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Contextualising the EU's NEG Prescriptions and Research Design

5.1 INTRODUCTION

In Chapter 4, we highlighted the need for a research design that acknowledges the links between the policy orientation of new economic governance (NEG) prescriptions and the material interests of different social groups. We thus identified commodification as the policy orientation most relevant to our analysis of the nexus between EU economic governance and labour politics and developed a corresponding analytical framework to assess NEG prescriptions in the areas of employment relations and public services. Before engaging in this assessment, however, we need to understand their meaning, for which we must make an additional analytical move.

The meaning of NEG policy prescriptions depends not only on their wording but also on their location in larger policy scripts and their uneven coercive power across countries, time, and policy areas. Hence, NEG prescriptions are embedded in larger semantic fields and taxonomies, in power struggles over the definition of appropriate solutions to social problems, and in the uneven European political economy. This chapter thus first explains the semantic, communicative, and policy contexts in which we situate NEG prescriptions and then outlines the implications of this analytical move for our research design, including case selection, data collection, and comparative approach.

5.2 HOW TO MAP THE PATTERNS OF PRESCRIPTIONS ACROSS COUNTRIES, TIME, AND POLICY AREAS?

In Chapter 4, we argued that, to assess NEG prescriptions, we need not only to link them to the interests of concrete social groups (in our case, labour and its interest in opposing the commodification of employment relations and public services) but also to account for the hierarchical ordering of prescriptions in

larger policy scripts unevenly deployed across countries, time, and policy areas. In order to address the latter point, we highlighted that we need a research design that captures (1) the uneven *semantic context* of prescriptions – to map the ways in which prescriptions form larger hierarchical taxonomies; (2) the uneven *communicative context* of prescriptions – to account for the differentiated allocation of coercive power to different types of prescriptions across countries, time, and policy areas; and (3) the uneven *policy context* of prescriptions – to account for the embeddedness of NEG prescriptions in an uneven European political economy, for their national-, supranational-, and EU-level path-dependency, and for their differentiated deployment across countries, time, and policy areas. In this section, we look at each of these contexts and then draw their implications for our research design.

Semantic Contexts and Hierarchical Taxonomies

The semantic context of policy prescriptions refers to how the meaning of prescriptions emerges from their relations with other prescriptions found in the policy documents of which they are part. Approaching policy prescriptions in this way reflects a core insight from linguistics: namely, that the relationship between symbols (including written ones, i.e., words), what they stand for (e.g., objects, actions, ideas), and the meanings that they carry with them (e.g., literal and metaphorical) are *arbitrary* (Lavenda and Schultz, 2020). Indeed, symbols, what they stand for, and their meanings vary from society to society and even from social group to social group, as well as across time. Therefore, to fully grasp the meaning of words (in our case, policy terms) rather than simply and solely look at the content signified by the symbols, we need to consider the semantic *relationships* established between them in a given symbolic field (e.g., a language or, in our case, the set of policy texts produced in a certain policy area).

Semantic interconnections between words are nonetheless far from random but cluster in more complex taxonomies. Taxonomies are systems of classification that organise *hierarchically* the sets of terms and concepts used to name and understand specific areas of reality. Classical taxonomies include those developed by botanists and zoologists since the eighteenth century, yet all human societies develop their own ‘folk’ taxonomies (Vanpool and Vanpool, 2009) in relation to the various aspects of reality. The latter include not only flora and fauna but also the desired solutions to the social problems of human societies, of which employment and social policies are modern welfare state variants. Taxonomies are not universal but reflect time- and place-specific understandings of reality. In turn, when mobilised in actual social practices of

linguistic performance (e.g., policy documents), they provide the symbolic classifications and thus lenses through which social actors perceive reality.

By seeing policy formulations as part of larger policy taxonomies, we do not need to assume that the latter are fully coherent or that they are perfectly self-contained and distinct from other taxonomies. Even the most polished social policy taxonomies, namely, social policy paradigms, share policy terms and solutions with other paradigms and in this sense overlap with one another and have fuzzy boundaries. This does not make them indeterminate or ever changing, as taxonomies point to hierarchical connections between terms that have a certain degree of consistency across policy documents produced in different spatial and temporal locations. Moreover, seeing policy formulations as organised in folk (rather than scientific) taxonomies highlights their strangeness and thus unsettles their proponents' claims that the solutions they offer to social problems are logical, natural, or universal. Policy responses are as folk, as strange, and as exotic as the Medio period (1200–1450) fauna classifications from northwest Mexico documented by Vanpool and Vanpool (2009). Bringing hospital case-based financing and active labour market policies together under the same banner of structural reforms responding to the 2008 financial crisis is as strange as grouping owls, rattlesnakes, and shamans under the category of night creatures (Vanpool and Vanpool, 2009). Both classifications reflect understandings of reality that are specific to a certain time, place, and social location rather than universal.

To assess the meaning of policy prescriptions found in NEG documents and the connections that link them with one another, we draw on ethno-semantic analysis developed by linguistic anthropologists (Vanpool and Vanpool, 2009; Spradley, 2016). Ethno-semantic analysis assesses 'the underlying semantic *connections*' between words (emphasis added) (Vanpool and Vanpool, 2009: 529) to map the *patterns* of word usage across texts produced in different locations and periods in time and their grouping in the hierarchically ordered and more encompassing semantic domains (or *categories*) that, in turn, form larger taxonomies. This type of analysis thus allows us to map the articulation of NEG prescriptions on employment relations and public services in larger policy taxonomies as well as cross-country and cross-time patterns. For the purpose of this book, we draw on the theoretically driven categories, depicted in Chapter 4, of commodification and decommodification of employment relations and public services to uncover NEG taxonomies and patterns in these areas.

Before looking at how ethno-semantic analysis can be applied to the analysis of NEG documents, let us define the units of our analysis. Several scholars and European Commission analysts have pointed out that most country-specific recommendations (CSRs) contain not one but several policy

statements that may apply to quite distinct areas of intervention. They have hence divided CSRs into several sub-parts, components, policy measures (Efstathiou and Wolff, 2018), policy issues (Copeland, 2020), and sub-recommendations (Darvas and Leandro, 2015; Clauwaert, 2018). It follows that it does not make much sense to assess the policy orientation of whole CSRs (Copeland and Daly, 2018). Instead, we need to look at their smaller and policy area-specific sub-components. Our units of analysis are therefore policy prescriptions, which we define as the shortest policy statements that make sense from a semantic point of view.

If the meaning of NEG prescriptions cannot be understood in isolation but only by considering the other prescriptions to which they are semantically linked, we can then use ethno-semantic analysis to map their deployment across NEG documents in a systematic manner. This presupposes mapping the semantic relations between each prescription and the concentric textual fields of which it is part. These are formed first by all prescriptions accompanying it in the CSR of which it is part and then by all prescriptions found in the CSRs issued in the corresponding country- and year-specific Council Recommendation.

To illustrate such an approach, let us take as an example the prescription to 'increase cost-effectiveness' in healthcare, issued to Ireland in 2014 (Council Recommendation Ireland 2014/C 247/07). This prescription may be seen as ambiguous and thus illustrating the empty signifier approach to NEG seen in Chapter 4. Indeed, we could understand its meaning in two different ways: to increase the number of healthcare services provided while keeping the level of expenditure constant or to keep the level of healthcare services constant while reducing the level of expenditure. However, although these possible readings have divergent takes on the fate of healthcare expenditure, they both involve an intensification of service provision that is detrimental to workers' employment conditions and users' service quality (and thus commodifying). Moreover, this prescription takes an even clearer meaning if we consider the other prescriptions surrounding it in the document. We discover that the prescription sits in CSR₂, where it is accompanied by prescriptions on increasing central financial control in healthcare and on introducing e-health measures. The latter two prescriptions thus explain what the 2014 Council Recommendation for Ireland meant by increased cost-effectiveness: a process that is about enhancing managerial control over financial flows in the healthcare sector rather than about improving health outcomes. The juxtaposition of these different prescriptions signals the semantic connections between them and thus their belonging to a common semantic category. Looking further afield, we notice that CSR₁ from the same document includes prescriptions

on the need to achieve 'fiscal adjustment' by enforcing binding government expenditure ceilings and that both CSR₃ and CSR₄ include a series of prescriptions in the area of active labour market policies. The prescription to increase cost-effectiveness in healthcare acquires therefore new shades, as it becomes one component of a larger package prioritising the curtailment of state funding (through fiscal adjustment) and the further marketisation of labour (through its activation, see Greer, 2015; McGann, 2021) – rather than better and more evenly distributed health services and health outcomes.

Looking at textual fields *closest* to prescriptions gives us an intimation of what ethno-semantic analysis achieves in terms of unearthing the meanings of prescriptions and grouping them in semantic categories. A systematic analysis, though, also needs a consideration of *wider* textual fields. In our case, the latter include the field formed by all policy prescriptions issued since the start of the NEG for the EU member state under consideration. This helps us uncover the whole range of meanings with which ambiguous prescriptions are associated in NEG documents and thus get closer to uncovering their core meaning. Of importance for ambiguous prescriptions are the more precisely formulated prescriptions with which they are semantically linked. For example, the prescription to increase cost-effectiveness in healthcare is associated mostly with prescriptions seeking more explicitly to commodify healthcare (see map of semantic links in Table A5.1 in the Online Appendix). Likewise, we can trace the meaning of vague prescriptions by uncovering their semantic links to similarly but more precisely formulated prescriptions present in Council Recommendations issued for the same country in other years. For example, we can elucidate the meaning of the prescription to 'open up the services sector to further competition, including ... *professional services*' (Council Recommendation Italy 2011/C 215/02, emphasis added) issued for Italy between 2011 and 2015 by looking at all similarly formulated prescriptions across all documents issued in the years under study for the same country. Italy received a similar prescription in 2016, whereby healthcare was explicitly included in a longer explanatory list: 'increase competition in *regulated professions* [and the] ... *health sector*' (Council Recommendation Italy 2016/C 299/01, emphasis added). This can help us see that healthcare may have been implicitly targeted by commodifying NEG prescriptions requesting increased competition in the sector even before the term was explicitly mentioned in relation to that. The meanings of apparently ambiguous or vague prescriptions are therefore not floating above actual NEG documents, freely associating with one or another prescription (as empty signifiers). Instead, they are sedimented in temporally successive layers that pull them in certain directions rather than others (i.e., commodification or decommodification).

A consideration of prescriptions' widest textual field, namely, the one formed by all prescriptions issued for all countries and years under consideration, allows us to document whether prescriptions display any common *patterns* across countries and years and to assess on this basis their position in NEG taxonomies. For example, prescriptions with similar formulations to the one issued to Ireland in 2014 (to increase cost-efficiency in healthcare) were issued twelve times for the four countries under study in the period 2009–2019; namely, four times to Germany (2011–2014), five times to Ireland (2014–2016, 2018–2019), and three times to Romania (2013–2014, 2019). That these prescriptions are also richly linked semantically to a whole set of commodifying prescriptions indicates that their dominant meaning is a commodifying rather than a decommodifying one. It also indicates that cost-efficiency may be one of the threads connecting a number of NEG prescriptions in healthcare in a common commodifying *script* (see also below).

A consideration of the semantic context of NEG prescriptions allows us to unearth the larger *taxonomies* of which they are part and the *patterns* that they form across countries, time, and policy areas. We need, however, to move a step further in our analytical strategy to link these taxonomies and patterns with social (class) conflict. As seen in section 3.3, focusing on commodification allows us to capture the nexus between NEG and labour politics. But how can the deployment of NEG prescriptions across countries, time, and policy areas be accounted for in terms of the struggles among concrete social actors and their interests? To answer this question, we now turn to the communicative context of prescriptions.

Communicative Contexts and Struggles over the Naming of Reality

The communicative context of prescriptions refers to how their meanings emerge in the specific practices of communication that inform the production of policy documents. Drawing on the sociology of the state and policymaking, we understand the production of policy documents as involving 'symbolic struggles' over 'the power to produce and to impose the legitimate vision of the world' (Bourdieu, 1989: 20). Indeed, policy documents imbue with symbolic legitimacy (and, in the case of NEG documents, also with legal power) the policy terms on which they draw. These terms are nonetheless not neutral or natural but rather an outcome of the symbolic struggles that social actors¹

¹ By contrast to Zeitlin and Vanhercke (2018), we use the term 'social actors' in its original sociological sense, as referring to groups of people in a society engaged in collective action. Accordingly, we refer to Zeitlin and Vanhercke's largely institutional 'social actors' as social *policy* actors.

wage over the definition of social problems and what are to be considered as their adequate solutions. In these struggles, social actors are differently positioned in terms of economic, political, and cultural capital (Bourdieu, 1994) and hence have different efficacy in imprinting their views on policy documents and their key terms.

In these struggles, social actors rally behind various approaches to social policy to advance their own interests. In practice, these approaches coagulate around a limited range of social policy paradigms. The share and the relative pre-eminence in policy documents of concepts informed by one or another paradigm are an outcome of symbolic struggles among social actors. Paradigms, however, function not simply as pre-existing, stable reference points that actors mobilise in symbolic struggles. They are themselves the object of symbolic struggles whereby some social actors (most notably policy-makers and social policy scholars) seek to reinforce the coherence and stability of paradigms, whereas others seek to challenge them. In this process, some actors might seek to build on the inherent arbitrariness of language to enhance the ambiguity of policy terms and make the boundaries between paradigms more porous. Otherwise said, coherence and ambiguity are moving stakes, not fixed outcomes.

We therefore consider the production of NEG policy prescriptions as a communicative process whereby variously situated actors struggle to impose their own views of the problems encountered by EU member states after the 2008 crisis and of the measures needed to respond to them. Most studies of NEG prescriptions on employment and social policy have concentrated on the actors most closely involved in the production of NEG documents (namely, the European Commission and the Council as addressers and member state governments as addressees). Thus, as seen above, scholars participating in the socialisation debate concur to distinguish between economic and social policy actors at EU and national level but come to different conclusions regarding the outcome of their struggles for the orientation of NEG in employment and social policy.

We argue that, although valuable, these studies gloss over several aspects of the symbolic struggles waged by social actors over policy documents and terms – aspects that are crucial for analysing the deployment of NEG prescriptions across countries and time. As seen in Chapter 4, we need to enlarge our perspective on NEG (and its documents) by taking into consideration that its production is the result of struggles not only among institutional actors at national and supranational EU level (discussed in the socialisation debate) but also among *interest groups* – most notably organised labour and capital (Erne, 2023a). Moreover, the production of policy documents involves social actors

struggling not only to impose certain views of the world, and thus certain policy orientations through language, but also to enhance the *coercive power* of language. In our case, and as several analysts have pointed out (Erne, 2015; Baeten and Vankercke, 2016; de la Porte and Heins, 2016; Crespy and Schmidt, 2017; Dawson, 2018; Bekker, 2021), this enhancement goes beyond the use of language per se to include the assignation of *legal bases* to individual NEG prescriptions.

The coercive power of a prescription depends on its legal basis and on the location of the receiving country in NEG's enforcement regime, which is determined by struggles over the state's inclusion or exclusion in disciplinary NEG procedures (Figure 2.1; Table 5.1). Critical scholars in the socialisation debate have found this process to be far from neutral, as the prescriptions with the strongest legal bases have been structurally linked to conservative fiscal and economic objectives (Baeten and Vanhercke, 2016; Crespy and Schmidt, 2017; Dawson, 2018). The struggles have thus typically been over the extent of austerity and most particularly over the curtailment and marketisation of employment relations and public services to achieve these objectives. These scholars thus saw the battle over 'the lens under which policy should be examined' (Dawson, 2018: 203) as having resulted in a lose-lose game for labour and social policy: social prescriptions were based either on the non-binding Europe 2020 strategy, which may accommodate socially progressive objectives but provides a weak legal base, or on disciplinary procedures, in which case they acquire significant coercive power, but only by at the same time being geared towards socially regressive objectives (Dawson, 2018). However, precisely because NEG prescriptions target different countries and policy areas differently in terms of their frequency and coercive power, we need to adopt a research design that is also able to capture these differences empirically.

The assignment of coercive power to prescriptions during the production of NEG documents reveals power differentials between different member states, and between them and EU executives, and in the ways in which they are drawn upon in NEG's vertical policymaking and surveillance process. We thus need a research design that allows us to map the patterns of prescriptions across countries and time and, in so doing, capture variations in terms of both their meaning (and thus location in NEG taxonomies and spatial-temporal patterns) and their coercive power. Hence, continuing with the example provided in the previous subsection, just counting the frequency of prescriptions 'to increase cost-effectiveness in healthcare' is not enough; we also need to capture their varying coercive power from country to country and year to year, as well as the patterns of their coerciveness across countries and time. By highlighting the combination of this pattern of coerciveness and the

consistent semantic association of these prescriptions with other more clearly commodifying prescriptions, our research design thus also allows us to question their signifying emptiness. Instead, rather than confirming their ambiguity, our analysis reinforces our previous insight on the dominant orientation of these prescriptions being the commodification rather than the decommodification of healthcare.

A consideration of how policies are patterned across time and countries is crucial if we want to understand the overall orientation and therefore deeper nature of NEG prescriptions in a specific policy area. Thus, the repeated occurrence of prescriptions oriented towards the commodification of healthcare, which, at the same time, usually had significant coercive power (Chapter 10), signals the channelling of NEG interventions in healthcare into a strong commodifying policy flow rather than an indeterminate policy drizzle mixing commodifying and decommodifying raindrops. To see how and why this flow may follow an overarching script rather than being a simple accumulation of similarly oriented prescriptions, we need, last but not least, to also take into consideration the policy context of NEG prescriptions.

Policy Contexts and the Uneven Deployment of NEG Prescriptions

The policy context of NEG prescriptions refers to how their content and coercive power relate to other current and past policies adopted at national and EU level. Studies in the varieties-of-welfare tradition draw on neo-institutional approaches to highlight the importance of institutional trajectories in understanding current social policies (Esping-Andersen, 1990). In doing so, they highlight path-dependency as one of their important dimensions, document how social policies coalesce at national level in distinct pathways or varieties (Hall and Soskice, 2001), and then use these varieties to make country-by-country comparisons.

Thinking in terms of varieties, however, raises important methodological and analytical questions, given that, at the outset, these varieties were far from isolated from one another and that, in the last decades, they have been pushed in a similar commodifying direction (Crouch, 2005; Copeland, 2020; Hermann, 2021). This push towards the commodification of employment relations and public services has also been the result of policymakers at national and EU level participating in a common transnational policy space in which neoliberal approaches have become ever more powerful (Blyth, 2013; Ban, 2016). In a European context, it is not only national governments but also EU institutions (and most notably the Commission and the Council)

that have played a crucial role in the adoption and imposition of these approaches as appropriate solutions to the social policy challenges of the day (Greer, Jarman, and Baeten, 2016). The policy context of NEG prescriptions therefore includes past policies situated at both *national* and *supranational* (EU) level and their impact on the extent to which specific policy areas have been commodified in specific countries and at specific junctures.

Hence, the history of employment and social policies in the EU is not one of *distinct* pathways taken by different groups of countries, but rather of meandering yet *interconnected* trajectories that, although diverging at times, flow nonetheless in a common direction. National governments have deployed commodifying interventions unevenly across countries and time, given the uneven power relations between different member states, between them and EU institutions, and, as seen in Chapter 2, the uneven unfolding of horizontal market pressures across the EU in anticipation of economic and monetary union and EU accession processes. This unevenness has manifested itself in terms both of the specific policy mixes that EU member states adopted at different junctures and of the pace and intensity with which they implemented these interventions. A consideration of the history of unevenly deployed policies and of their impact on the commodification of employment relations and public services is crucial for accounting for why NEG prescriptions in a specific policy area targeted, at a specific juncture, some countries rather than others. For example, as shown in Chapter 10, NEG commodifying prescriptions in healthcare targeted mostly Ireland and Romania; this can be accounted for by the fact that, before NEG was introduced, healthcare (and especially hospital) commodification was less advanced in these two countries than in the other two countries in our dataset, Germany and Italy. This points to NEG commodifying prescriptions in healthcare amounting to something more than simply a set of prescriptions displaying a common commodifying orientation. Rather, it points to their participation in an overarching transnational policy *script* that follows a common *logic* in its deployment across countries and time.

Therefore, taking into consideration the time-specific unfolding of policies across countries allows us to uncover not only and simply NEG's semantically hierarchical ordering of prescriptions in employment relations and public services (i.e., taxonomies) but also their uneven deployment as overarching *scripts* encoded in NEG documents produced in different years and for different countries. Moreover, by going further back in time and considering pre-2008 EU interventions in a particular policy area, we may discover the deeper temporal sediments of EU economic governance and thus the precursors of NEG's commodifying script in this area.

Our analytical strategy thus aims to uncover the policy scripts that inform NEG documents and NEG prescriptions in selected employment and social policy areas. By seeing these documents and prescriptions as outcomes of the symbolic struggles waged by social actors over the legitimate naming of reality, our analytical strategy allows us to acknowledge the existence of a plurality of agendas that may inform NEG prescriptions in a particular policy area. As shown in Chapters 6–11, we have identified a dominant commodifying script across all policy areas, despite the occasional presence of NEG policy prescriptions that pointed in a decommodifying direction. Moreover, when analysing the semantic links of the much less constraining and less frequent decommodifying prescriptions to the policy rationales underpinning them, we found that they did not constitute a countervailing policy script. Instead, most of those policy rationales were compatible with the overarching commodification script of NEG (Tables 11.2 and 11.4).

Having looked at the semantic, communicative, and policy contexts of NEG prescriptions and their implications for our research design, we now turn to our comparative and analytical strategy, case selection, and data collection.

5.3 RESEARCH DESIGN

As seen in the previous section, traditional country-by-country comparison *à la* varieties of capitalism (Hall and Soskice, 2001) or varieties of welfare state (Esping-Andersen, 1990) aims to uncover clusters (varieties) among countries. In this perspective, each variety displays a distinctive and coherent *national* institutional configuration in employment and social policy areas (Brenner, Peck, and Theodore, 2010).

Our analysis seeks instead to capture *transnational* dynamics at work in NEG. We argue that this is a particularly relevant level for analysing NEG prescriptions in employment relations and public services – and trade-union and social-movement reactions to them (Jordan, Maccarrone, and Erne, 2021; Stan and Erne, 2021a). As outlined in Chapter 3, the NEG regime may nationalise social conflict through its *country-specific* recommendations (Erne, 2015). The EU-wide reach of the NEG documents that guide them – namely, the Annual Growth Survey and the Recommendations for the euro area (see Figure 2.1), as well as the institutionalisation of NEG and its sanctioning procedures in EU laws – namely, the Six-Pack of EU laws on economic governance – bring member states nonetheless under the same *supranational* regime of multilateral policymaking and surveillance (Erne, 2015).

Case Selection and Analytical Strategy

As this study goes beyond the methodological nationalism that characterises traditional comparative studies in social sciences, we employ a different rationale for case selection. Positivist research designs rely on Mill's method of induction, selecting most-different or most-similar cases (Przeworski and Teune, 1970), with the aim of isolating the presumed causal factors for the observed outcomes, similar to what would happen in a natural experiment. Implicit in such an approach 'is the assumption that nations or societies are aggregates of variables which can in principle be isolated analytically' (Hyman, 2001: 208). However, in a transnationally integrated regime such as NEG, it is not possible to 'seal' national boundaries in order to compare countries. Neither is it possible to separate policymaking into supranational EU and national policy production processes (Brenner, Peck, and Theodore, 2010), given that the two levels are interconnected, as outlined in Chapter 3.

By choosing countries and sectors differently positioned within the EU and its NEG regime, we have instead selected our cases as 'vantage points' (Bieler, 2021: 4) that allow us to uncover the deployment of NEG and commodification in the uneven and integrated European political economy. We expect this deployment to be uneven among countries located at different points relative to the EU's core and periphery. We also expect it to be uneven among policy areas, as these have been differently affected by EU governance and integration processes prior to, as well as after, the establishment of the NEG regime. Finally, we expect this deployment to draw on an already established commodifying stream in EU policymaking. We therefore compare country-specific NEG prescriptions not only in terms of these countries' past trajectories in the adoption of policies commodifying employment relations and public services but also in terms of whether they follow a *common* commodifying *script* in these areas. These comparisons seek thus to find *transnational* dynamics. Consequently, we selected four countries (Germany, Italy, Ireland, and Romania) that cover contrasting poles in terms of member state size (and thus votes in the Council) and economic power in the uneven EU political economy. This operationalises more abstract considerations of core-periphery divisions and helps us capture the uneven power relations involved in the production of NEG documents, in the allocation of countries to sanctioning procedures, and in the assigning of different legal bases (and hence different degrees of coercive power) to NEG prescriptions. It also allows us to assess whether policy prescriptions reflect an overarching commodifying script while being unevenly deployed across countries. The central question for us is whether commodification is indeed the dominant script in the policy areas under consideration, to what extent alternative, decommodification prescriptions can be identified, and whether the latter coalesce in a countervailing decommodifying script.

Rather than considering all prescriptions issued in the social field, our study focuses on a limited *set of policy areas*, namely, at cross-sectoral level (employment relations and public services) and at sectoral level (transport, water, and healthcare public services). Doing so allows not only for an *in-depth* consideration of the semantic, communicative, and policy contexts within which NEG prescriptions are situated but also for the fine-tuning of our account of the uneven deployment of NEG across countries, time, and policy areas. This is a value added with respect to those studies of NEG that, by assessing all CSRs (in employment and social policy areas) for all EU countries, can map the trends taken by NEG prescriptions only at a very general level.

To account for the *semantic context* of NEG prescriptions, we grouped them in a series of ever more encompassing semantic categories. First, we grouped country-specific prescriptions that use slightly different formulations to convey the same policy measure (e.g., prescriptions issued for Romania in 2013 – ‘improve efficiency and effectiveness in the healthcare system’ and ‘pursue health sector reform to increase its efficiency’ [Council Recommendation Romania 2013/C 217/17], in 2014 – ‘step up reforms in the health sector to increase its efficiency’ [Council Recommendation Romania 2014/C 247/21], and in 2019 – ‘improve ... cost-efficiency of healthcare’ [Council Recommendation Romania 2019/C 301/23]) under a common *theme*, for which we used a standardised formulation (e.g., ‘increase cost-efficiency of healthcare’).

Second, we classified prescriptions (by drawing on the above themes) under the *categories* of the conceptual framework developed in Chapter 4. This conceptual framework operationalised the commodification and de-commodification potential of prescriptions on employment relations and public services. The aim of this framework is to make the classification of prescriptions according to their policy *orientation* (commodification or de-commodification) more intelligible and then to use these categories to give a finer-tuned picture of the policy taxonomies and of the patterns formed by the deployment of NEG prescriptions across countries and time.

To account for the *communicative context* of NEG prescriptions, our analysis took into account their different *coercive power*. Following Jordan, Maccarrone, and Erme (2021: 9), we considered this power to range from *very significant*, for prescriptions enunciated in Memoranda of Understanding (MoUs) for countries under bailout programmes; to *significant* for Stability and Growth Pact (SGP)- or Macroeconomic Imbalance Procedure (MIP)-related prescriptions for states with excessive deficits or excessive macroeconomic imbalances; and to *weak*, for prescriptions underpinned by the Europe 2020 strategy, or by the EU’s SGP or MIP if countries did not experience excessive deficits or excessive imbalances, as outlined in Table 5.1.

TABLE 5.1 *Coercive power of NEG prescriptions*

Legal basis of NEG prescription	Enforcement mechanisms	Coercive power
MoU strand of NEG: NEG prescriptions related to MoUs and Precautionary-MoUs	Withdrawal of financial assistance ^a Withdrawal of EU structural funding ^b Financial fines ^{c, d} Naming and shaming ^e	<i>Very significant</i>
Corrective SGP/MIP strand of NEG: SGP- and MIP-related NEG prescriptions for states with excessive deficits or excessive macroeconomic imbalances	Withdrawal of EU structural funding ^b Financial fines ^{c, d} Naming and shaming ^e	<i>Significant</i>
Preventive SGP/MIP strand of NEG: SGP- and MIP-related prescriptions for states with no excessive deficits or excessive macroeconomic imbalances	Naming and shaming ^e	<i>Weak</i>
Europe 2020 strand of NEG: Prescriptions related to the EU's Europe 2020 growth strategy		

Source: Adapted from Stan and Eme (2018/2019), Jordan, Maccarrone, and Eme (2021), and Stan and Eme (2023).

^a According to the European Stability Mechanism (ESM) and the European Financial Stability Facility (EFSF) for euro area states created in 2012 and 2011, respectively, as well as the Balance of payments (BoP) assistance facility created in 2002 for non-euro area states, EU financial assistance is conditional on the implementation of the economic adjustment programme (EAP) spelled out in the corresponding MoU and its updates.

^b Since 2014, EU structural and investment funding to all member states is conditional on 'sound economic governance', i.e., the implementation of EAP-, SGP-, and MIP-related NEG prescriptions (Art. 23, Regulation No 1303/2013 of the European Parliament and of the Council of 17 December 2013).

^c Since 2011, a member state of the euro area that has not 'taken effective action to correct its excessive [budget] deficit', risks 'a fine, amounting to 0.2% of the Member State's GDP in the preceding year' (Art. 6, Regulation No 1173/2011 of the European Parliament and of the Council of 16 November 2011).

^d Since 2011, a member state of the euro area that 'has not taken the corrective action [against excessive macroeconomic imbalances] recommended by the Council' risks an 'annual fine of 0.1% of the GDP in the preceding year of the Member State concerned' (Art. 2, Regulation No 1174/2011 of the European Parliament and of the Council of 16 November 2011).

^e Since the adoption of the Maastricht Treaty in 1993 and the Amsterdam Treaty in 1997, the Council adopts Broad Economic Policy Guidelines (Art. 121(2) TFEU) and Employment Policy Guidelines (Art. 148(2) TFEU), which are non-legally binding recommendations for policymaking.

To account for the *policy context* of NEG prescriptions, we looked at the latter from a historical perspective. We thus placed NEG prescriptions against the canvas of EU interventions in employment relations and public services and national-level reforms that happened before the financial crisis of 2008. In doing so, we aimed to uncover continuities and differences between the latter and subsequent NEG prescriptions, most notably in terms of the commodification of employment relations and public services. As NEG did not replace but only complemented the ordinary EU governance method by law, we analysed not only the NEG prescriptions in our fields issued by EU executives since the financial crisis but also the EU laws that the Commission proposed after 2008 in accordance with the EU's ordinary legislative procedure.

In sum, when considering NEG prescriptions in their semantic, communicative, and policy contexts, we thus pursued an analytical strategy based on the following steps:

1. grouping all individual NEG prescriptions that refer semantically to a common policy measure in common *themes*, that is, standardised formulations;
2. identifying the explicit and implicit *semantic links* of apparently ambiguous and vague prescriptions to prescriptions found in other EU and national policy documents to uncover their *deeper meaning* and then mapping the larger policy taxonomies mobilised in NEG documents;
3. assessing the NEG prescriptions' potential to foster the commodification or decommodification of their respective policy areas and then classifying these prescriptions according to the *categories* of the analytical framework developed in Chapter 4;
4. identifying the *coercive power* of prescriptions and mapping the uneven attribution of this power to prescriptions going in commodifying and decommodifying directions;
5. tracing the *patterns* across countries and years formed by NEG prescriptions issued in each cross-sectoral and sectoral policy area;
6. assessing whether NEG prescriptions issued in each cross-sectoral and sectoral policy area follow, across countries and years, an overarching *commodification script*;
7. identifying the semantic links between *decommodifying* prescriptions and the *policy rationales* informing them and assessing their articulation with NEG's commodification scripts;
8. *comparing* the patterns of commodifying and decommodifying NEG prescriptions *across* cross-sectoral and sectoral policy areas.

Data Collection and Sources

Our study focuses, in a *first* instance, on whether NEG prescriptions follow an overarching transnational commodifying script across countries, time, and policy areas. Identifying this script is important, as it may offer potential crystallisation points for transnational countermovements, as shown in Chapter 3.

Our analysis of NEG prescriptions draws on (a) prescriptions included among the conditions listed in MoUs and their subsequent updates for Ireland (2010–2013) and Romania (2009–2013) and (b) prescriptions included in the CSRs listed in country-specific Council Recommendations issued between 2011 and 2019 for our four countries, namely, Germany, Italy, Ireland, and Romania. To better understand the semantic, communicative, and policy contexts of selected NEG prescriptions, we also draw on the Commission's annual Country Reports and member states' annual National Reform Programmes, as well as Annual Growth Surveys, Euro-area Recommendations, and Joint Employment Reports. Moreover, as understanding the policy contexts informing NEG policy prescriptions requires a deep knowledge of the policy context in the affected member states and corresponding language skills, our analysis is based on a long-term engagement with our cases (Almond and Connolly, 2020), which we know very well (Erne, 2008; Stan and Erne, 2014; Golden, 2015; Stan and Erne, 2016; Stan, 2018; Szabó, 2018; Maccarrone, Erne, and Regan, 2019; Maccarrone and Erne, 2023; Stan and Toma, 2019; Jordan, Maccarrone, and Erne, 2021; Golden and Erne, 2022; Szabó, Golden, and Erne, 2022). For each country selected, at least two of the book's authors are familiar with its national language. This allowed us to complement NEG documents (available in English) with studies and grey literature on employment relations and public services published both in English and in national languages. We examined NEG prescriptions by drawing mainly on document analysis, which we enriched with semi-structured interviews conducted with policymakers, for example, Commission officials involved in the operation of the European Semester process. For the purpose of mapping NEG policy prescriptions, we analysed MoUs, Council Recommendations, Commission's Country Reports, and other policy documents (Online Appendix, Table A1.1), conducted interviews with national and EU policymakers (Online Appendix, Table A1.2), and engaged in participant observations of trade-union, social-movement, and EU policy meetings (Online Appendix, Table A1.3). We participated in about sixty events organised by the abovementioned groups to make observations and maintain relationships with past and potential interviewees.

In a *second* move, our study analyses *transnational* counterreactions to NEG, based on a novel database of transnational socioeconomic protests since 1997 reported by national *and* EU-level labour-related sources, which we also compiled in the framework of our ERC project (Erne and Nowak, 2022, 2023).

Another protest database of events across thirty European countries reported in English-language newswire reports from 2000 to 2015 confirmed the return of socioeconomic grievances as the most important driver of protests across Europe (Kriesi et al., 2020). Within the economic protest cluster, political or 'public' protests 'targeting the economic crisis management of governments' clearly outnumbered the 'private' protests targeting 'private actors, above all business corporations' (Kriesi and Wüest, 2020: 280), by contrast to those that took place in the 1970s (Crouch and Pizzorno, 1978). Unfortunately, Kriesi et al.'s (2020) database does not record *transnational* protests, given its traditional country-by-country methodology. This motivated us to compile our own database (Erne and Nowak, 2023) to enable us to assess the role of the EU executives' commodifying interventions by (draft) EU laws and by NEG prescriptions as drivers of transnational socioeconomic protests during the two distinct historical periods – before and after the EU's shift to the NEG regime.

Our database captures transnational protest events related to socioeconomic grievances, including demonstrations, strikes, boycotts, and direct democratic European Citizens' Initiatives (ECIs) (Erne and Nowak, 2023). Its geographical scope includes protests across all European countries irrespective of EU membership, except Turkey, Belarus, and Russia, which we excluded for practical reasons. We collected the data on these protest events from a wide range of European *and* national websites, newsletters, and media outlets specialised in labour politics published in English, French, German, or Italian. The selection of sources in these languages exposes us to the risk of missing some protests, but we are confident that almost all transnational protests are captured by at least one of our sources.²

Our analysis of transnational socioeconomic protests since 1993 included in our database (Erne and Nowak, 2022, 2023) had two goals. We aimed,

² European sources: EBR-News, ETUI Collective Bargaining Newsletter; Eurofound: EIRO database and European Restructuring Monitor; European Commission: ECI Register, newsletters of the ETUC's sectoral European trade union federations and their predecessors (EAEA, EUROCOP, EFBWW, EFFAT, EFJ, IndustriAll, EPSU, ETF, ETUCE, UNI-EUROPA), IR share, planetlabor, Staff Union of the European Patent Office; German source: Labourmet; French sources: Liaisons Sociales, Métis Europe, Clés du social; Italian source: Rassegna; Central and East European Source: LeftEast. We also added information on protest events based on academic publications and general news media.

firstly, to identify transnational collective action by unions and social movements and, second, to link these to pressures following from EU economic governance both before and after the establishment of the NEG regime. Trade unions and social movements are the main social actors examined in the area of contentious politics. When studying the making and operation of the NEG regime however, we also considered the activities and policy statements of employer associations.

Our *data collection* was multi-sited, as it took place at two main levels. At EU level, we looked at the interaction between EU institutions and European-level trade unions. Brussels serves not only as the main headquarters of EU institutions but also as the seat of the European Trade Union Confederation (ETUC) and of European sectoral trade union federations, such as the European Public Service Union (EPSU) and the European Transport Federation (ETF). Therefore, our Brussels field trips were the starting point for our investigation of transnational labour reactions to NEG. Furthermore, cognisant of the country-specific methodology and impact of NEG prescriptions, we also conducted fieldwork in the four selected countries of Germany, Ireland, Italy, and Romania, where we talked with representatives of national and sectoral unions on the topics of the impact of NEG on employment relations and public services and of unions' counterreactions to NEG-driven interventions.³

In our data collection on trade-union and social-movement collective action, we applied a step-by-step approach aiming to map first trade unions' views on NEG pressures and then their counterreactions to these pressures. In other words, we first explored trade unions' positions regarding NEG pressures and then focused on their actions at transnational level. Regarding collective action, we distinguished between the formal engagement of trade unions with European institutions through technocratic mechanisms and more contentious forms of collective action politicising European economic governance (Erme, 2008).

We adopted a historical perspective and sought to capture trade union responses to EU economic governance both before and after 2008. For this purpose, we relied on a combination of sources. We drew on documents published by unions, including articles, policy briefs, press statements, and reports. We also conducted around 160 interviews with trade unionists, social movement activists, employers' representatives, and public representatives at

³ Unfortunately, fieldwork among trade unions and social movements was seriously impacted by the Covid-19 pandemic. Even so, we managed to compensate for the barriers to in-person access to our research fields through phone or online conversations, observation of online actions, and an in-depth engagement with trade-union and social-movement documents.

EU level and in the countries under analysis. We participated at events relating to the European Semester (e.g., the consultations with social partners on the Annual Growth Survey), union demonstrations, seminars and congresses (e.g., the 2019 congresses of ETUC, EPSU, and ver.di), and social movement actions (Table A1.3, Online Appendix). Our participation in these actions allowed us to gather further information through direct observation, informal interviews (Spradley, 2016), and the collection of documents otherwise not accessible online.

At the same time, during fieldwork at national level, we had to come to terms with the fact that NEG per se may not have been perceived by national trade unions as a factor directly impacting on national reforms. We noticed in more than one instance that sectoral unions delegate EU issues to general confederations to save resources or to ensure a unified view on European governance. Moreover, many interview partners had no direct engagement with NEG documents in their day-to-day organising work, but they had first-hand experience of how NEG-driven policies affected the employees and public service user groups that they represented. To talk about this impact, we drew on the categories identified in our conceptual frameworks (see Chapter 4) that had an immediate meaning for trade unions. For example, asking mid-level trade union representatives in the public sector in Romania about the impact of EU economic governance provoked a 'don't know or not relevant' answer. By contrast, asking them about the impact of a specific NEG prescription, for example how they experienced and responded to expenditure cuts in healthcare, was a discussion opener. This approach also allowed us to link back our findings from the country-specific fieldwork sites to NEG prescriptions at EU level and make findings comparable across the different countries and policy areas examined in this book.

Finally, to get a comprehensive picture of transnational counter-mobilisations of unions and social movements in response to EU governance interventions, we drew on our transnational socioeconomic protest database (Erne and Nowak, 2023). In each empirical Chapters (6–10), we extracted from this database a list of protests in the respective policy areas. Having outlined our conceptual framework and research design, we now assess EU economic governance interventions and the countermovements that they triggered. In each ensuing chapter, we first assess the commodifying or decommodifying policy direction of vertical EU interventions before and after the EU's shift to NEG and then analyse the transnational union and social-movement reactions to the EU's economic governance interventions.

