	0	0	0	0	0	0	0	0	0
NL Employment	0.08	0.18	0	0.07	0.06	0	0.08	0	0	0	0.2	0	0.25	0.17
NL Equality	0	0	0	0	0	0	0	0	0	0	0	0	0	0
NL Flexibility	0	0	0	0.02	0	0	0	0	0	0	0	0	0	0
NL Health Care	0	0	0	0	0	0	0	0	0	0	0	0	0	0
NL Public Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0
NL Social Inclusion and Poverty	0.05	0.05	0.048	0	0	0	0	0	0	0	0.2	0	0	0
NL Taxation	0	0	0	0.02	0	0	0	0	0	0	0	0	0	0.17

Percentages of social investment discourse sub-categories found in content of European Council Conclusions (1 being 100%)

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
SI Ageing Population	0	0.05	0.095	0.02	0.13	0	0.04	0.08	0	0	0	0	0	0
SI Benefits	0	0.05	0	0	0	0	0	0	0	0.2	0	0	0	0
SI Education	0.58	0.14	0.571	0.42	0.56	0.55	0.23	0.25	0.5	0.4	0.6	0.5	0.25	0.17
SI Employment	0.13	0.23	0.095	0.2	0.06	0.09	0.12	0.17	0.06	0.2	0	0.25	0.25	0.5
SI Equality	0.03	0.18	0.048	0.09	0.19	0.23	0.42	0.25	0.11	0	0	0	0	0
SI Flexibility	0	0	0.048	0.02	0.06	0.05	0.06	0.08	0.11	0	0	0.25	0	0
SI Health Care	0	0	0	0	0	0	0	0	0	0	0	0	0	0
SI Public Services	0	0.05	0.095	0	0	0	0	0	0	0	0	0	0	0
SI Social Inclusion and Poverty	0.15	0.05	0	0.11	0	0.14	0.06	0.17	0.22	0.2	0	0	0.25	0
SI Taxation	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Percentages of neo-liberal discourse sub-categories found in content of Employment Guidelines (1 being 100%)

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
NL Ageing Population	0	0	0	0	0	0.02	0.02	0.02	0.02	0.02	0	0	0	0
NL Benefits	0	0	0	0	0	0	0	0	0	0	0	0	0	0
NL Education	0	0	0	0	0	0	0	0	0	0	0	0	0	0
NL Employment	0	0.06	0.08	0.18	0.18	0.15	0.15	0.15	0.07	0.07	0	0	0	0
NL Equality	0.054	0.01	0.01	0	0	0	0	0	0	0	0	0	0	0
NL Flexibility	0	0	0	0	0	0.02	0.02	0.02	0.01	0.01	0	0	0	0
NL Health Care	0	0	0	0	0	0	0	0	0	0	0	0	0	0
NL Public Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0
NL Social Inclusion and Poverty	0	0	0	0.02	0.02	0	0	0	0	0	0.06	0.06	0.06	0.06
NL Taxation	0.054	0.04	0.04	0.02	0.02	0.02	0.02	0.02	0	0	0.03	0.03	0.03	0.03

Percentages of social investment discourse sub-categories found in content of Employment Guidelines (1 being 100%)

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
SI Ageing Population	0.054	0.04	0.04	0.02	0.02	0.04	0.04	0.04	0.02	0.02	0	0	0	0
SI Benefits	0	0	0	0.07	0.07	0	0	0	0.02	0.02	0.08	0.08	0.08	0.08
SI Education	0.162	0.26	0.28	0.18	0.18	0.4	0.4	0.4	0.29	0.29	0.42	0.42	0.42	0.42
SI Employment	0.27	0.16	0.17	0.2	0.2	0.13	0.13	0.13	0.24	0.24	0.17	0.17	0.17	0.17
SI Equality	0.27	0.33	0.29	0.13	0.13	0.11	0.11	0.11	0.15	0.15	0.11	0.11	0.11	0.11
SI Flexibility	0.054	0.01	0.01	0.04	0.04	0.04	0.04	0.04	0.06	0.06	0.08	0.08	0.08	0.08
SI Health Care	0	0	0	0	0	0	0	0	0.01	0.01	0	0	0	0
SI Public Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0
SI Social Inclusion and Poverty	0.081	0.06	0.06	0.13	0.13	0.08	0.08	0.08	0.12	0.12	0.06	0.06	0.06	0.06
SI Taxation	0	0.03	0.03	0	0	0	0	0	0	0	0	0	0	0

Annex 8: Percentage of Member States with and without excessive debt

Year	% of Member states with excessive debt	% of Member states without excessive debt	Situation of the majority of Member States
2000	33,32%	66,68%	Majority no excessive debt
2001	26,67%	73,33%	Majority no excessive debt
2002	33,32%	66,68%	Majority no excessive debt
2003	40%	60%	Majority no excessive debt
2004	36%	64%	Majority no excessive debt
2005	40%	60%	Majority no excessive debt
2006	40%	60%	Majority no excessive debt
2007	33,32%	66,68%	Majority no excessive debt
2008	33,32%	66,68%	Majority no excessive debt
2009	44,43%	55,57%	Majority no excessive debt
2010	51,85%	48,15%	Majority excessive debt
2011	51,85%	48,15%	Majority excessive debt
2012	51,85%	48,15%	Majority excessive debt
2013	/	/	

Annex 9: Member States' governments' ideological position

Member States ideological position for Employment Guidelines (retrieved each year in the month before the Guidelines were adopted)

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Austria	6.2	6.2	7	7	7	7	7	3.83	3.83	3.83	3.83	3.83	3.83	3.83
Belgium	4.24	4.24	4.23	4.23	4.23	4.86	5.04	5.04	5.6	5.6	/	5.6	5.6	5.6
Bulgaria								3.31	3.31	3.31	6.08	6.08	6.08	6.08
Cyprus														
Czech Republic					3.33	3.33	3.43	7.71	7.71	/	7,16	7.16	7.16	7.16
Denmark	3.86	3.86	4	7.19	7.19	7.19	7.17	7.17	7.17	7.17	7.17	7.17	3.74	3.74
Estonia					7.6	7.6	7.4	7.4	7.4	7.4	7.4	7.4	7.4	7.4
Finland	4.68	4.68	4.67	4.67	5.45	5.45	5.09	5.09	5.64	5.64	5.64	5.64	4.93	4.93
France	5.32	5.32	5.43	7.44	7.44	7.44	7.44	7.44	7.44	7.44	7.44	7.44	7.44	2.89
Germany	3.5	3.5	3.68	3.68	3.68	3.68	6.05	6.05	6.05	6.05	6.88	6.88	6.88	6.88
Greece	5	5	3.91	3.91	3.91	6.27	6.44	6.44	6.44	6.44	4.11	6.44	6.55	4.11
Hungary					3.8	3.8	4.25	4.25	4.25	4.25	7.09	7.09	7.09	7.09
Ireland	6.5	6.5	5.63	5.63	5.63	5.63	6.2	6.2	6.2	6.2	6.2	5.35	5.35	5.35
Italy	3	3.68	6.93	6.93	6.93	6.93	3,4	3.4	7.95	7.95	7.95	7.95	/	5.28
Lativa					3.75	7	7.25	7.25	6.88	6.88	7	7	6.96	6.96
Lithuania					2.6	2.6	4	4	4	8.29	8.29	8.29	8.29	4.15
Luxembourg														
Malta														
Netherlands	3.8	3.8	4	6.13	6.13	6.13	6.09	6.09	6.09	6.09	6.09	7.45	7.45	7.45
Poland					4.13	4.13	7.76	7.76	5.29	5.29	5.29	5.29	5.29	5.29
Portugal	3.6	3.6	4	6.43	6.43	6.43	4.3	4.3	4.3	4.3	4.3	4.3	6.7	6.7
Romania								5.82	6.35	4.39	5.78	5.78	5.54	4.83
Slovakia					7.07	7.07	5.64	5.64	5.64	5.64	7.31	7.31	3.08	3.08
Slovenia					4.2	6.4	7.4	7.4	7.4	3.6	3.6	3.6	3.6	3.6
Spain	6.63	6.63	6.92	6.92	4	4	3.58	3.58	3.58	3.58	3.58	3.58	8	8
Sweden	3.44	3.44	3.5	3.5	3.5	3.5	3.56	6.86	6.86	6.86	6.86	6.86	6.86	6.86
United Kingdom	4.73	4.73	5.18	5.18	5.18	5.18	4.88	4.88	4.88	4.88	5.45	5.45	5.45	5.45

Member States ideological position for European Council Conclusions (retrieved each year in March)

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Austria	6.2	6.2	7	7	7	7	7	3.83	3.83	3.83	3.83	3.83	3.83	3.83
Belgium	4.24	4.24	4.23	4.23	4.23	4.86	5.04	5.04	5.6	5.6	5.6	5.6	5.6	5.6
Bulgaria								3.31	3.31	3.31	6.08	6.08	6.08	6.08
Cyprus														
Czech Republic					3.33	3.33	3.43	7.71	7.71	7.71	/	7.16	7.16	7.16
Denmark	3.86	3.86	4	7.19	7.19	7.19	7.17	7.17	7.17	7.17	7.17	7.17	3.74	3.74
Estonia					7.6	7.6	7.4	7.4	7.4	7.4	7.4	7.4	7.4	7.4
Finland	4.68	4.68	4.67	4.67	5.45	5.45	5.09	5.09	5.64	5.64	5.64	5.64	4.93	4.93
France	5.32	5.32	5.43	7.44	7.44	7.44	7.44	7.44	7.44	7.44	7.44	7.44	7.44	2.89
Germany	3.5	3.5	3.68	3.68	3.68	3.68	6.05	6.05	6.05	6.05	6.88	6.88	6.88	6.88
Greece	5	5	3.91	3.91	3.91	6.27	6.44	6.44	6.44	6.44	4.11	6.44	6.55	4.11
Hungary					3.8	3.8	4.25	4.25	4.25	4.25	3.67	7.09	7.09	7.09
Ireland	6.5	6.5	5.63	5.63	5.63	5.63	6.2	6.2	6.2	6.2	6.2	5.35	5.35	5.35
Italy	3	3.68	6.93	6.93	6.93	6.93	7.14	3.4	3.4	7.95	7.95	7.95	/	/
Latvia					3.75	7	7.25	7.25	6.88	6.88	7	7	6.96	6.96
Lithuania					2.6	2.6	4	4	4	8.29	8.29	8.29	8.29	4.15
Luxembourg														
Malta														
Netherlands	3.8	3.8	4	6.13	6.13	6.13	6.09	6.09	6.09	6.09	6.09	7.45	7.45	7.45
Poland					4.13	4.13	7.76	7.76	5.29	5.29	5.29	5.29	5.29	5.29
Portugal	3.6	3.6	4	6.43	6.43	6.43	4.3	4.3	4.3	4.3	4.3	4.3	6.7	6.7
Romania								5.82	6.35	4.39	5.78	5.78	5.54	4.83
Slovakia					7.07	7.07	7.31	5.64	5.64	5.64	5.64	7.31	7.31	3.08
Slovenia					4.2	6.4	7.4	7.4	7.4	3.6	3.6	3.6	3.6	6.35
Spain	6.63	6.63	6.92	6.92	4	4	3.58	3.58	3.58	3.58	3.58	3.58	8	8
Sweden	3.44	3.44	3.5	3.5	3.5	3.5	3.56	6.86	6.86	6.86	6.86	6.86	6.86	6.86
United Kingdom	4.73	4.73	5.18	5.18	5.18	5.18	4.88	4.88	4.88	4.88	4.88	5.45	5.45	5.45

Summary of Member States' government's ideological position for Employment Guidelines

Year	Percentage of Member States with left-wing government	Percentage of Member States with right-wing government	Ideological position of the Majority if Member States
2000	69	31	Majority left-wing ideology
2001	69	31	Majority left-wing ideology
2002	57	43	Majority left-wing ideology
2003	36	64	Majority right-wing ideology
2004	50	50	No majority
2005	36	64	Majority right-wing ideology
2006	36	64	Majority right-wing ideology
2007	33	67	Majority right-wing ideology
2008	29	71	Majority right-wing ideology
2009	35	65	Majority right-wing ideology
2010	22	78	Majority right-wing ideology
2011	17	84	Majority right-wing ideology
2012	22	78	Majority right-wing ideology
2013	38	62	Majority right-wing ideology

Summary of Member States' government's ideological position for European Council Conclusions

Year	Percentage of Member States with left-wing government	Percentage of Member States with right-wing government	Ideological position of the Majority if Member States
2000	69	31	Majority left-wing ideology
2001	69	31	Majority left-wing ideology
2002	57	43	Majority left-wing ideology
2003	36	64	Majority right-wing ideology
2004	50	50	No majority
2005	36	64	Majority right-wing ideology
2006	32	68	Majority right-wing ideology
2007	33	67	Majority right-wing ideology
2008	33	67	Majority right-wing ideology
2009	33	67	Majority right-wing ideology
2010	30	70	Majority right-wing ideology
2011	17	83	Majority right-wing ideology
2012	17	83	Majority right-wing ideology
2013	35	65	Majority right-wing ideology