BUSINESSEUROPE - AN OPPORTUNISTIC AND STRATEGIC POLICY ACTOR.

A study of the policy objectives of BusinessEurope vis-à-vis the EU Institutions following the Implementation of the New Economic Governance Agenda in the European Union.

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Abstract

This Master Thesis aims to study European employer organization BusinessEurope’s policy objectives vis-à-vis the Commission and European Council in the context of the European Semester in the time period of 2015 and 2018. The overall objective of this study is to assess if BusinessEurope and the two EU institutions are mutually interdependent, given their mutual goals of increasing international competitiveness and growth in the EU. By making a comparison between the time periods 2015 and 2018, the aim is to provide a better understanding of how BusinessEurope participates in and attempts to shape EU socioeconomic policies at the EU level. The empirical material is comprised of policy documents representative of the actors in this study published within the European Semester context. To fulfill the aim of the study, a mixed methods approach comprised of quantitative and qualitative content analysis is employed as a research method in order to summarize, compare arguments and evidence of the empirical material. The results show that BusinessEurope, the Commission and European Council share several similar policy objectives that point towards a neoliberal economic perspective. BusinessEurope is shown to be a strategic actor that seizes instruments provided by the EU institutional context, such as the Social Dialogue, to promote its policy objectives. Moreover, BusinessEurope uses the image of ‘Europe’ to frame its decisions and policy objectives as legitimate, as well as strengthen its position as social partner in the European political sphere.

Keywords: BusinessEurope, employer organization, social partner, European Union, policy analysis, European Semester.

Word count: 23,776
Abbreviations

EFSI European Fund for Strategic Investment
EU European Union
OMC Open Method of Coordination
UEAPME European Association of Craft, Small and Medium-sized Enterprises
UNICE Union des Industries de la Communauté Européenne

List of Figures

Figure 1. Illustration depicting multi-actor complexity in policy making process. p. 21
Figure 2. Model showing concept-driven dimensions. p. 24
Figure 3. Frequency of dimensions for 2015 time period. p. 37
Figure 4. Frequency of dimensions for 2018 time period. p. 39

List of Tables

Table 1. Analytical framework. p. 29
Table 2. Results of qualitative content analysis. p. 60
5. Methodology ............................................................................................................. 25
  5.1 Research Design .................................................................................................. 25
  5.2 Qualitative Content Analysis .............................................................................. 26
  5.3 Quantitative Content Analysis ............................................................................ 26
  5.4 Strengths and Limitations of Content Analysis .................................................... 27
  5.5 Operationalization of Theory .............................................................................. 29
  5.6 Sampling and Data Collection ............................................................................ 30
  5.7 Empirical Material ............................................................................................... 31
  5.8 Generalizability ................................................................................................... 35
6. Analysis and Results

6.1 Quantitative Content Analysis

6.1.1 Time Period 2015

6.1.2 Time period 2018

6.1.3 Summary of Quantitative Content Analysis

6.2 Qualitative Content Analysis

6.2.1 Time Period 2015

6.2.1.1 Perceptions Dimension

6.2.1.2 Values Dimension

6.2.1.3 Resources Dimension

6.2.1.4 Legitimacy Dimension

6.2.2 Time Period 2018

6.2.2.1 Perceptions Dimension

6.2.2.2 Values Dimension

6.2.2.3 Resources Dimension

6.2.2.4 Legitimacy Dimension

6.2.2.5 Overview of Results

7. Discussion and Conclusions

8. References
1. Introduction

The 2008 global recession affected the entire European economy, impacting some countries more than others. The economic crisis and its subsequent effects changed the world of work in Europe. It affected industrial relations, which have a central role in the European labour market and economy (Eurofound, 2014). The crisis caused an increase in job insecurity and unemployment in numerous Member States. There have been austere and, in some cases long-lasting effects of the crisis on industrial relations in the European Union (EU). Industrial relations processes have been affected in terms of decentralization of collective bargaining and in outcomes of industrial agreements (ibid). The economic crisis subsequently revealed limitations in the EU’s economic governance. The uncovered weaknesses led to the adoption of extensive neoliberal measures aimed to boost the EU’s governance and facilitate a return to sustainable growth and financial stability (European Commission, 2018). The European Semester was launched in 2010; it is governance architecture for socioeconomic policy coordination in the EU (Verdun & Zeitlin, 2018: 137). Neoliberal measures such as the New Economic Governance and European Semester have had an effect on industrial policies in terms of putting a downward pressure on wages, which has been harmful to trade unions and workers. Such measures have favoured employers and employer organizations over their labour counterparts (European Commission, 2018). The effects of the crisis have generated consequential changes in social partner structures and the relationship between the partners in the context of the Social Dialogue. Social Dialogue is the process whereby social partners comprised of trade unions and employer organizations negotiate, frequently in cooperation with governments to influence the development of labour market policies, social protection and economic policies (Rhodes, 2015).

Barry and Wilkinson (2011) state that employer organizations have been overlooked by research in the field of industrial relations. Notably, research has not addressed the position of employer organizations such as BusinessEurope in the context of the European Semester after the financial crisis of 2008, which is where this research will contribute. It can be stated that the neoliberal European Semester agenda is in keeping with the objectives of BusinessEurope, as the organization’s ambition includes the decentralization of collective bargaining processes, and increased wage flexibility (lower costs) to promote growth and increase
competitiveness. Furthermore, one of many challenges to promoting an integrated European labour market is regime competition. This means that multinational companies such as employer organizations can set governments and national trade unions against each other, while practices of employee protection are weakened by a rising insistence on shareholder value (Hyman, 2001: 476). Erne (2015: 358) asserts that the EU’s new economic regime has indirect and unequal consequences for workers within the EU, which makes it more complicated for trade unions and social movements to politicize the new regime in the transnational public sphere. The new economic governance reflects the governance structures of multinational corporations, which aim to reduce transnational trade union solidarity through the use of ‘whipsawing tactics’ that put workers from different subsidiaries in competition with one another (ibid). This is important because the labour movement and labour politics are key components of European politics and society (Erne, 2018: 237). Moreover, labour interests are on average less influential at the European level than business interests and also less influential than they have traditionally been at the national level (Hix & Høyland, 2011: 171). The Social Dialogue, within which social partners operate, is an ongoing process. Hence, it is relevant from a European policy perspective to study BusinessEurope’s position as a social partner that may be capable of partly shaping policymaking in the sphere of social policy at the EU level since the implementation of the new economic governance. This may have dire implications for the working conditions for millions of workers in Europe, since labour interests are less prominent at the EU level. Therefore, studying the position of BusinessEurope vis-à-vis the European Commission and the European Council can help us understand possible policy and governance implications in European industrial relations. This research gap raises crucial inquiries about how we are to understand the continuing relevance and influence of employer organizations in the European context.
1.1 Aim of Study

In the field of industrial relations, employer organizations such as BusinessEurope have not been in focus as research subjects (Barry & Wilkinson, 2011). Rather, previous research has mainly examined the relationship between employer organizations and trade unions in the Social Dialogue, and the bargaining power of these actors (Prosser, 2016). Considering that business interests have gained more influence at the EU-level, more research is needed on employer organizations and their role in European politics. This thesis aims to fill this scholarly gap by studying BusinessEurope’s policy objectives vis-à-vis the Commission and European Council in the context of the European Semester in the time period of 2015 and 2018. Therefore, the objective of this study is twofold: (1) To assess if employer organizations such as BusinessEurope and EU institutions such as the Commission and European Council are mutually interdependent, given their mutual goals of increasing international competitiveness and growth in the EU. (2) To examine if BusinessEurope is able to shape social policy processes at the EU-level in the context of the European Semester.

1.2 Research Question

In order to fulfill these objectives, this study addresses the following research question and sub questions: How can we understand the policy objectives of BusinessEurope vis-à-vis the European Commission and the European Council in the context of the European Semester, and are there any differences in the positions of the Commission and European Council?

- How does BusinessEurope participate in and attempt to shape EU socioeconomic policies in the context of the European Semester?
- What do the policy objectives of BusinessEurope, the Commission and the European Council reveal about their position on socioeconomic issues?
- How is the New Social Dialogue framed and used by BusinessEurope?
1.3 Delimitation
This is a comparative study that proposes to examine the policy objectives of BusinessEurope and ascertain whether these objectives are realized in the context of the European Semester cycles of 2015 and 2018. It is feasible in this study to deduce the policy objectives and aims of BusinessEurope at the EU level in relation to socioeconomic issues by applying a quantitative and qualitative content analysis to relevant textual materials that are representative of BusinessEurope’s policy agenda, as well as documents from the European Commission and European Council from the Semester process. The scope of this study is delineated to two cycles of the European Semester, 2015 and 2018 respectively, due to the limited time span of this Master Thesis. It is important to note that the results of this study cannot provide conclusive evidence of causality and consequent connections or effects in terms of explicit influence as an outcome of interactions between the actors, which would require additional forms of data.

1.4 Thesis Outline
The first chapter presents the aim and research question of the study. The following chapter presents a background of events that have led to the current socioeconomic climate in the EU, along with the central actors of this study. Chapter three, presents previous research addressing employer organizations. Also, the academic contribution of the thesis is presented. The theoretical framework of this study is outlined in chapter four. In the following chapter, the methodology and research design of the study are presented. Furthermore, the theoretical framework is operationalized into an analytical framework that will be used to analyze the empirical material. Also, the coding process, sampling procedures, empirical material, reliability, generalizability, and validity are discussed in relation to the study. Chapter six presents the quantitative and qualitative analysis of the empirical material, divided in the two time periods 2015 and 2018. After, an overview of the qualitative results for the entire period is presented. The findings of the study are discussed in chapter seven. The conclusion discusses potential policy implications of the study together with some suggestions for possible future research.
2. Background

In order to comprehend the significant role of employer organizations such as BusinessEurope in European industrial relations, it is necessary to have an understanding of the context in which such organizations operate. Therefore, a chronological background is presented to provide a comprehensive account of the events that have led to the current socioeconomic climate in the EU. Additionally, the central actors of this study are presented.

2.1 The European Social Dialogue

The European Social Dialogue initially emerged in the mid 1980’s, in a process known as ‘Val Duchesse’ (Eurofound, 2007). Jacques Delors, President of the Commission in 1985, invited the national organizations associated to the EU-level organizations of employers and workers to a conference at the castle of Val Duchesse on 31 January 1985. At this significant conference, the social partners agreed to participate in promoting the social dialogue. This social dialogue created three joint opinions (Eurofound, 2007). At this stage, the participation of employer and worker organizations in the social dialogue was voluntary and not founded in legislation. The employers of Europe acting through BusinessEurope and the European Association of Craft, Small and Medium-sized Enterprises (UEAPME) had attempted to keep the social dialogue in check, and persistently opposed both EU-level collective bargaining and any enhancement of workers’ participation rights in transnational companies (Rhodes, 2015: 302).

A significant innovation of the Maastricht TEU was the establishment of a new mode of law making, an ‘inter-professional social dialogue’ comprising European employer organizations and trade unions (Rhodes, 2015:302). The Social Protocol sustained, through Article 138, the right of the European social partners to be consulted by the European public authorities on the course of social policy propositions. Article 139 provided the social partners with the capacity to reach EU-level collective agreements that could be fulfilled either through a non-legally binding implementation or a legally binding Council Directive (Prosser, 2016: 462). Consequently, the social partners formally became neo-corporatist actors in European social politics, and achieved the status of ‘co-legislators’, adept of creating their own rules and norms (Perin & Léonard, 2016:478).
Nine collective agreements have been turned into directives since 1995, comprising four intersectoral agreements and five agreements stemming from the EU-level sectoral social dialogue (Rhodes, 2015:304). In the 2000’s however, EU policies took a neoliberal turn, as several Directives exposed European utilities sectors to competition (Prosser, 2016:463). The European Court of Justice had a main role in this development. The Court ruled on four fundamental judgements that maintained economic freedoms over the right of Member States to safeguard social standards. The 2007 Laval decision for example, reduced the capability of European trade unions to partake in industrial action, essentially tipping the balance of power towards employers and employer organizations (ibid). The effectiveness of the social dialogue largely depends on the ‘shadow of hierarchy’, which is cast by the threat of legislative action and by assuring the implementation of collective agreements through intervention by the EU institutions (Smismans, 2008:177-178). Following the introduction of the social dialogue procedure by the Maastricht Treaty, all primary agreements materialized only on initiative of the Commission, and to certify the effectiveness of their implementation the social partners continually requested that the Council intervene by adopting a directive (ibid).

2.2 The European Semester

The neoliberal measures adopted by the EU following the euro crisis of 2008 are executed in the context of the European Semester (European Commission, 2018). The Semester is new governance architecture for socioeconomic policy co-ordination in the EU, which was additionally modernized by the Juncker Commission in 2015 (Verdun & Zeitlin, 2018:137). The latest version of the Semester allows for the increased participation of the European Parliament and national legislatures, social partners and stakeholders at all levels (European Commission, 2018). Although the Semester contains no legal transfer of sovereignty from the Member States to the EU level, it has provided the EU institutions with a more distinct and authoritative position than ever before in monitoring, inspecting and supervising national economic, fiscal and social policies especially within the euro zone (Verdun & Zeitlin, 2018:138).
Some scholars have asserted that the Semester’s governance architecture intrinsically privileges economic objectives and actors over their social counterparts. Conversely, other scholars have asserted that the more integrated socioeconomic coordination processes offer new opportunities for defending and mainstreaming EU social objectives (Verdun & Zeitlin, 2018:138). The Semester process allows the Commission and the EU Council to issue recommendations to Member States in the area of wages and collective bargaining. The focal point of the recommendations is almost only on moderate wage developments and the decentralization of collective bargaining in order to increase the downward flexibility of wages (Müller, 2016:6).

2.3 New Start for Social Dialogue

European Commission President Juncker stated in 2015 that “the social market economy can only work if there is social dialogue. Social dialogue suffered during the crisis years. Now it must be resumed at national and especially at European level” (European Commission, 2016:3). In order to deliver on this commitment, the Commission gave a new momentum to the participation of social partners in EU policy, law-making and economic governance and is promoting social dialogue as a central instrument for improved governance and more efficient social and economic reforms. Subsequently, in 2015, thirty years after the establishment of the Val Duchesse process, the Commission jointly with the social partners arranged a high-level conference to launch a “new start for social dialogue”. The Commission called for a revived partnership between social partners and the EU institutions to cooperate on priorities aimed at promoting growth and creating jobs. Social partners and the Commission agreed that the new start for social dialogue should aim for: “(1) more substantial involvement of the social partners in the European Semester, (2) a stronger emphasis on capacity building of national social partners, (3) a strengthened involvement of social partners in EU policy- and law-making ...” (European Commission, 2016:4).
2.4 Central Actors

The central actors in this study are the employer organization BusinessEurope, the Commission, and the European Council. BusinessEurope is the principal European-level social partner organization. The organization represents employers of all sizes in the private sector in Europe via its national member federations. BusinessEurope has over 40 members based in 34 Member States. It is the leading cross-industry employer social partner partaking in the European-level cross-industry Social Dialogue. The organization affiliates at least 3.8 million companies through its national members, employing collectively over 60 million workers. BusinessEurope uses its expertise and resources to lobby and influence the EU Commission, the European Council as well as other institutions such as the EU Competitiveness Council (Eurofound, 2018).

The Commission is the main executive body of the EU, responsible for proposing EU legislation, managing and implementing EU policies and the budget, enforcing EU law, as well as representing the EU on the global stage. The European Council is the highest meeting of the Council, as it brings together the heads of state and government of the EU and meets four times a year. The Council is a legislative and an executive body. On the legislative side, it adopts EU legislation and the budget. On the executive side, it coordinates the broad economic goals of the member states and concludes international agreements of the EU among others (Hix & Høyland, 2011:8). The European Commission sets out the EU’s economic and social priorities with the Autumn Package each year, this commences the annual Semester process. Subsequently, the Commission proposals are endorsed and formally adopted by the European Council (European Commission, 2018). BusinessEurope frequently lobbies and addresses formal messages to the European Council before their meetings, outlining pressing issues to be discussed, since proposals are formally adopted by the institution (BusinessEurope, 2018). Consequently, textual materials from these actors will make up the bulk of the empirical material of this study.
3. Literature Review

This section presents previous research addressing employer organizations, discusses the importance of industrial relations in the EU and concludes by highlighting a research gap.

Employers formed permanent organizations to influence or respond to advances by states and institutions that purposed to expansively regulate employment (Barry & Wilkinson, 2011). The central objective of employer coordination in response to state intervention was to support managerial rights and to present a united voice to lobby and influence governments and institutions on industrial relations and trade. Previous research has revealed that employer organizations have extended their scope, mainly in terms of lobbying, opinion formation and increasing political influence. An important question raised in the research is how to measure the ongoing influence of employer organizations. It is disputed whether the classical industrial relations indicators of membership and density are the accurate measures to apply to studies in this field (ibid).

Influence has many features, such as the ability of employer associations as pressure groups to shape public policy to conform to their preferred regulatory settings, and it is possibly this capacity to wield this sort of influence that will assist organizations to attract or retain members in the future (Barry & Wilkinson, 2011). Moreover, a new innovative aspect of employer organizations is their increased capability to generate sophisticated research that offers credibility to their policy influencing activities. Barry and Wilkinson (2011) assert that employer organizations have been overlooked by research, and that a lot of the interest in them has been published outside of mainstream industrial relations literature. Furthermore, this research gap raises crucial inquiries about how we are to understand the continuing relevance and influence of employer organizations. Scholars argue that a broader research agenda is required in order to reflect about the numerous ways in which the ongoing relevance and influence of employer organizations can be measured and estimated (ibid). Research conducted on employer organizations at the national level has mostly addressed collective bargaining and wage setting mechanisms and has not had an EU-level relevance (Prosser, 2016; Marginson & Welz, 2015).
Research on employer organizations in symbioses with EU institutions is limited, and most studies are published prior to the Lisbon Treaty and the financial crisis of 2008. However, Hornung-Draus (1998) depicts employer organizations at European level and their development in the context of the social dialogue, the descriptive study focuses particularly on UNICE (now named BusinessEurope). A follow-up study by the same author examines the changes that employer organizations in Europe (both at national and at EU-level) have undergone in the years 1992-2002 (Hornung-Draus, 2002). The changes are associated with economic developments such as globalization, e-economy, as well as political decisions at European level such as the Monetary Union and enlargement. The study concluded that companies join employer organizations to acquire protection against industrial action of trade unions by applying multi-company collective agreements negotiated at sectoral level with the unions (ibid). An article by Gold et al. (2007) studied the evolution of the social dialogue at the EU level. It argued that this social dialogue reached its peak influence with the establishment of the negotiation track in the Maastricht Treaty, which permits the Commission to create directives out of agreements reached by the European social partners (ibid).

3.1 Contribution of this Thesis

Thus, the mainstream literature on industrial relations has primarily focused on the relationship between trade unions and employer organizations in symbioses, concerning wage-setting mechanisms and collective bargaining, and the role of employer organizations in national settings. To the best of my knowledge, research has not addressed the role of employer organizations such as BusinessEurope after the financial crisis of 2008, new economic governance and the ‘new start for social dialogue’. Researching the role of BusinessEurope vis-à-vis the European Commission and European Council can elucidate possible policy and governance implications in European industrial relations. As previously mentioned, research in the field of industrial relations has mostly disregarded employer organizations (Barry & Wilkinson, 2011), thus, it is important from an academic perspective to study this topic in order to fill this research gap.
4. Theoretical Framework

This chapter will discuss the theoretical framework of the thesis. The theoretical framework is composed of three theories: an actor-centered institutionalist approach, an actor model for policy analysis, and a legitimating usage strand derived from the “Usages of Europe” theory.

4.1 Actor-centered Institutionalism

In the framework of actor-centered institutionalism, institutions are considered to be the most significant influences on actors and interactions; and therefore, valuable sources of information. Institutions have significant influence because the actors themselves are contingent on socially constructed rules to orient their actions in otherwise chaotic social environments (Scharpf, 1997:39). Actors respond differently to external pressures, constraints and opportunities because they may contrast in their inherent perceptions and preferences but also because their perceptions and preferences are very much molded by the particular institutional setting in which they network. Hence, at the most general level, it is necessary to include a framework that conceptualizes policy processes propelled by the interplay of individual and corporate actors equipped with particular capabilities and explicit cognitive and normative orientations, within a certain institutional setting (Scharpf, 1997: 36-37).

In the field of policy research, the central actors are collective and corporate actors, such as political parties, labor unions or international organizations such as BusinessEurope, as opposed to individuals acting on their own accord (Scharpf, 1997:39). Corporate and collective actors may be said to ‘exist’ only to the degree that persons acting within and for them are adept to coordinate their decisions within a mutual frame of reference that is established by institutional rules. An example of a reference established by institutional rules is the Social Dialogue, in which social partners attempt to reach collective agreements, which may then be turned into directives at the EU-level. Institutional rules outline the participation of composite actors and the material and legal action resources they can draw upon, and consequently the capacity of their legitimate activities. Thus, to a large extent, institutions facilitate and restrain an array of choices, as well as define how the actors involved will evaluate the results achieved through such choices. Therefore, they will influence the preferences of these actors with regard to the possible options (ibid: 39).
It is important to be aware that although institutions form and constrain options, and shape perceptions and preferences, they are not able to influence choices and outcomes in a deterministic sense (Scharpf, 1997:42). Even though institutionalized rules are effective, they will seldom stipulate one particular course of action. Rather, by disallowing some and allowing other actions, they will demarcate repertoires of more or less acceptable courses of action that will leave significant room for maneuver for the strategic choices of purposeful actors (ibid).

In the actor-centered framework, it is essential to primarily identify the set of interactions that actually produces the policy outcomes that are of interest. In this study, the set of interactions studied are located within the European Semester cycles; more specifically, the interactions of BusinessEurope aimed at the EU institutions in the context of the European Semester in the years 2015 and 2018. Interactions can consist of position papers, official letters and press releases among others (Scharpf, 1997:43). Such documents will therefore form the basis of the textual material for this study.

The most imperative facet of policy research is constituted by the action resources that are created by institutional rules defining competencies and granting or limiting rights or participation, of veto, or of autonomous decision in particular aspects of given policy processes (Scharpf, 1997:43). This can be linked to the Social Protocol established by the Treaty of Maastricht, which initially granted social partners with the capacity to reach EU-level collective agreements (Prosser, 2016:462). Social partners gained the status of ‘co-legislators’, this was a crucial development as their status was legally cemented (Perin & Léonard, 2016:478). Importantly, the social partners have veto rights, which entails that either social partner may withdraw from negotiations, as there are no strong incentives to cooperate on social and work-related issues. It is important to note that the new Social Dialogue launched in 2016 by the Juncker Commission did not contain any new institutional changes. Rather, it is an attempt to revive the cooperation between social partners at the EU and national levels on a voluntary basis (European Union, 2016).
4.2 Actor Model for Policy Analysis

One of the most significant shifts in policy analysis since its inception in the 1950s, is posed by the increased awareness of the importance of actors, actor network and systems (Hermans & Cunningham, 2013: 185). This has resulted in additional actor-oriented styles of policy analysis, as well as models and methods that support the analysis and understanding of multi-actor systems and processes. There is an array of actor model approaches, however, the most relevant to this study is an actor model in policy analysis that can be used to support problem framing, offer insight into the policymaking context of policy analysis and its consequences for the scope and focus of the analysis (ibid). Hermans and Cunningham argue that, contrasting different theoretical studies from the policy sciences indicates that, there is a common understanding that policies are created in networks of actors governed by formal and informal rules, while each actor has particular perceptions, values, and resources (ibid: 186). Such an understanding implies that there are specific key concepts and dimensions in multi-actor policy systems; these dimensions will be discussed further down.

Public policies cannot be elucidated by the objectives of one or two central actors only. Rather, they are produced within actor networks in which multiple actors are interconnected in a more or less systematic way (Hermans & Cunningham, 2013:187). This can be linked to the EU system and the European Semester, which are complex settings comprised of multiple actors, which are of central relevance to this study. Furthermore, the structure of relations between actors in networks influences the interactions among the actors. For instance, actors that hold a central position in the network may be capable of exerting more influence over decision-making than actors at the border of the network. The conduct of actors within networks is additionally governed by the formal and informal rules that restrict and structure the possible range of activities (ibid) (See also Scharpf, 1997).

However, in practice, it may be challenging to define the boundaries of actor networks, as each actor will have relations with many others, consequently suggesting a seemingly endless web of actors and relations. Thus, specific action arenas or constellations are identified, in relation to specific policy problems and issues. Policy arenas, therefore, supply the platform for actions and interactions amongst policy actors in relation to specific policy problems and issues (Hermans & Cunningham, 2013:187). In this study, the policy arena is the context of
the European Semester, the specific policy problem would include industrial relations related issues, and the policy actor comprises BusinessEurope.

4.2.1. Perceptions, Values and Resources

A policy actor may be an individual, a political decision-maker for instance, or a group, or an organization that has the capacity of making decisions and acting in a coordinated manner (Hermans & Cunningham, 2013:187). At the actor level, which is the focus of this study, the behavior of these actors is explicated by three central factors, namely, perceptions, values and resources. Perceptions are indicative of the image that actors have of the world around them, as well as of the other actors and networks, and of the central characteristics of a policy problem. In this approach, perceptions refer merely to descriptive theories of how the world functions and of the present state of the world, such as causal beliefs and perceptions of world states (ibid).

Values supply the directions in which actors would like to move; they contribute to the understanding of the internal motivations of actors (Hermans & Cunningham, 2013:187). Linked to values, interests depict the issues that are most essential to actors. Generally, interests have a rather precise direction, such as increased economic growth; thus, depicting the path in which actors would like to maneuver. Moreover, associated concepts such as objectives, goals and targets convey interests in more explicit terms, expressing them in terms of desired future situations. Preferences and positions convert values into the preferred solutions or policy outcomes (ibid: 188). Resources consist of the practical means or instruments that actors have to achieve their objectives. Resources permit actors to influence the world around them, including other actors, relations, and rules in a network. While values and perceptions decide the direction in which actors would like to move policy agendas or decisions; their resources will dictate their capability to do so. Intrinsically, resources are closely linked to power and influence. Once combined, the three concepts of perceptions, values and resources may lead to actions. Resources can be used to act, but values are used to decide if the resultant actions are actually beneficial to an actor. Perceptions are used to show if an actor recognizes the link between the use of resources and attaining value (ibid).
The diverse elements in a multi-actor system are connected in various and complex ways. For instance, the possible actions, their effects, and possible responses are restricted and structured by rules and relations that subsist at the network level (Hermans & Cunningham, 2013:188). Rules may provide actors with control over resources or instruments, as may their position in a network. Actors that are significant in the network, or that monopolize communications with a powerful actor, may gain an advantageous resource from their position in the network (ibid). This assertion could hold true of powerful lobby organizations such as BusinessEurope; that have resources in terms of financial capital, as well as instruments e.g. their position as a social partner, to apply pressure on policymakers in the EU. Still, groups of actors can have common values, or their values may diverge. For instance, actors who interact and communicate regularly because the rules-in-use in a network require regular meetings or a similar set up, may develop a particular overlap in their perceptions and even in their values (ibid: 188). Related to this study, BusinessEurope communicates and interacts frequently with EU institutions on a broad range of issues, for example, the organization publishes official public letters ahead of every European Council meeting, detailing their position on a particular issue.

4.2.2. Policymaking Process

The policymaking process takes place in interaction with a system domain, comprising a physical and a social subsystem, from which policymaking receives input and which will be altered and transformed by the actions of policy actors (Hermans & Cunningham, 2013:189). It is feasible to examine the policy objectives of BusinessEurope vis-à-vis those of the EU Council, as the scope of a Master Thesis is limited. The policy arena consists of many actors, however, since the focus of the study is on BusinessEurope and the EU institutions, emphasis will lie on these actors. In the context of this study, the policy arena, which consists of multi-actor complexity external to the system domain, will be comprised of BusinessEurope, the Commission and the European Council. Also, the unilateral action of BusinessEurope towards the system domain for policies will be studied; this will be discussed in detail in the methodology chapter. Figure 1. is adapted from Hermans and Cunningham (2013) to fit the scope and purpose of this study. The policy arena consists of the actors at the focus of this study, namely, BusinessEurope and the EU institutions. The policy arena further shows multi-actor complexity external to the system domain. The system domain for policies is representative of the European Semester cycle. The arrows indicating
unilateral action towards the system domain denote the actions of BusinessEurope and EU institutions towards the European Semester cycle, which include attempts to influence the process.

4.2.3. Limitations of Actor Model Approach

Policy actors, whether they are individuals, groups, or organizations, are characterized by their capability to learn, adjust their perceptions, alter value priorities, and exploit their environments. Actors, their attributes and relations are dynamic, however, they are also unpredictable. Such an assertion may hold true to anyone exposed to real-world politics and decision-making. Even though actors may be unpredictable in a policymaking process, it is nonetheless worthwhile to reflect on their role and impact. Furthermore, even if actor models are limited, they help to structure and analyze the information we have (Hermans & Cunningham, 2013:209).
4.3 Usages of Europe

Studying the ways in which actors make active use of ‘Europe’ can help illustrate how actors seize opportunities and work around constraints, as well as shed light on how actors interpret and transform potential prospects and restrictions in the political process (Woll & Jacquot, 2010:115). Institutional contexts need to be understood, given that actors do not provide automatic rejoinders to political pressure; rather, they can opt to choose and learn and therefore develop agency independent of structural conditions. By concentrating on this agency, the concept of usages illustrates how actors engage with, interpret, or ignore the dynamics of European integration (ibid:116).

The concept of usage makes specific references to the institutional setup of the European Union and the academic debate on European integration (Woll & Jacquot, 2010:117). It was created in the framework of the Europeanization literature in order to contribute to the understanding of how the EU matters. It primarily involves the particular resources provided by European integration, such as institutional resources for instance; and the kinds of actors who participate in European policy processes at the intersection of the supranational and the national level (ibid). In other words, ‘Usage of Europe’ is described as social practices that grasp the European Union as a set of opportunities and prospects (ibid: 116); moreover, the EU is actively used by actors to forward their own interests. Consequently, it is significant to differentiate between usages and the resources and constraints stipulated by the EU. Resources and constraints are an essential but not adequate condition for strategic behavior. They are merely contextual elements that usages are based upon; however, actors purposely transform them into political practices in order to attain their goals. Nonetheless, as strategic as usages may be primarily, in the long run, it involves cognitive and/or normative adaption by actors and their political environment, which affect their consequent behavior and positioning (ibid:116).

Usages consist of three main types; strategic, cognitive and legitimating (Woll & Jacquot, 2010:116). Strategic usages signify the pursuit of distinctly defined objectives by trying to influence policy decisions or one’s room for maneuver. Cognitive usage denotes the understanding and interpretation of a political subject. The legitimating usage strand in particular is of relevance to the context of this study, because BusinessEurope as a social partner strives to be legitimate, both in the EU institutional context and national contexts.
Legitimating usage ensues when political choices need to be communicated and vindicated. Actors are reliant on the image of Europe to convey implicit content or employ interrelated discursive figures such as ‘the European interest’, ‘European constraints’, and ‘the application of the Maastricht criteria’ to legitimize political choices. Thus, legitimizing usages are associated with the general public and can occur throughout the policy process, such as during the framing of an issue and its possible solutions or during the justification of a particular reform (ibid).

As mentioned previously, usage is contingent on certain elements or tools that actors can seize. These elements can be divided into two categories: immaterial and material elements. The first category is characterized by discursive references, ideas and the use of the European public sphere; in the second, European institutions and policy instruments (Jacquot & Woll, 2003). The European public sphere refers to the discursive space independent from governmental institutions where actors are permitted to exchange ideas on collective problems or action. In the European context, the public sphere is most pertinent for non-governmental organizations, because these actors can boost their political salience by associating themselves to compatible organizations. Thus, actors with socio-economic interests can seize the public sphere in order to highlight an issue they present as collective and European. Material elements or tools provided by the EU are primarily the European institutions themselves. Access to European institutions suggests access to the political debate and the problematization of policy issues. Through attaining an expert status in a specific field, non-governmental organizations can therefore acquire political legitimacy (ibid).

According to Jacquot and Woll (2003), the types of actors that apply legitimizing usage include but are not limited to, lobbyists and special interest groups, which would be applicable to the actors in this study since BusinessEurope is a lobbyist and an interest group. Therefore, legitimating usage is applied as the fourth dimension in the analytical instrument. In relation to this study, the legitimating dimension will disclose if policies or issues highlighted by BusinessEurope are presented as collective or European in the public sphere; thereby revealing their course of action.
4.4 Summary of Theoretical Framework

The theory of actor-centered institutionalism was incorporated to provide a general understanding of the complex European institutional setting in which BusinessEurope navigates. The actor model for policy analysis stipulates a specific understanding of policy actors in a policy arena. As mentioned previously, the behavior of actors at the actor level is explained by three principal factors: perceptions, values and resources. These concepts can be used to determine the policy objectives of a particular actor in a policy arena. Therefore, the three factors are incorporated into the analysis instrument as concept driven dimensions. However, even though the actor model for policy analysis is useful, the dimensions were nonetheless incomplete. In order to construct an appropriate theoretical framework for the scope of this study, the legitimating usage strand was included as the fourth dimension. Legitimating usage is applied to ascertain if BusinessEurope conveys its policy objectives by using the ‘image of Europe’ in its official documents to present its decisions as legitimate. Furthermore, the addition of the fourth dimension will contribute to new knowledge in regard to policy analysis. Thus, when combined, the dimensions of perceptions, values, resources, and legitimacy will form an analytical instrument for the study of policy, as shown in figure 2. The model is operationalized and refined into an analytical model in the methodology chapter.

Figure 2. Model showing concept-driven dimensions.

Source: Own adaptation of Hermans & Cunningham 2013; Jacquot & Woll 2010.
5. Methodology

This chapter presents the research design of the study, followed by the methods of qualitative and quantitative content analysis and the coding process. Second, the sampling strategy, data collection and empirical material are deliberated. Lastly, reliability, validity and quality, coupled with generalizability are discussed.

5.1 Research Design

The aim of this study is to acquire a better understanding of the role of BusinessEurope vis-à-vis the Commission and European Council, and also to study how BusinessEurope attempts to shape socioeconomic policies at the EU-level in the context of the European Semester and new Social Dialogue. To achieve the research aim of this study, key documents that are representative of the policy objectives of BusinessEurope, the Commission and European Council in the context of the European Semester will constitute the main part of the empirical material. It is essential to analyze the textual content of the material; therefore, content analysis is employed as a research method in order to summarize, compare arguments and evidence of the material (Harrison & Callan, 2013: 25-28). The method has a holistic and comprehensive approach towards analyzing data material and therefore manages to grasp and cover the complexity of the social situations studied, which in this study is the European Semester process (Kohlbacher, 2006: 24-25). A quantitative and qualitative content analysis was conducted on the empirical material to methodically examine and highlight central elements of the texts (Esaiasson et al. 2012: 237-238). Most qualitative data such as policy documents can be coded quantitatively and anything that is qualitative can be assigned meaningful numerical values (ibid). The quantitative analysis was applied to ascertain how often or how frequently dimensions in the analytical framework were discussed by the actors, thereby highlighting the categories and policies most important to them. The qualitative analysis was used to provide a deeper understanding of the themes and policy objectives.

An alternative way of conducting this thesis could be to interview relevant policymakers at the EU Council and Commission, as well as representatives from BusinessEurope and thereby collect empirical material based on the interviews. However, in this study, policy documents are chosen as material, due to time constraints. There are other methods outside the textual analysis branch that have been excluded. Among those are all the methods related to process
tracing, due to the absence of a cause-effect link that evolves over time, which is not in the scope of this study. Also discourse analysis has been excluded, because this research does not aim to study how industrial relations related issues are constructed by the EU institutions, but rather how BusinessEurope attempts to shape socioeconomic policies in the context of the European Semester and new Social Dialogue.

5.2 Qualitative Content Analysis

Prior to conducting the qualitative analysis, some matters were taken into account. The first was that the research question involved obtaining meaning from communications, which entailed extracting data from the websites of the actors. The second issue was availability and accessibility of material; the relevant materials are publicly available on the actors’ respective websites (Hermann, 2008:152-155). Thirdly, the policy objectives of BusinessEurope as unit of analysis were selected. The next step was to contextualize the gathered data and material to account for differentiations and complexities that are part of any political phenomenon (ibid:157).

The next steps comprised the reliability and validity of the achieved results, in which transparency was key. The sentences analyzed in the textual material were quoted and included in the analysis, in order to allow for transparency and to permit other researchers to comprehend how conclusions were drawn from specific passages in the texts. Regarding the validity of results, it was vital to address the following issues: whether the analysis helped answer the research question, and the validity of the content analysis. Content validity was established through the informed judgement of the researcher by addressing issues such as the plausibility of the results (Hermann, 2008:163-165).

5.3 Quantitative Content Analysis

Thematic categorization was applied to the empirical material, which was coded according to themes; this necessitated a more interpretative approach. During the coding, the researcher actively looked for manifest and latent content in the material. The researcher also interpreted which category the analysis units ought to be placed in to avoid duplicates that may affect the results (Bryman, 2016:292).

The quantitative content analysis was employed to quantify the frequency of the concept-driven dimensions, and show which dimension in the analytical framework BusinessEurope,
the Commission and European Council discussed the most. The most frequently discussed dimension elucidated central policy objectives. In turn, the qualitative content analysis was applied to achieve an in-depth understanding of the empirical material and the themes within the concept-driven dimensions. This illustrated similarities and differences in the policy objectives of the actors in this study.

5.4 Strengths and Limitations of Content Analysis

Content analysis can be a suitable method in discovering the significance of a specific issue by assessing and examining the prominence it is given in communications, such as by whom the topic is emphasized, how often, and in which context the topic is raised (Harrison & Callan, 2013: 25-28). A positive feature of content analysis is that it is highly transparent, since it permits for the study of a variety of text materials. Furthermore, the coding scheme and sampling strategy can be clearly outlined so that replications and follow-up studies are feasible (Bryman, 2016: 302). Content analysis allows a certain amount of longitudinal analysis as it permits the researcher to track changes in frequency over time. The time periods can have long or short time spans, such as this study’s time spans of 2015 and 2018 (ibid: 303). However, an important critique of content analysis as a qualitative research method is its limited capability to answer a ‘Why?’ question. Nonetheless, content analysis can determine ‘How’ a topic is raised and analyze that specific context. Since the research question in this thesis purposed to answer a ‘How’ question, content analysis was a helpful tool in analyzing the relevant empirical material (Harrison & Callan, 2013: 25-28). It was important to assess the material in terms of criteria such as authenticity, credibility and representativeness, which are discussed in more detail in the empirical materials section. A limitation of the method is that it’s almost impossible to devise coding manuals that do not require some interpretation on the part of the researcher (Bryman, 2016: 303).

5.5 Coding Process

Coding of a material can be concept driven or data driven; the first uses codes developed in advance and the other in connection to reading the material (Steinar & Kvale 2015:228). By using a coding process, an overview of the material is constructed which makes the analyzing process easier and more reliable. The downside is that a vast material is fitted into a few categories and can be criticized for implying that the world is more explicable than it is (ibid). The coding of the material was conducted according to thematic categorization. To be clear, a
theme is a category identified by the researcher through the empirical data (Bryman, 2016: 584). In this study, a combination of concept and data driven coding was found to be a relevant tool for guiding the analysis of the material, both by the overview it offers and by the possibility to discover themes in the material. The dimensions used in the analytical framework (Table 1) are concept driven. The dimensions perceptions, values and resources are derived from the actor model for policy analysis, whereas the legitimating dimension is derived from usages of Europe theory. The dimensions in table 1 provide information, in relation to the theories discussed in the previous chapter, on how BusinessEurope navigates the European Semester process. Each dimension consists of a number of categories. Each category is connected to a list of search words. The categories and search words are data driven, since they are constructed while reading and getting to know the material. Primary-cycle coding started with an examination of the data and assigning search words that adequately captured the meaning of the dimensions. The aim at this stage was to detail the “who, what and where”, not to offer an analysis of why a particular policy objective was adopted (Tracy, 2012: 189).

The construction of the final coding instrument, that is, finding the relevant categories and search terms was done by going through and reading the complete selected material to learn which categories and search terms have relevance for the dimensions. This phase was abductive since a back and forward process between the coding instrument and the material took place to create a robust instrument without ambiguities or overlapping codes (Bergström & Boréus, 2005:49). The researcher has read the documents several times and has had a conscious approach in dealing with methodological problems. An initial issue that emerged was related to search words, they were too specific, and did not capture the essential components of the relevant themes. Reviewing the empirical material and the addition of numerous search words resolved the problem of having too few or overly specific search words, thereby avoiding the risk of missing important elements in the material.

An advantage of using data-driven search words is that the search words are directly representative of the data in the material (Bryman, 2016: 573). However, search words could not capture the context of what was being said in the material, it was the role of the researcher to connect the results of search words to meaningful context. The researcher has through reading and rereading the material ascertained which words were used for particular matters in the documents of each actor respectively and incorporated these in the coding instrument,
to avoid any ambiguities in the coding instrument. MAXQDA, which is data analysis software, was selected to analyze the data via coding for the quantitative and qualitative content analysis. It should be added that the coding was conducted manually on the software; this was done in order to increase the researcher’s understanding of the context of the categories and themes, which was vital for a correct interpretation of the material.

5.6 Operationalization of Theory

Table 1. Analytical framework

<table>
<thead>
<tr>
<th>Dimensions</th>
<th>Categories</th>
<th>Search words</th>
</tr>
</thead>
<tbody>
<tr>
<td>Perceptions</td>
<td>High unemployment in Member States →</td>
<td>Structural reforms, low growth, labour reforms, unemployment, labour market, poverty, exclusion, youth</td>
</tr>
<tr>
<td></td>
<td>Migration →</td>
<td>Refugees, migrants, integration, workforce</td>
</tr>
<tr>
<td></td>
<td>Judicial systems →</td>
<td>Law, framework, legislation, regulation, tool, barrier, judicial systems, obstacle, rule of law</td>
</tr>
<tr>
<td>Values</td>
<td>Increase global competitiveness →</td>
<td>Labour market, mobility, flexible work, framework, non-wage labour costs, reforms, productivity, competitiveness</td>
</tr>
<tr>
<td></td>
<td>Job growth →</td>
<td>Job creation, employment, participation, demand, enterprises, growth, taxation</td>
</tr>
<tr>
<td></td>
<td>Care infrastructure →</td>
<td>Childcare, elderly care, care services</td>
</tr>
<tr>
<td></td>
<td>Social Protection →</td>
<td>Social protection, pensions, social benefits, income support, sustainable systems, benefits, reforms</td>
</tr>
<tr>
<td></td>
<td>Digital revolution →</td>
<td>Digital skills, digitalization, digital transformation, digital, digital economy</td>
</tr>
<tr>
<td></td>
<td>Skills Training →</td>
<td>Training systems, education, vocational training, skilled workers, labour market, training, skills, learning</td>
</tr>
<tr>
<td></td>
<td>Employment →</td>
<td>Work contracts, contracts, employment, protection, work life, work conditions, investment, flexibility, mobility</td>
</tr>
<tr>
<td></td>
<td>Economy →</td>
<td>Economy, investment, fund, financial, finance, growth, single market, reform, digital single market</td>
</tr>
<tr>
<td></td>
<td>Tax reforms →</td>
<td>Tax, corporation tax, tax reform, tax burden</td>
</tr>
<tr>
<td></td>
<td>Freedoms →</td>
<td>Trade, innovation, social dialogue, labour market, business</td>
</tr>
<tr>
<td>Resources</td>
<td>Social partner →</td>
<td>Consultation, position, transparency, open method of coordination, change, policy, business</td>
</tr>
<tr>
<td></td>
<td>Wage policy competence →</td>
<td>Wage setting, income, pay, wage restraint, social partner, competence</td>
</tr>
</tbody>
</table>
Social dialogue → Sector, coordination, bargaining, productivity, gains, collective bargaining, social partner, employer

Member States → Coordinated action, tax, solidarity, responsibility, ownership, accountability, leadership

European Union role → Information, incentive, cooperation, technical expertise

Social partners & Member States → Policy, labour market, challenges, change, consensus, cooperation

| Legitimacy | Image of Europe | Society, social, economic, progress, interest, treaty, integration, ethics, values, freedoms, European, Europe, social dialogue |

Source: Own with inspiration from of Hermans & Cunningham 2013 ; Jacquot & Woll 2010.

5.7 Sampling and Data Collection

The sampling strategy is a step-by-step process (Titscher et al 2000:58), beginning with the selection of the senders of documents, which in this study are BusinessEurope and the European institutions active in the European Semester process: the Commission and European Council. The sampling conducted is purposive, because the selection of texts has been made according to their suitability in answering the research question.

The initial step was to select documents published on the European Union web page about the European Semester 2015 and 2018 cycles. The Semester process starts from the EU-level in the fall; the Commission publishes the opening policy document ‘Annual Growth Survey’. Following this, other actors and social partners (employers and unions) publish their views on the survey. The European Semester webpage contains a timeline of events and relevant documents, which makes it straightforward to review the process. European Semester documents labelled ‘country-specific recommendations’ were not included since actions of Member States are not the focus of this study, but rather the position of BusinessEurope. After reviewing the documents on the Semester webpage of respective year, the relevant documents were pinpointed. These include the ‘Annual Growth Survey’, ‘Council adopts conclusions’ which are published after each European Council meeting; and the final ‘adopted conclusions’ document by the European Council that concludes the Semester process in June of each year.
The next step was to select documents published on BusinessEurope’s web page in the categories: position papers, statements, official letters and press releases, and filter out those associated with the European Semester 2015 and 2018 cycles. In order to select the material keywords used were: ‘European Semester’, ‘employer views’, ‘position papers’ and ‘public letters’. Moreover, a manual search was conducted by searching all the documents on the webpage from October 2014 to June 2015 and October 2017 to June 2018, which is the timeframe of the Semester, to ensure a thorough search of the documents and that none were overlooked by mistake.

When it comes to the accessibility of the material, all the documents are available online on each institution’s website. Publicly accessible documents are used since the official position of BusinessEurope, the Commission and European Council are of interest to this study; furthermore, this makes the sampling clearly delimited. The decisive factor when choosing the documents is that they are explicitly about the European Semester process.

Documents stating a policy position have been chosen and searched looking for the policy positions of BusinessEurope, the Commission and European Council. Documents expressing policy positions were selected for analysis, these documents were part of the 2015 and 2018 European Semester cycles in the EU level and can therefore be used to describe and analyze how BusinessEurope navigates and attempts to shape socioeconomic policies within this process. The documents show the position of BusinessEurope in relation to actors such as the Commission and European Council.

5.8 Empirical Material

BusinessEurope, the Commission and European Council are the main actors in this study, therefore, documents published by the actors themselves are chosen. The documents are perceived to be representative of their respective positions and are thus the objects of analysis in this study. The objects of analysis are distinguished in two different time periods: 2015 and 2018. In November 2014, the Juncker Commission officially assumed office, and a year later the new start for Social Dialogue was launched. The European Semester cycle of 2015 was the Juncker Commission’s first cycle, this, coupled with the intention of launching the new social Dialogue, makes it an interesting year to study. Moreover, material from 2014 concerning social partner consultations were not found online, thereby, eliminating 2014 as a possible object of analysis. The 2018 cycle was selected because it is the most recent, also it
is two years after the new Social Dialogue, thereby facilitating for a comparative analysis of 2015 and 2018 cycles. The 2019 cycle is ongoing, and documents are being published continually, therefore due to practical reasons, 2019 is not selected. Therefore, a comparative analysis was conducted to contrast the 2015 and 2018 cycles, to ascertain any similarities or differences in the policy objectives of BusinessEurope vis-à-vis the EU institutions.

The documents are understood as produced and utilized by the sending actors as a way to position themselves, affect other actors and to make their position legitimate (Bryman, 2016: 554). Documents published by EU institutions are considered authentic and credible. Likewise, documents originating from private sources such as BusinessEurope are likely to be authentic and meaningful (in the sense of being clear and comprehensible to the researcher), which increases the reliability of the documents. However, the empirical documents must be recognized for what they are, namely texts written with distinctive purposes in mind, and not as simply reflecting reality. The authors of the documents likely have a specific point of view to get across, such as a particular policy position. Therefore, the empirical material was examined in terms of the European Semester context in which they were produced and their implied readership, which are other institutions/organizations and the public. When viewed in this way, documents are significant for what they were supposed to accomplish and who they were written for (Bryman, 2016: 555-560). It can be interpreted that the documents published by BusinessEurope are meant to influence the EU institutions and convey the employer’s particular policy positions on socioeconomic issues. Also, documents published by the EU institutions are representative of the official position of respective EU institution on particular policy issues, directed towards Member States and stakeholders among others. It is important to note that a broader range of policy-oriented documents were found on the BusinessEurope website. This can be construed as an effort by the employer to influence and assert their policy positions towards various institutions in the EU. Fewer relevant policy documents related to this study were found on the European Semester webpage; however, the most vital documents were included. Only documents relevant to the Semester process have been selected from the websites of the actors.
The documents analyzed in this thesis are the following publications:

**Time period 2015**

**BusinessEurope documents**


**EU documents**


**Time Period 2018**

**BusinessEurope documents**

EU documents

- EU industrial policy strategy: Council adopts conclusions. The Council of the EU. 12\textsuperscript{th} March 2018.
- European Council Meeting Conclusions. 23\textsuperscript{rd} March 2018.
- European Council Conclusions. 28\textsuperscript{th} June 2018.

5.9 Validity, Quality and Reliability

Guaranteeing high quality in research is mainly connected to validity and reliability that build on variations of aspects on how to ensure the quality of a study (Bryman 2016:41). Research quality in qualitative research is linked to the transparency of the researcher and the study, in which it is vital to clarify the specific choices made and the courses of action taken. This study mostly consists of textual documents such as position papers and reports among others. Consequently, it was vital to seek objectiveness and elucidate the process of sampling and data collection (Tracy, 2013:244-5; Bryman 2016:120). Transparency also comprises issues that occurred during the course of the study, such as issues with constructing the coding instrument and choice of search words (Tracy, 2013:233–234). A central criterion is to ensure that the analysis is as transparent as possible. The reader must be capable of following the steps in the process and make a judgement on the reliability and validity of the results. Therefore, in the analysis, the results that are identified in particular sections of the documents are carefully referenced and the outcome is explained.

Replication is linked to reliability. In qualitative research reliability is about how well the analysis instruments in the study can capture something in the material and how well the researcher conducts it. Furthermore, validity is an essential measure, because it is about how well the researcher captures what he/she claims to capture. Validity can also include the relation between the methods of choice, in this case content analysis, and how well the researcher applies and explains the method (Tracy 2013:228; Bryman 2016: 41).

In order to guarantee a high quality and validity of the thesis, information from reliable sources have been used. The document analysis of this thesis is based on governmental documents from the Commission and European Council, as well as official documents from BusinessEurope. These are official documents and are considered valid and moreover trustworthy, reliable and credible sources with the appropriate amount of quality. Secondary
sources have been included also, such as scholarly articles and books utilized in the literature review. Another aspect to have in consideration is the role of ethics in research (Bryman, 2016: 141). Since this study analyzes material that is publicly archived and readily available, the information is not considered sensitive and ethical issues are at a minimum.

5.10 Generalizability

The generalizability of the results is not out of the scope of this thesis, as is common in qualitative research. Generalizability is frequently explicated in relation to how a researcher can draw conclusions beyond the result of the study. Nevertheless, in qualitative research, a study is often conducted in a specific area or group that makes it difficult to draw conclusions outside the context of that particular area (Bryman, 2016: 399). However, since this thesis studies the policy objectives of BusinessEurope vis-à-vis the EU institutions and examines whether these objectives are realized in the context of the European Semester, it is conceivable to interpret the result of this thesis as applicable in another institutional context. Namely, a context in which institutions provide the rules and framework in which organizations operate and navigate. Therefore, the results of this study may able to shed light on, as well as, provide a better understanding of other similar institutional contexts and actors within such constellations. Additionally, this study may be able to identify important issues for further research in the fields of industrial relations and policy analysis.
6. Analysis and Results

This chapter will present the analysis and results of the empirical study. First, the results of the quantitative content analysis will be presented. Second, the qualitative content analysis will provide a deeper understanding of the textual material. The analysis and results will be presented according to the different themes that were found in the dimensions from the time periods of 2015 and 2018 respectively.

6.1 Quantitative Content Analysis

In order to provide an overview of the material, the quantitative content analysis will first be presented by describing which themes were identified in the dimensions of the analytical framework, as well as how many times a dimension has been coded for each actor and year respectively.

6.1.1 Time Period 2015

Beginning with the 2015 time period, the first dimension, perceptions captures the themes of high unemployment in Member states, and judicial systems such as regulations and barriers. Categories within this dimension have been coded 43 times for BusinessEurope and 42 times for EU institutions. Since the actors discuss this dimension almost equally, their perceptions suggest that the actors have a similar view of the world around them.

The second dimension, values capture the themes of international trade, taxation, competitiveness and digitalization. Categories for this dimension have been coded 97 times for BusinessEurope and 49 times for EU institutions. BusinessEurope discusses values twice as often as the EU institutions, indicating that the themes contain the issues most pertinent to the employer organization.

The third dimension, resources refers to instruments that actors use to influence their surroundings. In this dimension, three themes were identified; the role of the European Union, the role of Member States and European social partners. The categories within the dimension are coded 20 times for BusinessEurope and 11 times for EU institutions. As BusinessEurope
refers to the themes within this dimension twice as often, it can be interpreted that they put more emphasis on the instruments provided by the institutional setting at the EU-level. Also, it can be construed that the EU institutions take their role for granted, as they don’t stress the usage of instruments.

The fourth dimension, *legitimacy* entails actors using the ‘image of Europe’ to legitimate their choices and decisions. The categories within the dimension are coded 3 times for BusinessEurope and 0 for the EU institutions. The legitimacy category is located in material representative of BusinessEurope, primarily in relation to the relaunch of the social dialogue, which suggests the actor attempts to legitimize its position as a social partner in that context.

**Figure 3.**

![Frequency of dimensions graph](image-url)
6.1.2 Time period 2018

The perceptions dimension has captured the themes high unemployment, migration and judicial systems. The categories within this dimension were coded 30 times for BusinessEurope and 21 times for EU institutions. In this time period, the theme of migration is salient, as opposed to the 2015 period. This suggests that the migration crisis is perceived as a policy problem that needs to be resolved.

Within the second dimension values, four themes were identified, namely international trade, taxation, digitalization and skills training. The categories within this dimension were coded 68 times for BusinessEurope and 99 times for EU institutions. This outcome is in contrast to the 2015 time period, which showed that BusinessEurope discussed the dimension twice as often. This illustrates that a shift has occurred in the 2018 time period, which will be discussed in the qualitative analysis.

The third dimension, resources captures instruments or tools that actors can utilize to achieve their goals. Two themes were located in this dimension, the role of the European Union and European social partners. The categories within this dimension were coded 23 times for BusinessEurope and 7 times for EU institutions. In this dimension, BusinessEurope emphasizes the role of the EU to a great extent. Furthermore, compared to 2015, the theme of role of Member States was not located, which suggests that the EU institutions emphasize the role of social partners instead.

The fourth dimension, legitimacy was coded 11 times for BusinessEurope and 0 times for EU institutions. It is noteworthy that the legitimacy dimension is coded for BusinessEurope and not for the EU institutions. A possible reason for zero coding’s for the EU institutions is that they perceive themselves as legitimate and thus do not need to legitimate their decisions. In contrast, BusinessEurope aims to cement its legitimacy to a greater extent, as compared to 2015.
6.1.3 Summary

The quantitative content analysis quantified the frequency of dimensions coded in the textual material. The quantification of the material is based on the researcher’s own interpretation and understanding. Furthermore, the researcher has used search words based on the concept-driven dimensions to derive information from the textual material. It is important to note that there are different numbers of categories and search terms within each dimension (See table 1 analytical framework), therefore the exact numbers are not particularly indicative. Nonetheless, the size of each bar illustrates the main dimensions in focus in the textual material of BusinessEurope and the EU institutions. Thus, the results of this quantitative analysis show that the dimension of values has the highest frequency in 2015 and 2018 for both actors, followed by perceptions, resources and legitimacy for both years. This is the depiction that the quantitative content analysis has provided of the textual material. However, it is essential to apply a qualitative content analysis in order to get a deeper understanding of the material, particularly of the themes within the dimensions. The themes will uncover which policy objectives are identified, and if the EU institutions address the same issues or not. The quantitative analysis raises some questions, do the results of the quantitative analysis entail that the values dimension represents the main policy objectives of the actors? Do the values of the actors overlap in the policy documents? Are the policy objectives of the actors convergent? These questions will be discussed in the qualitative analysis that follows below.
6.2 Qualitative Content Analysis

The analysis will be structured as follows, the dimensions perceptions, values, resources and legitimacy will provide the overall structure of this qualitative part. The overarching themes and policy objectives uncovered within each dimension will be presented. The policy objectives of BusinessEurope will be discussed and compared to the issues addressed by the EU institutions, thus revealing if their views are compatible in each respective dimension and theme for the time periods of 2015 and 2018 respectively. It is important to note that the results of this analysis are representative of the empirical material of the study. Therefore, a possible limitation of this analysis is the absence of themes found in other documents that are not included in the material.

6.2.1 Time Period 2015

6.2.1.1 Perception Dimension

The perceptions of BusinessEurope and the EU institutions have been located in the themes of judicial systems and high unemployment.

Judicial Systems

This theme is about how judicial systems are depicted by BusinessEurope to further its agenda of less regulation in the economic sphere. The organization emphasizes the significance that legal aspects such as legislation and barriers have on companies operating in the EU. Investment is framed as the main driver for growth, and to achieve it, barriers that hamper investment must be removed. Also, the European Fund for Strategic Investment (EFSI) is seen as the core investment plan for Europe, meant to boost long-term economic growth and competitiveness in the EU, as shown by this statement:

“[…] Ensuring a swift adoption of the European Fund for Strategic Investment regulation” (BusinessEurope, 19th May 2015:5).

A policy objective of BusinessEurope is to reduce strict regulations that hamper the conduct of business in Europe, as well as scrapping barriers to the single market. It could be said that its objective is to form a laissez-faire type of economic system in which there are minimum regulations for companies. “Ensure that regulation, at EU and national level, is […] enforced, with minimum administrative burdens in order to support […] companies’
expansion” (BusinessEurope, 18\(^{th}\) March 2015:12). Moreover, emphasis is placed on national rules and national markets, indicating that BusinessEurope prefers rules to be on the national level instead of the EU level. An explanation for this would be that BusinessEurope’s member federations are more influential on the national level and are able to influence industrial relations in their respective Member State’s, as opposed to the EU level where their influence is limited. It can be understood that the application of the principle of subsidiarity is important to the organization. This assertion illustrates BusinessEurope’s policy objective:

“[…] Removing remaining barriers and further harmonise and streamline national rules; ii) increasing cooperation between national market surveillance authorities to ensure consistent application of the rules applicable to goods” (BusinessEurope, 19\(^{th}\) May 2015:3).

The Commission echoes BusinessEurope’s call for regulation that promotes investment: “Action is required to ensure an EU regulatory framework supportive of jobs, growth and investment” (COM(2014)902:10). Regarding regulations, the institution asserts that it will prioritize a general review of existing legislation and “[…] make EU law lighter, simpler and less costly for the benefit of citizens and enterprises” (COM(2014)902:10). Making EU law simpler and less costly corresponds with the objectives of BusinessEurope, which aim to reduce regulations. Still, the Commission claims that it will further strengthen its regulatory tools such as impact assessment. Nonetheless, the Commission aims to develop a regulatory framework encouraging investment, which includes removing some barriers. The Commission’s aim to implement the EFSI mirrors that of BusinessEurope. Likewise, the European Council calls for the EFSI’s swift adoption. The statement reads:

“The European Council welcomed the agreement reached on the […] EFSI and called for its rapid implementation” (European Council 26\(^{th}\) June 2015:7).

In this theme, the Commission, European Council and BusinessEurope agree on the adoption and implementation of the EFSI, therefore their views on this issue are convergent. Also, the Commission’s initiative to review existing legislation is partly in line with BusinessEurope’s objective to reduce regulations and barriers for business. This is significant because regulations and rules dictate the way actors behave, and consequently their ability to maneuver in the EU political sphere. To be clear, the Commission is an institution that proposes legislation and implements decisions, but it does not legislate.
High Unemployment

In 2015, many Member States were still recovering from the financial crisis that led to structural weaknesses in many Member States, coupled with a high unemployment rate. BusinessEurope frames the issue of unemployment as a cause of benefits dependency, poverty and social exclusion. The organization asserts that creating employment is an urgent priority, and it is “therefore essential for EU and national policy makers to focus on job creation” (BusinessEurope, 15th October 2014:2). Creating jobs is framed as the main task of enterprises, and consequently a supportive business environment is essential. From this view, the needs of SMEs should be thoroughly taken into account (ibid). The concept of flexibility is underscored, and it is asserted that employment policies at all levels should put internal and external flexibility on an equal footing. It is asserted that employment prospects are being impeded by insufficient labour market flexibility. “External flexibility is an essential tool to address Europe’s unemployment and adapt to fluctuating demand, in particular for SMEs” (BusinessEurope, 15th October 2014:3). Therefore, unemployment is perceived as a problem; whilst job creation coupled with external flexibility and a supportive business environment is seen as a solution to this problem.

The European Commission asserts its renewed commitment to structural reforms, which are perceived as essential for countries to grow out of debt and to stimulate the creation of jobs. The institution mirrors BusinessEurope’s view that enterprises are essential for job creation: “Cutting "red tape" at European and national level [...] is essential to create the right regulatory environment and promote a climate of entrepreneurship and job creation” (COM(2014)902:5).

As shown in the previous theme, regulations are a recurrent topic that both actors refer to. The Commission further affirms the need for progress at the national and EU level in improving conditions for business to create new prospects for employment and growth (COM(2014)902:5). BusinessEurope continuously promotes the involvement of social partners in employment matters. Therefore, in this respect, the Commission and BusinessEurope have similar outlooks on this topic, which is further confirmed by this statement:
“Member States must do more to remove obstacles to job creation, with the involvement of social partners” (COM(2014)902:11).

It is understood that the broad policy objectives of BusinessEurope and the Commission are compatible, as they both aim to remove barriers and create a regulatory environment that supports enterprises and job creation. However, the particulars of the objectives differ considerably. The Commission emphasizes employment protection and the need for full time contracts; which is not highlighted by BusinessEurope. Instead, the employer organization stresses the importance of external flexibility, meaning that SMEs would benefit from hiring workers from the external market on temporary work contracts. In other words, they prefer relaxed employment protection legislation, as opposed to strict legislation. Thus, the specific features of the objectives differ significantly.

6.2.1.2 Values Dimension

The analysis of this dimension will be structured according to the themes of international trade, taxation, competitiveness and digitalization.

International Trade

Within this theme, BusinessEurope supports the pursuit of ambitious trade agreements. The organization asserts that concluding trade agreements with strategic partner countries is vital for the prosperity of European citizens. The Transatlantic Trade and Investment Partnership (TTIP) is portrayed as an important agreement that is expected to boost the EU economy (BusinessEurope, 16th January 2015:3-4). The decisive phase of the TTIP negotiations took place during the Latvian Presidency of the Council of the EU. In an official letter to the Prime Minister of Latvia, BusinessEurope stated its preferred outcomes of the negotiations. The organization’s expectations contain neoliberal economic inclinations such as duty removal and the lifting of export restrictions, as illustrated by this statement:

“The Latvian Presidency must work towards the conclusion of an ambitious TTIP agreement addressing tariffs and non-tariff barriers. Full duty elimination, regulatory convergence and coherence through increased cooperation [...] lifting of all export restrictions on energy and raw materials, simplification of customs procedures” (BusinessEurope, 16th January 2015:5).
The European Council addressed the topic of TTIP; however, negotiations were still on going at the time, and no conclusive deal was reached during this time frame. Nonetheless, the Council asserted, “The EU and the US should make every effort to conclude negotiations on an ambitious, comprehensive and mutually beneficial agreement by the end of the year” (European Council, 20th March 2015:3). However, it is difficult to determine whether the European Council shared BusinessEurope’s preferred outcomes since these were not located in the textual materials of this study. Therefore, it can be deduced that BusinessEurope perceives the TTIP as an important trade agreement that would benefit the European economy.

**Taxation**

BusinessEurope accentuates the role of Member States in relation to taxation. The organization asserts that Member States should mainly focus on reductions in public expenditure that protect investment, rather than tax rises. Moreover, tax reforms should shift taxation away from labour and capital, which are the most damaging to growth employment. Also, tax systems administrations that are simple, transparent and user-friendly are a priority for BusinessEurope, because this will facilitate for SMEs and businesses operating in Member States (BusinessEurope, 18th March 2015:11). The organization purposes to lessen employers’ social security contributions, meaning enterprises contribute less capital to social benefits. This in turn may have adverse effects on social protection schemes. Furthermore, the tax burden is framed as negative; the organization holds the view that the tax burden discourages those on social benefits from working. The following statement illustrates the organization’s taxation objectives:

“Reducing non-wage labour costs through targeted cuts in employers’ social security contributions can play an important role in stimulating demand by encouraging employers to hire more staff. The tax burden on labour should be reduced to make work more attractive, especially for low-income earners, compared with welfare beneficiaries” (BusinessEurope, 18th March 2015:22).
The Commission concurs and holds the view that labour tax reductions would facilitate job creation: “Reforms targeting labour tax reductions to help restore employment should be intensified” (COM(2014)902:11). However, taxation is not mentioned specifically beyond this statement. Also, there is no mention of taxation or taxes in the European Council conclusions from March 20th or June 26th 2015. It may be the case that taxation issues are addressed in another publication by the EU institutions that is not included in the empirical material of this study.

### Competitiveness

The competitiveness of the EU as an economic power is highlighted as essential. BusinessEurope believes that the EU needs a competitive industry to invest in Europe. The EFSI is cited once more as important, and its primary role is to ensure Europe becomes an attractive place for investment. Moreover, focus should be placed on increasing private sector investment, as opposed to public investment (BusinessEurope, 18th March 2015). The private sector is the domain of enterprises, in which BusinessEurope has a key role; therefore, increasing private investment would benefit the organization and give it more leverage vis-à-vis trade unions that aim to employ their members. Another vital condition for competitiveness is access to finance on reasonable terms for companies aiming to invest in order to drive growth. It is found that finance should be accessible via numerous channels in order to meet the diverse finance needs of enterprises, particularly SMEs. BusinessEurope cautions that a lack of access to finance poses restrictions to businesses operating at their full potential, reduces investment and lessens growth prospects in Europe (ibid: 20).

The Commission, matching BusinessEurope, holds that there is an urgent need to boost investment in Europe (COM(2014)902). As previously mentioned, the Commission introduced the EFSI as an investment plan to increase Europe’s competitiveness; the plan is thus the proposed solution for boosting investment. The European Council is in agreement with the other actors regarding the need for investment, as well as developing a better business environment. This statement illustrates this: “Ensure effective investment instruments and improve the innovation climate, targeting in particular SMEs and start-ups” (European Council, 26th June 2015:8).
Furthermore, the single market is seen as an important vehicle for increasing competitiveness, as shown by this statement:

“Achieve a truly integrated single market, in particular in the areas of digital economy, telecoms, energy and services, in order to enhance the EU’s global competitiveness and support reindustrialization” (BusinessEurope, 18th March 2015:12).

The Commission mirrors this notion, as some of its objectives include improving the investment environment and incentivizing investment. Additionally, it’s stated that steps must be taken to “complete the single market in key sectors such as energy, transport and the digital economy” (COM(2014)902:9). Accordingly, rising investment, completing the single market and increasing competitiveness in Europe are objectives that BusinessEurope and the EU institutions agree upon. This suggests that the actors have a similar outlook on the notion of competitiveness, which could be attributed to underlying neoliberal values that govern their conduct.

Digitalization

BusinessEurope, the Commission and European Council portray digitalization as a fundamental prospect for European industry and competitiveness. Firstly, BusinessEurope asserts that the EU should facilitate the digitalization of its economy, as it will have a big impact on European industry, along with a long-lasting effect on EU competitiveness (BusinessEurope, 18th May 2015). BusinessEurope shifts the responsibility of implementation to the EU institutions because the organization lacks the competence and capability needed to implement such a change to the EU economy. Instead, BusinessEurope pinpoints advantages of the digital economy and underlying weaknesses in the EU economy, as described in this statement:

“Action is needed to ensure the EU fully exploits the benefits of the digital economy which could potentially add more than €2 trillion to Europe’s GDP by 2030. [...] The EU has underlying weaknesses in broadband investment” (BusinessEurope, 18th May 2015:4).

The Juncker Commission had the Digital Single Market as a top priority, asserting its importance for jobs, growth and innovation. The institution stated that the global economy was transforming into a digital one, hence, it was more imperative than ever to be well positioned in the digital economy since that would establish the EU’s future competitiveness. Digital services are highlighted, as they offer major benefits to society such as access to goods
and services and to information, freedom of expression, creativity, better healthcare and public services. However, at the publication of the Annual Growth Survey in November 2014, Europe did not have a Digital Single Market. The following statement describes the reason why:

“Only when common European high-standard data protection rules are in place and when consumers’ confidence is restored, will businesses be able to tap the full potential of the digital sector” (COM(2014)902:9-10).

The European Council also addresses the topic of digitalization:

“we need to […] help the digitisation of industry, create conditions to facilitate growth in all sectors and protect our citizens. The Digital Single Market should be used as a vehicle for inclusive growth in all regions within the EU” (European Council, 20th March 2015:7).

There is consensus among the actors that digitalization is an important facet of the European economy that should be streamlined across Member States. However, there are also discrepancies, particularly in the framing of digitalization. For instance, BusinessEurope addresses digitalization from a mainly economic perspective, focusing on financial gain, whereas the Commission raises the potential benefits to society that digitalization can create. It can be interpreted that the actors perceive the benefits of digitalization in different ways.

6.2.1.3. Resources Dimension

This dimension consists of three themes, namely, the roles of the European Union and Member States and the European social partners.

Role of the European Union

In this theme, BusinessEurope often emphasizes the role it wants the EU institutions to play in official letters addressed to them. Prior to Competitiveness Council and European Council meetings for instance, the organization sends messages outlining central policy objectives to be discussed at the meetings. During the Latvian Presidency of the Council of the European Union in 2015, BusinessEurope addressed multiple letters to the office of the Presidency, presenting its priorities and expectations of the tenure. The following statement is an example of a digital priority:
“BUSINESSEUROPE counts on the Latvian Presidency to ensure that data protection legislation enables data-driven innovation and helps Europe leveraging the huge potential stemming from the use of big data” (BusinessEurope, 16th January 2014:4).

The concept of digitalization presented in the prior dimension is recurrent; it is an important policy objective that necessitates the involvement of Member States and EU institutions. The development in digitalization of the European economy is dependent on the overall performance of the single market, in which the removal of barriers is vital, as illustrated by this quote:

“BUSINESSEUROPE therefore calls on Member States and EU institutions to remove remaining barriers hampering cross border provisions of goods and services in the EU” (BusinessEurope, 16th January 2014:4).

The organization accentuates the roles of the EU and Member States and their legislative capability. However, BusinessEurope argues that the removal of barriers does not require more legislation but rather better application of existing rules. This is significant because BusinessEurope is generally against more legislation on the EU level; they prefer legislation to be on the national level. Hence, they advocate for an enhanced application of existing rules, which as discussed earlier, is in line with their objective of less regulation in the theme of judicial systems.

**Role of Member States**

BusinessEurope discusses the role of Member States in relation to job creation and structural reforms discuss. BusinessEurope stresses Member States’ role in the European Semester process:

“To facilitate job creation, Member States must live up to their commitment and implement the country-specific recommendations adopted as part of the European semester” (BusinessEurope, 16th January 2014:3).

This is an important statement, because BusinessEurope as a recognized social partner in the Social Dialogue is involved in the process of developing country-specific recommendations (CSR) as part of the European Semester. Moreover, the member federations of BusinessEurope on the national level believe that 90% of the CSR they have analyzed focus on the right issues for reform in EU Member States, an increase compared with 83% in 2013.
European Social Partners

This theme focuses on the social partners in the EU. Whereby “European cross-industry employers welcome the progress made in involving the EU social partners in the work of the Council’s Employment Committee. […] Furthermore the involvement of national social partners should be strengthened notably on development and implementation of CSRs and National Reform Programmes” (BusinessEurope, 15th October 2014:3). The employer social partners stress the significance of reinforcing and better integrating the existing open methods of coordination (OMC) on employment, social protection and inclusion into the European Semester process. A deeper integration of the OMC would benefit employer organizations, because they prefer social decisions regarding labour law to take place at the national level with their involvement, as opposed to the EU level.

Therefore, the organization’s position as a social partner can be interpreted as a resource that is used to further policy objectives such as promoting the involvement of national social partners in the implementation of CSR’s.

6.2.1.4 Legitimacy Dimension

This dimension uncovers the way BusinessEurope uses the ‘image of Europe’ to legitimize its position as an employer organization and a social partner in Europe. In a press release for the relaunch of the social dialogue, BusinessEurope Director General Markus Beyer uses words such as “reforming Europe”, and phrases as “[…] we must work together to bring Europe back on track” to legitimize the organization’s position as a social partner (BusinessEurope, 17th November 2014:1). The use of the word ‘We’ suggests that BusinessEurope is an indispensable organization in the sphere of industrial relations. In addition, Beyer reinforces BusinessEurope’s position as a European social partner further by stating “we need to transform the social dialogue to a reform partnership to bring Europe back on track” (BusinessEurope, 17th November 2014:1). Hence, BusinessEurope seizes resources provided by the EU such as the Social Dialogue, in order to cement its position in the sphere of
European politics. The organization seizes the “image of Europe” when it includes the term “Europe” in its rhetoric, thereby, justifying their political decisions in the name of the EU. In order to bring Europe ‘back on track’, BusinessEurope pursues its policy objectives and frames them as being in the European interest. BusinessEurope is an actor with socio-economic interests that seizes the public debate about employment. The organization promotes decreasing non-wage labour costs, which benefits its members, while simultaneously stimulating job creation. It can be interpreted that BusinessEurope conveys its policy objectives as beneficial for the EU in order to acquire political legitimacy. This theme is not found in materials representative of the Commission or European Council. An interpretation of this is that the institutions perceive themselves as legitimate, and do not need to explicate their political decisions.

6.2.2 Time Period 2018

6.2.2.1 Perception Dimension

In this dimension, three themes were located, high unemployment, migration and judicial systems.

High unemployment

The theme of high unemployment is identified in the material. BusinessEurope states that unemployment is high because of a low growth rate coupled with structural weaknesses that stem from ineffective labour market regulatory frameworks (BusinessEurope, 13th October 2017:1). As a solution, the organization stresses the implementation of national reforms in order to deliver strong growth rates across Member States:

“This requires to reinforce the European Semester's role to ensure that all Member States implement agreed growth and employment enhancing structural reforms [...]” (BusinessEurope, 20th June 2018:3).

Strengthening the European Semester role is seen as a priority, particularly in relation to growth and employment reforms. This is significant because BusinessEurope’s member federations are active on the national level, and they monitor the implementation of the CSR’s. For instance, member federations believe that the EU’s CSRs focus on the right reform objectives, however, Member States still demonstrate unsatisfactory levels of
implementation (BusinessEurope, 21st March 2018:9). Once more, BusinessEurope emphasizes the importance of reforms on the national level.

To tackle unemployment, the organization purposes to facilitate labour market participation of all available workforce that face difficulties in obtaining employment; such as youth, skilled and less skilled and legal migrants (BusinessEurope, 16th March 2018:1). The Commission mirrors the view that youths are facing struggles in gaining employment: “the difficulties faced by younger generations in joining the labour market pose a new challenge” (COM(2017)690: 8). The Commission further suggests promoting the mobility of workers across jobs and sectors and stresses that effective active labour market policies are important to reduce long term unemployment (ibid). Hence, BusinessEurope and the Commission agree that labour market policies and/or regulations need to be effective in order to reduce unemployment and create jobs.

Migration

The migration theme is located in the 2018 textual materials, as opposed to similar material from 2015. This is due to the migration crisis occurring later in 2015 and thus explains the theme’s absence from documents published in the first half of 2015.

In the 2018 material, migration is discussed in relation to border controls. It is stated that migration pressures led to the application of temporary controls at the internal borders of the Schengen area, which is a pillar of European integration and the functioning of the European economy. BusinessEurope asserts that it agrees with the measures in place to stem illegal flows of migration and improve control over European external borders. Particular emphasis is put on reaching an agreement on a new Common European Asylum System to pave the way to resuming a normal functioning of free movement in the Schengen area, as well as ending a contentious debate among Member States. The Schengen area is thus framed as an important prerequisite for the functioning of the economy, specially the guarantee of free movement that is vital for employees, companies and enterprises operating in the EU. “Schengen is key to guarantee free movement. At the same time, the European Union needs to be attractive for talents and legal migration from third countries” (BusinessEurope, 20th June 2018:5). From this assertion, it can be understood that BusinessEurope supports the legal migration of skilled professionals from third countries, which can be employed by businesses in Europe.
The European Council is resolute in reinforcing the policy to prevent and stem illegal migration on all existing and emerging routes. Regarding internal situation in the EU, it is argued that the secondary movement of asylum seekers between Member States risk jeopardizing the integrity of the Common European Asylum System and the Schengen acquis. The Council calls on Member States to “take all necessary internal legislative and administrative measures to counter such movements and to closely cooperate amongst each other to that end” (European Council, 28th June 2018:1-4). As regards the reform for a new Common European Asylum System no solution was finalized as of 28th June 2018, which is the time frame of this study. It can be deduced that BusinessEurope prioritizes the Schengen area and free movement since it directly affects workers and businesses operating across borders in the EU. The Council on the other hand, highlights the importance of curbing internal migration of asylum seekers. However, both actors agree that the rapid agreement on a new Common European Asylum System is necessary.

Judicial systems

BusinessEurope highlights judicial aspects such as legislation, regulations and barriers in connection to digitalization and the labour market. The organization argues that more development of the law through judicial decisions is not viewed as an appropriate solution for the fast environment of digital technologies. Rather, in order to increase global competitiveness, the labour market regulatory framework needs to be clear, simple and flexible (BusinessEurope, 21st March 2018:5). Additionally, it is considered important to “ensure a level playing field to eliminate barriers hampering cross-border e-commerce, prevent forced data localisation measures, and address legal fragmentation in the areas of consumer legislation [...]” (ibid: 7). It can be deduced that BusinessEurope advocates for less legislation and the elimination of barriers that hamper cross-border business.

The Council mirrors BusinessEurope’s standpoint that the reduction of regulatory barriers is essential for global competitiveness. The Council “POINTS OUT that [...] the reduction of unnecessary regulatory burdens are an indispensable part of any comprehensive effort to support the global competitiveness of EU industry [...]” (Council of the EU, 12th March 2018:2). Consequently, the policy objectives of the two actors are concurrent in this theme, which can potentially be explained by a convergence of neoliberal economic perspectives.
6.2.2.2 Values Dimension

In this dimension four themes were identified, international trade, taxation, digitalization and skills training.

International trade

The theme of international trade is recurrent, as it was identified in the 2015 time period as well. In a letter to the European Council in March 2018, BusinessEurope addresses a number of issues pertinent to the European economy. One issue concerned the U.S. announcement of additional duties on aluminium and steel from Europe. BusinessEurope presented a firm stance on this issue stating that:

“The EU is a key strategic ally of the US. It must be exempted from the announced additional US duties on security grounds. If this is not the case, the EU will need to react. However, its response must be in line with WTO rules and safeguard the interests of its industry. […] BusinessEurope counts on the European Council to be firm but balanced when defining ways to defend EU interests […]” (BusinessEurope, 16 March 2018).

The organization argues that the EU should be exempt from duties, and that the EU leadership must respond to this escalation in order to defend European interests and companies. BusinessEurope advocates for an active and effective response by the EU, which is in contrast to the passive role they prefer the EU to have in the role of the European union theme discussed further down. Thus, the EU should have a central role in discussions when it is beneficial to the organization’s interests and policy objectives.

The European Council discussed the issue of U.S. tariffs on Europe, they argue:

“In reaction to the United States' decision to impose tariffs on the EU for steel and aluminium products […]. The EU must respond to all actions of a clear protectionist nature” (European Council, 28th June 2018:8).

The Council deems action as necessary in order to defend European industry, as well as respond to protectionist measures that have effects on the global economy. Hence, BusinessEurope and the Council agree that the EU must act in the face of such proceedings. Therefore, protecting the EU economy and industry is an essential policy objective shared by both actors.
**Taxation**

Taxation is a recurring theme, as it was located in the 2015 time frame. Noticeably, the policy objectives of BusinessEurope for this theme are very similar to their objectives in 2015. Likewise, the same phrases are used in both time periods, it’s stated that tax systems should become “simpler, more transparent and user-friendly” (BusinessEurope, 21st March 2018:9). The Council partly addresses this objective, stating, “[…] there is a real need to adapt our taxation systems to the digital era” (European Council, 28th June 2018:7). It is understood that both actors realize the importance of effective tax systems that are adapted to the digital age.

Another objective of BusinessEurope is to “reduce non-wage labour costs through targeted cuts in the tax wedge, which includes social security contributions, to stimulate demand by encouraging employers to hire more staff” (BusinessEurope, 21st March 2018:5). This aim is similar to the 2015 taxation policy objectives, particularly the reduction of security contributions. The Commission mirrors this view and asserts that labour should be supported by shifting the tax burden away from labour. It is stated “targeted labour tax reductions can specifically contribute to the inclusion of groups at the margins of the labour market” (COM(2017)690:10). However, the reduction of social security contributions will potentially have a negative effect on entitlement and future social benefits, even though it may stimulate job creation for the time being. On the other hand, the European Council discusses taxation in regard to the fight against tax avoidance, evasion and fraud and does not specifically mention targeted labour tax reduction (European Council, 28th June 2018:7). Therefore, BusinessEurope and the Commission have similar views on shifting the tax burden away from labour, however, this view is not specified in the Council Conclusions.

**Digitalization**

Digitalization is a recurring theme, as it also appeared in the 2015 time period, which illustrates its importance. BusinessEurope reiterates that investing in innovation and digitalization is crucial for shaping Europe's future in a globalized world, as well as increasing job creation, employment opportunities and Europe’s prosperity. However, they point out that Europe’s trading partners invest much more in these fields than Europe (BusinessEurope, 20th June 2018:4). The European Council partly address this assertion, stating that “Europe must further develop its high-quality research across the EU and turn it into new products,
services and business models” (European Council, 28th June 2018:9). Therefore, emphasis is put on more research, rather than investment in this case.

Moreover, focusing on digitalization, the European Council calls for “strengthened efforts and the rapid implementation of policy priorities in respect of the digitalization of industry [...] supporting small and medium-sized enterprises (SMEs) in their digital transformation [...]” (Council of the EU, 12th March 2018:1). The Council thus aims to support European companies and enterprises in their digital transformation, which is in line with BusinessEurope’s policy objectives. However, discussions about the digitalization of industry and economy have been ongoing since 2015, suggesting not much progress has taken place in this area. This argument is further strengthened by the Council’s call for a speedy implementation of policies in regard to digitalization.

**Skills Training**

BusinessEurope stresses that there is a lack skilled workers in the labour market. They argue that education and training systems need to be tailored to labour market needs. Emphasis is also put on the need for more science, technology, engineering and maths graduates, as well as people with digital skills. It is vital to improve skills training policy frameworks to encourage companies and workers to invest resources and time in developing skills that fit with labour markets requirements and unlock labour productivity growth. “High quality initial and continuous vocational training programmes that deliver technical and transversal skills are particularly requested by SMEs which have more and more difficulties to recruit skilled workers” (BusinessEurope, 13th October 2017:2)

The Commission reiterates this outlook, arguing that investments in high quality education and training are a prerequisite for labour productivity growth. Furthermore, the institution asserts “active labour market policies are crucial for empowering people and integrating them in the labour market, which remains the best vehicle out of poverty and social exclusion” (COM(2017)690:6). This view emphasizes the importance of alleviating poverty and social exclusion through active labour market policies. BusinessEurope’s argument stresses the difficulties SME’s face in the recruitment of skilled workers which lack STEM and digital skills. This illustrates that even though the actors may have similar views, their underlying objectives differ. Nonetheless, the Commission states, “the development of digital skills is particularly necessary” (ibid), followed by the European Council’s assertion that “
[...] harnessing the digital transition notably requires addressing the insufficient level of digital skills in Europe's labour force” (Council of the EU, 12th March 2018:2). This entails that BusinessEurope’s and the EU institutions views are compatible in regard to the development of digital skills.

6.2.2.3 Resources Dimension

Role of European Union

In this theme, the EU is perceived to have a central role in providing resources such as information and technical expertise for Member States and stakeholders such as social partners. BusinessEurope views the EU and its institutions as a resource that can utilized as is shown by the following statement:

“EU’s primary role is to provide information, incentives, and know-how for Member States and social partners to design, implement and evaluate policies addressing structural labour challenges” (BusinessEurope, 21st March 2018:5).

From this statement it can be understood that BusinessEurope would prefer the EU to have a passive and quiescent role, thus handing over the implementation and evaluation of policies to Member States and social partners. BusinessEurope frequently emphasizes the importance of transferring negotiations and implementation of policies to the national level, thus revealing their penchant for less supranational influence on their endeavors. Nonetheless, even though BusinessEurope prefers less involvement from the EU-level, the EU still has a central role in providing resources that the organization use to further their policy objectives.

The role of the EU and its leaders is stressed in relation to the U.S. sanctions discussed previously in the international trade theme. BusinessEurope highlights the part they anticipate the EU to play when dealing with this issue: “[...] The EU needs more than ever to show leadership. It needs to demonstrate that it stands by a rules-based trade system and supports the role of the WTO” (BusinessEurope, 20th June 2018:1).

Thus, BusinessEurope expects the EU to respond strenuously to the U.S. sanctions, showing their commitment to a European rules-based trade system. Furthermore, supporting the WTO is considered vital, because it deals with trade rules between nations which directly affects companies and enterprises operating in Europe and elsewhere. Therefore, BusinessEurope uses the EU’s influence in order to safeguard the interests of its members and companies:
“The EU must remain committed to open, fair and rules-based trade and, at the same time, strengthen the European Union to adequately protect the interests of its companies and its citizens” (BusinessEurope, 20th June 2018:1). Therefore, the policy objectives of BusinessEurope dictate the role it prefers the EU to have, in trade related matters the EU should have an active role. Contrarily, a passive role is favoured when the EU is dealing with Member States and social partners.

**European Social Partners**

In this theme, the significance of the social partner position is underscored by BusinessEurope. The organization states that it fulfils its mission as a business and employers’ organization in accordance with European principles and values. “We engage in the European social dialogue to fulfil the mandates given by our members in good faith” (BusinessEurope, 1st March 2018:2). Also, the organization in its capacity as a social partner seeks to express the consensus view in the European business community, taking into account European companies from all sectors of activity across Europe. Hence, BusinessEurope has a vital position in the business community, since they express and represent the collective views of companies on the EU level.

Moreover, BusinessEurope presents its positions as readily available to the public after they are communicated to the EU institutions, framing their organization as trustworthy. “We are transparent about the contacts we have with the European institutions and act in accordance with the European Transparency Register” (BusinessEurope, 1st March 2018:2). The statement shows how the actor aims to portray the organization as credible. It’s important for BusinessEurope to exude credibility as a social partner that partakes in the social dialogue.

The European Commission recognizes that social partners are essential stakeholders in the reform process. The Commission asserts that the meaningful participation of social partners in the design, sequencing and implementation of reforms can improve ownership, impact and delivery. The Commission presses for the formation of new types of social dialogue, perhaps suggesting that the current form of social dialogue has plateaued. “New forms of social dialogue, collective organisation and bargaining need to be developed to meet the challenges posed by new forms of work” (COM(2017)690:9). It could be understood that the current digital era presents new challenges and demands that the present social dialogue mode and
OMC are not equipped enough to handle. Contemporary types of work that take place in the digital economy are relatively new and may necessitate the creation of new social protection measures as well as collective agreements.

6.2.2.4 Legitimacy Dimension

For the occasion of the 60th anniversary of BusinessEurope, the organization published a ‘Statement of values’ document, which describes the principles and tenets that are representative of them. In the document, BusinessEurope seeks to legitimate its position as an employer organization through the use of ‘image of Europe’. It is stated “BusinessEurope has supported European integration and the aims pursued by the Treaties of Rome from the outset” (BusinessEurope, 1st March 2018:1). The organization uses terms such as ‘integration’ and ‘treaties’ in its rhetoric to construct an ‘image of Europe’, which it aims to uphold as part of the European business community. BusinessEurope also reminds the reader of the central role companies have had historically “the European business community has been centre-stage at important moments in the integration process” (BusinessEurope, 1st March 2018:1). It is important for BusinessEurope to portray how the business community has been a part of the European integration process from the outset, thus justifying its presence on the European scene.

BusinessEurope as a recognized social partner, seizes the opportunity to be involved in the social dialogue which is an institutional resource provided by Articles 151-156 of the TFEU. Moreover, the organization values the opportunity to engage in the social dialogue as shown by this statement: “freedom to engage in social dialogue, with full respect for social partners’ autonomy” (BusinessEurope, 1st March 2018:2). The organization purposefully transforms the social dialogue into a political practice in order to forward its policy objectives in industrial relations when in negotiations with trade unions and other stakeholders.

Legitimizing usage, which this dimension is based upon is associated with the general public, in which European society has a central role. BusinessEurope highlights the notion that economic progress is a prerequisite for social prosperity in this assertion, “our positions aim to identify appropriate means for promoting economic and social progress, and to strengthen Europe’s competitiveness in the interest of society as a whole” (BusinessEurope, 1st March 2018:2). Furthermore, the freedoms and single market provided by the EU are used to substantiate the important role of entrepreneurs and their consequent contributions to the
European public sphere: “ [...] the freedoms which are at the core of the European Single Market are essential to optimize the contribution of entrepreneurs to society.” (BusinessEurope, 1st March 2018:2).

The text concludes with the following statement:

“This are the [...] values that BusinessEurope has been defending and promoting since 1958, alongside our members’ actions at the national level. Convinced that these values remain valid in the digital era, we will continue to promote them, when accompanying the European integration process in the years to come” (BusinessEurope, 1st March 2018:2).

The assertion can be construed as an attempt by BusinessEurope to cement its legitimacy in the EU political sphere. BusinessEurope has therefore outlined the values and principles that govern its operations to the reader in order to elucidate the important role it have as an employer organization that upholds European way of life. The statement emphasizes the organization’s forthcoming presence in the digital era, which is positively framed for European integration. Furthermore, the fact that BusinessEurope purposes to actively support European integration justifies and legitimates its presence in the European political sphere as well as its position as a social partner involved in the European Semester process. Consequently, the EU is actively used by BusinessEurope to forward its corporate policy objectives.
6.2.3 Overview of results

The results of the qualitative content analysis are summarized in table 2. The results are presented according to year, dimension and theme, and policy objective. The policy objectives of BusinessEurope are abridged and compared to the views of the Commission and the European Council. The two EU institutions are distinguished in order to give a clear depiction of their respective positions in contrast to the policy objectives of BusinessEurope.

Table 2. Results of qualitative content analysis.

<table>
<thead>
<tr>
<th>Year</th>
<th>Dimension &amp; theme</th>
<th>Policy objective</th>
<th>Business Europe</th>
<th>The Commission</th>
<th>European Council</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td><strong>Perceptions</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Judicial systems</strong></td>
<td>Rapid adoption &amp; implementation of EFSI to facilitate investment.</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Review existing legislation.</td>
<td>✓</td>
<td>✓</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td><strong>High unemployment</strong></td>
<td>Removing obstacles to job creation &amp; creation of regulatory environment to promote entrepreneurship.</td>
<td>✓</td>
<td>✓</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td><strong>Values</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>International trade</strong></td>
<td>TTIP important trade agreement to be concluded by end of 2015.</td>
<td>✓</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td><strong>Taxation</strong></td>
<td>Tax burden on labour should be reduced to restore employment.</td>
<td>✓</td>
<td>✓</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td><strong>Competitiveness</strong></td>
<td>Boosting investment is an urgent priority.</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Completing the key sector within the Single Market is essential.</td>
<td>✓</td>
<td>✓</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td><strong>Digitalization</strong></td>
<td>Digitalization is important facet of EU economy that should be streamlined throughout Member States.</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td></td>
<td><strong>Resources</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Role of European Union</strong></td>
<td>Enhanced application of existing rules. Legislation on national level.</td>
<td>✓</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td><strong>Role of Member States</strong></td>
<td>Promote adoption of CSRs on national level in European Semester context.</td>
<td>✓</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>European Social partners</strong></td>
<td>Deeper integration of OMC into European Semester Process.</td>
<td>✓</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Legitimacy</td>
<td>Transform the Social Dialogue to a reform partnership to bring Europe back on track.</td>
<td>✓</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
</tbody>
</table>

| **Perceptions** | 2018 |
| **High unemployment** | Labour market policies/regulations need to be effective to reduce unemployment and create jobs. | ✓ | ✓ | - |
| **Migration** | Important to reach rapid agreement on a new Common European Asylum System. | ✓ | - | ✓ |
| **Judicial systems** | Reduction of regulatory barriers is essential for supporting global competitiveness of EU industry. | ✓ | - | ✓ |

| **Values** | 2018 |
| **International trade** | U.S. tariffs: The EU must respond to all actions of a clear protectionist nature. Protecting EU economy and industry vital. | ✓ | - | ✓ |
| **Taxation** | Adapt taxation systems. | ✓ | ✓ | - |
| Targeted labour tax reductions. | ✓ | ✓ | - |
| **Digitalization** | Strengthened efforts and rapid implementation of policy priorities in regard to the digitalization of industry are essential. | ✓ | - | ✓ |
| **Skills training** | Investments in high quality education and training are prerequisite for labour productivity growth, especially development of digital skills. | ✓ | ✓ | ✓ |

| **Resources** | 2018 |
| **Role of the European Union** | EU leadership should respond strenuously to U.S. tariffs, further supporting WTO and protecting European interests and companies. | ✓ | - | ✓ |
| **European social partners** | Social partners are essential stakeholders in the reform process, improving ownership and delivery. | ✓ | ✓ | - |
| **Legitimacy** | To identify appropriate means for promoting economic and social progress, and to strengthen Europe’s competitiveness in the interest of society as a whole. | ✓ | - | - |
7. Discussion and Conclusions

This Master thesis started off from a recognition that employer organizations such as BusinessEurope, have not been in focus much as research subjects in the field of industrial relations. The overall aim of this study was to fill this scholarly gap by studying BusinessEurope’s policy objectives vis-à-vis the Commission and European Council in the context of the European Semester for the time period 2015 and 2018. The objective of this study was twofold; first, to assess if employer organizations such as BusinessEurope and EU institutions, such as the Commission and European Council, are mutually interdependent, given their mutual goals of increasing international competitiveness and growth in the EU; and second, to examine how BusinessEurope participates and attempts to shape social policy processes at the EU-level in the context of the European Semester. The key research question for this thesis was: How can we understand the policy objectives of BusinessEurope vis-à-vis the European Commission and the European Council in the context of the European Semester, and are there any differences in the positions of the Commission and European Council? However, before this question can be addressed, the sub questions that follow will be discussed.

**How does BusinessEurope participate in and attempt to shape European socioeconomic policies in the context of the European Semester?**

The results show that BusinessEurope uses its status as a social partner in the context of the social dialogue to participate in socioeconomic policy processes at the EU-level. For the time period of 2015 and 2018, the legitimacy dimension has a strong connection to the social partners theme in the resource dimensions. In the social partners theme for 2015, BusinessEurope promotes a deeper integration of OMC into the European Semester process, whereas for 2018, they push for the involvement of social partners in the reform process. BusinessEurope strategically promotes processes that it participates in and processes which are advantageous for its position, such as the OMC; because it prefers social decisions regarding labour law to take place at the national level. Similarly, in the legitimacy dimension, the organization promotes the transformation of the social dialogue in 2015, while it aims to identify means to strengthen Europe’s competitiveness in the interest of society in 2018. On a theoretical level, the actions of BusinessEurope are linked to the legitimizing strand of ‘Usages of Europe’ theory, because BusinessEurope grasps the EU as a set of
opportunities and prospects in order to further its policy objectives. The social dialogue is an example of an opportunity used to emphasize policy aims. It also permits BusinessEurope access to European institutions, which entails access to political debates and policy problematization. By attaining an expert status, such as social partner, the organization can acquire political legitimacy. Additionally, the ‘image of Europe’ is employed to convey political decisions and policies that are framed in ‘the European interest’, such as competitiveness. An interesting result of the legitimating dimension showed how BusinessEurope justifies its continuing relevance in relation to digitalization of the EU economy and the imminent digital era, suggesting that its member companies have digital capabilities that will give the employer an advantage at the EU-level. Thus, the legitimacy dimension is utilized to strengthen and legitimize the organization’s position in the European political sphere.

BusinessEurope places a lot of emphasis on resources in both 2015 and 2018. This can be construed as the organization utilizing most of the resources at its disposal such as the social dialogue to further its policy objectives (see table 3). Conversely, the Commission does not use resources in the same way. An explanation for this may be that the European Council adopts conclusions and legislation in the context of the European Semester, while the Commission only proposes legislation; which illustrates the diverging roles of the institutions. Furthermore, in the resources dimension, the theme ‘Role of European Union’ shows contradictory policy objectives for 2015 versus 2018. The results show that in 2015, BusinessEurope advocates for an enhanced application of existing rules and legislation on national level. It can be interpreted that BusinessEurope endorses the principle of subsidiarity, which holds that social and political issues should be dealt with at the national level. It is important to note that social regulations and policies are shared EU and Member States competences (Hix & Høyland, 2011:6). Promoting national competences benefits the organization because its members hold a strong position at the national level, furthermore, it reduces supranational influence on socioeconomic policies. It is inferred that BusinessEurope attempts to shape EU socioeconomic policies by promoting the principle of subsidiarity, thereby limiting the role of the EU. Therefore, the resources dimension is actively and strategically used to forward policy processes that BusinessEurope is involved in.

In 2018, BusinessEurope stated that the EU’s primary role is to provide information and incentives for Member States and social partners to cooperate, which is a very marginal role.
In contrast, in regard to trade, the EU is expected to show leadership and respond to U.S tariffs, thereby stipulating the EU with an active role in protecting European interests. External trade policies are the exclusive competence of the EU and are managed on the supranational level (Hix & Høyland, 2011:6). Drawing on European integration theory (Scharpf, 1999), in market-correction mechanisms, the EU is preferred to have a passive and limited role, whilst in market-making policy mechanisms, an active EU role is favored. The result is in line with previous knowledge of market-related integration, in which market-correcting policies deal with regulations on working conditions for example. Market-making mechanisms focus on the removal of tariffs, and other barriers to trade or obstacles to free and undistorted competition. Market-making neoliberal mechanisms are in line with the policy aims of BusinessEurope; this supports the argument that the organization is a neoliberal corporate actor (Scharpf, 1999: 45).

It can be understood that the favored role of the EU is highly contingent on the policy objectives of BusinessEurope, which paint the actor as strategic. Strategic actions can be linked to Hermans and Cunningshams (2013) analysis that tangible resources consisting of tools or instruments such as a key social partner position is considered a source of power and influence by BusinessEurope, that utilizes its position to gain access to the European institutions and attempt to apply pressure on policymakers to act in a certain way that corresponds with its policy objectives. Applying pressure can occur in various ways, such as lobbying or addressing official letters to relevant bodies of the EU. For example, BusinessEurope addressed multiple letters to the office of the Latvian Presidency of the Council in 2015, presenting its priorities and expectations of the tenure. Therefore, BusinessEurope utilizes the dimensions of resources and legitimacy to participate and attempt to shape EU socioeconomic policies as a social partner in the context of the European Semester. It is construed that BusinessEurope is an opportunistic policy actor, whose policy objectives dictate the role it prefers the EU to have in policy processes.

The comparison of the 2015 and 2018 European Semester cycles was conducted in order to ascertain if there are similarities or differences in the policy objectives of the actors in this study. The results show that there are many similarities in the policy objectives, but also some differences between the two EU institutions. An interesting result for 2018 was the values dimension, which was coded 68 times for BusinessEurope and 99 times for EU institutions. This outcome is in contrast to the 2015 time period, which showed that BusinessEurope
discussed the dimension twice as often. This illustrates that a shift has occurred in the 2018 time period in terms of addressing socioeconomic issues such as taxation, digitalization and skills training, which the EU institutions discuss more than BusinessEurope in the empirical material. Furthermore, BusinessEurope emphasizes the role of the EU more in 2018 than in 2015, which shows that resources and instruments that the EU provides have gained significance for the employer over this time period. Additionally, much more emphasis is put on the dimension of legitimacy in 2018, as opposed to 2015. This suggests that BusinessEurope has a greater necessity to seem legitimate, cement its legitimacy in the EU as a social partner, as well as justify its policy objectives in the European interest.

What do the policy objectives of BusinessEurope, the Commission and the European Council reveal about their positions on socioeconomic issues?

According to the actor model for policy analysis (Hermans & Cunningham, 2013), perceptions denote the policy problem at hand, while values are indicative of policy objectives and consequent solutions to policy problems. The results show that the perceptions and values dimensions reveal some similarities in the policy objectives of BusinessEurope, the Commission and European Council. The actors had three themes in common for 2015. The actors perceived the lack of investments in the EU as a serious problem; the solution to this was the rapid adoption and implementation of the European Fund for Strategic Investments. A similar solution was to increase competitiveness and boost private investment by companies in the EU. Also, the digitalization of the EU economy was to be streamlined across Member States. For 2018, the actors had one theme in common, skills training, which entailed investment in high quality education and training to facilitate labour productivity growth. These common objectives express mainly economic goals, which prioritize the recovery of the European economy after the financial crisis. The actor model for policy analysis provides a possible explanation for the common objectives. Actors within a policy network, such as the European Semester, who interact and communicate frequently, may develop a particular overlap in their perceptions and values. This assertion is strengthened by the fact that BusinessEurope communicates and interacts frequently with EU institutions on a broad range of issues. Therefore, it is possible that because the actors operate in a common policy arena, which is the European Semester, they have developed corresponding economic objectives.
How is the New Social Dialogue framed and used by BusinessEurope?

The new social dialogue launched in 2016 was an attempt by the Commission to revive the cooperation between social partners at the EU and national levels on a voluntary basis (European Commission, 2016). The results show that in 2018, BusinessEurope and the Commission emphasize that social partners are essential stakeholders in the reform process, they improve ownership and delivery of structural reforms. It is not unexpected that the Juncker Commission promotes the re-launch of the dialogue, since the institution has been striving for an effective dialogue for many years. In fact, an early version of social dialogue has been ongoing since the 1980s, and discussions between both sides of industry have been ongoing for decades (Hix & Høyland, 2011:170). Therefore, this re-launch is but one of many attempts by the Commission to persuade employers and trade unions to engage in meaningful talks. Likewise, BusinessEurope supports the dialogue, because it is an instrument it utilizes as a social partner in order to advance its policy aims at the EU-level. On a theoretical level, this can be linked to actor-centered institutionalism (Scharpf, 1997), as institutional rules, specifically Article 138 and 139 created the social dialogue. The institutional context in which BusinessEurope navigate is created by the EU institutions, and its rules and procedures likewise. From this perspective, it is possible that the Commission partly shapes the policy objectives of the employer since the Commission commences the Semester process with the publication of the Annual Growth Survey, which the employer social partners then consult. Thereby, it’s possible that BusinessEurope takes queues from the initial policy document outlining priorities. Nonetheless, the social partners have veto rights and are autonomous in their conduct, meaning that either social partner may withdraw from negotiations, as there are no strong incentives to cooperate on social and work-related issues. Even though there are no strong incentives to negotiate with trade unions, BusinessEurope still uses its position to attempt to influence the EU institutions, which is a power factor it seizes. Moreover, a study by Gold et al. (2007) argues the social dialogue at EU level reached its peak influence with the establishment of the negotiation track in the Maastricht Treaty. The results show the Commission continues to promote the new dialogue, although it doesn’t comprise new institutional changes. This suggests that the dialogue is at a standstill, since no new agreements have been reached between the social partners. This assertion strengthens the argument that BusinessEurope is opportunistic, because the employer promotes the dialogue to have a legitimate position to further its policy aims, but has not necessarily concluded agreements at the social partner level for years. Therefore, BusinessEurope purposefully
transforms the social dialogue into a political practice in order to forward its policy objectives.

How can we understand the policy objectives of BusinessEurope vis-à-vis the European Commission and the European Council in the context of the European Semester, and are there any differences in the positions of the Commission and European Council?

The operationalized dimensions of the analytical framework have displayed the policy objectives of BusinessEurope vis-à-vis the Commission and European Council. The dimensions are interconnected; one dimension paves the way to the next in a logical manner. Perceptions present the perceived policy problems of actors, while values express policy objectives that are framed as the solutions to the problems. Resources are instruments seized by BusinessEurope to strengthen its position and forward its policy aims. In turn, legitimacy is used to cement BusinessEurope’s status as social partner in the European political sphere.

The dimensions paint a broad picture of the policy objectives of the actors’ of this study. For 2015, BusinessEurope had seven policy objectives in common with the Commission and three in common with the European Council. For 2018, the employer organization had five policy objectives in common with the Commission and six in common with the European Council. Most of the common policies have neoliberal characteristics, as they include targeted labour tax reductions, removing obstacles to job creation, and reduction of regulatory barriers for businesses. It can be construed that BusinessEurope and the EU institutions have a similar economic outlook, which is characterized by neoliberal values.

The results of this study cannot provide conclusive evidence of causality and consequent connections or effects in terms of influence or lobbying as a direct result of interactions between the actors. Explicit interactions that may alter policy positions of actors are not captured by the empirical material, such as official meetings, seminars, or working groups. Instead, this study captures limited interactions of BusinessEurope, the Commission and European Council in the Semester process through policy documents. Consequently, the theoretical framework offers two contrasting, albeit plausible, explanations for the common policy objectives of the actors, offered by actor-centered institutionalism and actor model for policy analysis.
Actor-centered institutionalism (Scharpf, 1997) stipulates a potential explanation for the mutual objectives of the actors. It is stated that institutions are the most significant influences on actors and interactions. The institutions are also perceived to be valuable sources of information. The European institutional setting could shape the perceptions and values of BusinessEurope, however, the same could hold true of the employer organization. Moreover, institutional rules outline the participation of actors and the material and legal resources at their disposal, and subsequently the capability of their legitimate activities. For example, corporate actors coordinate in the social dialogue, which is a reference frame established by EU institutional rules. Institutions facilitate and impede a range of choices, as well as distinguish how the results attained through such choices will be evaluated. Hence, institutions can influence the preferences of BusinessEurope with regard to the possible options available to them. Nonetheless, by disallowing some and allowing other actions, institutional rules demarcate repertoires of more or less acceptable courses of action that will leave significant room for maneuver for the strategic choices of purposeful actors. In other words, institutions limit and influence the preferences of actors. Even though institutional rules may limit the actions of BusinessEurope, the organization is a strategic actor who can find other ways to achieve its policy objectives.

A contrasting explanation for the mutual policy objectives of the actors is provided by the actor model for policy analysis (Hermans & Cunningham, 2013). The concept-driven dimensions perceptions, values and resources of the analytical framework are derived from the actor model. The dimensions have been essential in uncovering the policy objectives of the actors. Perceptions showed the perceived policy problems, while values expressed the policy aims that were seen as solutions to the problems, whereas resources displayed the instruments and tools BusinessEurope utilizes to cement its position as social partner. However, the possible actions of BusinessEurope, their effects, and possible responses are restricted and structured by rules created by the institutions that subsist at the network level. BusinessEurope is obliged to follow the rules in order to remain at the network level. Rules may provide actors with control over resources or instruments, such as the social dialogue or its expert position as employer organization. However, actors that are important in the network or that monopolize communications with a powerful actor such as the Commission or the European Council may obtain a strategic resource from their position in the network. The employer organization regularly communicates with the EU institutions, through official letters, position papers and more. Therefore, this statement could hold true of influential
lobby organizations such as BusinessEurope that have ample resources in terms of financial capital as well as its social partner position. These resources can be utilized to apply pressure on policymakers in the EU. Hence, a possible explanation for the common policy objectives of the actors is that BusinessEurope is successful in lobbying the institutions through its strategic position in the network and via continuous communications addressed to various working groups within the institutions.

**Are there any differences in the positions of the Commission and European Council?**

The Commission and European Council express differing views in relation to certain policy objectives. The institutions are complex organizations that can convey various policy expressions depending on the issue at hand. In 2015, there were four contrasting views between them. The Commission was for reviewing existing legislation and removing obstacles to job creation, shifting taxation away from labour and completing key sectors within the single market. However, these objectives were not salient for the European Council. Likewise, for 2018, four diverging views were observed. The European Council pushed for the rapid agreement of the Common European Asylum System, a reduction of regulatory barriers to increase competitiveness, a strong European response against U.S. tariffs, and rapid implementation of digital policy priorities.

Even though these policy objectives are in contrast, they display clear neoliberal paradigms, which are in line with market-making policies that aim to remove tariffs, and other barriers to trade among others (Scharpf, 1999: 45). These business interests are in line with the objectives of BusinessEurope, who is a neoliberal corporate actor. Moreover, it is important to distinguish the roles of the Commission and the European Council, as they may express differing views. The Commission as the main executive body of the EU is tasked with proposing legislation, which means that the institution is able to produce policy suggestions that are comprehensive and long-term. On the other hand, the European Council meets only four times a year, and addresses more immediate matters such as crises or recent events. This would explain why certain themes were not salient in the documents representative of the Council. In order to provide a more comprehensive picture of the policy objectives of the Council, other documents would have needed to be included in the empirical materials, for example, to find policies related to taxation.
Conclusion

The empirical inference of this study shows that BusinessEurope is an opportunistic and strategic policy actor. When it is beneficial to the employer organization, it prefers the EU to have an active and dynamic role, for example in matters related to international trade and market-making mechanisms. However, in relation to social policy and market-correction, BusinessEurope prefers the EU to have a miniscule and passive role. In other words, the organization supports the principle of subsidiarity, which means that social legislation is implemented on the national level, with minimum supranational interference.

The results of this study have found distinct similarities in the objectives of the actors for 2015 and 2018. Nonetheless, this study cannot provide conclusive evidence of causality, however, the theoretical framework can explicate the common policy objectives of BusinessEurope, the Commission and European Council. Actor-centered institutionalism suggests that the EU institutions limit and influence the preferences of actors such as BusinessEurope. On the other hand, the actor model for policy analysis indicates that powerful lobby organizations such as BusinessEurope, can be successful in lobbying the EU institutions through its strategic position of social partner in the network coupled with continuous communications addressed to the EU institutions.

The contribution of this thesis to the field of European Studies is comprised of two aspects. First, this study has elucidated the policy objectives of BusinessEurope vis-à-vis the Commission and European Council in a comparative analysis of two European Semester cycles, 2015 and 2018. Secondly, this thesis has contributed with new knowledge by applying the concept of legitimating usage to policy analysis. Thus, revealing how BusinessEurope uses the image of ‘Europe’ to frame its policy objectives as legitimate, as well as cement its position as social partner in the European political sphere. Legitimating usage further showed how BusinessEurope justifies its continuing relevance in relation to digitalization of the EU economy and the imminent digital era.

In relation to previous studies in the field of industrial relations, this thesis has contributed with a deeper understanding of the policy objectives of BusinessEurope. The results show that the organization aims to reduce strict regulations that hamper the conduct of business in Europe, as well as scrap barriers to the single market. The organization’s objectives point
towards a laissez-faire type of economic system in which there are minimum regulations for companies. Moreover, a study by Gold et al. (2007) argued that the social dialogue at EU level reached its peak influence with the establishment of the negotiation track in the Maastricht Treaty. The results of this study are in line with Gold et al. (2007), since the Commission continues to promote the social dialogue as part of its social agenda even though it doesn’t contain any new institutional changes. BusinessEurope actively uses the dialogue merely as a resource to further its policy aims. Therefore, although there are efforts to revive the social dialogue, it remains stagnant, as no new agreements have been reached between the social partners.

The policy implications of this study are twofold. First, the result points towards a neoliberal economic position held by the actors. A convergence of neoliberal policy objectives can have detrimental effects for workers in Europe, in terms of putting a downward pressure on wages and lenient employment protection legislation. Moreover, putting internal and external flexibility on an equal footing may have negative consequences for working conditions of employees, as external flexibility would entail hiring workers from the external market on temporary work contracts. Second, BusinessEurope proposes to lessen employers’ social security contributions. The reduction of social security contributions could potentially have adverse effects on entitlement and future social benefits of social groups in Member States.

**Future Research**

As this study cannot conclusively show causality, further research is needed to capture more nuanced interactions between BusinessEurope and the EU institutions in order to grasp which actor influences whom in the policy process. Applying a process tracing method may provide a greater understanding of the causal dynamics that produced common objectives of the actors. Alternatively, conducting interviews with representatives from BusinessEurope and EU officials from relevant institutions may elucidate possible effects of lobbying activities. Furthermore, studying how BusinessEurope and the EU institutions frame policy discourses could complement the result of this thesis by giving the analysis more dimensions.
6. References


**Empirical Sources**


