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Europeanisation

Social Actors and the Transfer of Models in EU-27

edited by

Sandrine Devaux

and

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CEFRES

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The multi level strategies of Portuguese socio-economic actors in the EU

José M. Magone and Veronica Martins

Introduction: Portuguese economic actors and multilevel governance

Within the vast literature on interest groups and EU multilevel governance, there are very few studies specifically focussing on Portuguese actors. This paper contributes to redressing this imbalance in the literature by presenting an empirical study of Portuguese economic actors in relation to EU multilevel governance. The main thrust of the argument is that the late democratisation of Portuguese society led also to a late development of interest groups. While most other countries, including Spain, were able to create interest groups that play a role at different levels of the EU political system, Portuguese economic actors relied immensely on the larger Eurogroups of which they are members. After more than three decades of democracy, Portuguese interest groups continue to be weak and sidelined in lobbying activities within the European Union. This paper analyses the main reasons for this situation. The research is centred on socioeconomic actors, in particular the main business associations and trade union confederations.

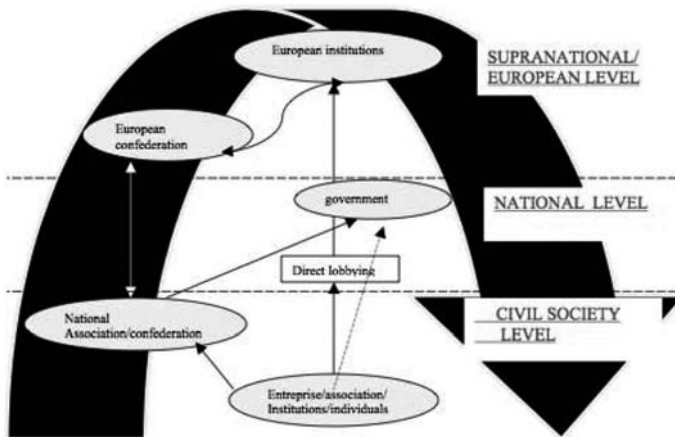
The paper is divided in six parts. Firstly, we give a short overview of the EU Multi-level governance system and the role of interest groups within this system. Secondly, we present a definition of Europeanisation and discuss the interlinkage of democratisation and Europeanisation processes in Portugal, looking specifically at their impact on the formation of interest groups. This is followed by a section on the strategies of Portuguese socioeconomic actors at European level. Last but not least, we come to

some conclusions about the role of Portuguese socioeconomic actors in the EU multilevel governance system.

The making of EU multi-level governance and interest groups

In the past thirty years, we have been witnessing the emergence of the European Union as a multilevel governance system. The term EU multi-level governance was unknown before the late 1980s and only became a heuristic model for the study of the European Union in the early 1990s (Marks, 1993: 401). While *government* is dominated by formalistic well-defined rules, rigid and constitutionally-bound, the EU system today is widely considered to be characterised rather as a system of *governance*. Since governance includes both formal and informal rules, and links public and private spheres, it is a more complex structure than government. Governance relies very much on self-regulatory voluntaristic regimes, but can also encompass stronger regulatory frameworks where they are needed. The EU system that has emerged is very complex consisting of formal and informal structures, of public, private and public-private networks at local, national and EU level (Rosenau, 2000:4). Furthermore, governance can be defined as more than the sum of the interactions between public institutions, private economic actors and civil society. This triangle becomes more complex, the denser is civil society at the local, regional, national and supranational level. Multilevel governance would then imply that there are interactions between and within the levels of the emerging EU political system (Hooghe, Marks, 2001; Imig and Tarrow, 2000).

Figure 1. Civil society organisations in EU Multilevel Governance



With this in mind, the original architects of the European integration process always viewed the role of interest groups as crucial. From the outset, it was considered imperative that representatives of labour and business organisations should be institutionally represented. The creation of the Economic and Social Committee in the Treaty of Rome was a way of integrating these interest groups into policy making. However, the representation structure was devised originally within the neocorporatist industrial context. After the crisis of industrial capitalism in the 1970s, the representation structures of the 1950s were not well equipped to accommodate the growing dynamics of interest group politics. In the 1980s, one can observe a considerable increase of interest groups from different policy areas emerging at supranational level, but outside the framework of the Economic and Social Committee (Gray, 1998: 283-4). This growing activism at supranational level contributed to the transformation of the Community into the EU political system as we know it today (Hix 2005: 2-5).

The influence of the Jacques Delors Commission in this process of transformation cannot be emphasised enough. In the space of a decade, Delors was able to reinforce considerably the supranational element of European integration and reduce or at least control the continuing influence of member-states. His strategic mind contributed to the making of the EU multi-level governance system. The growing importance of the supranational level in terms of policy-making further reinforced the increase in participation and lobbying of Eurogroups, national interest groups, consultancies and other actors at supranational level (Ross 1995: 39-50). The EU multilevel governance system led to the emergence of a new structure of opportunities for organised civil society. Interest groups have multiple points of access which they use to assert influence. Employing a so-called 'multiple crack strategy', interest groups began simultaneously to target these different levels of the EU governance system in the 1980s, just as Jacques Delors began to shift the boundaries between national and European decision-making processes (Marks et. al., 1996).

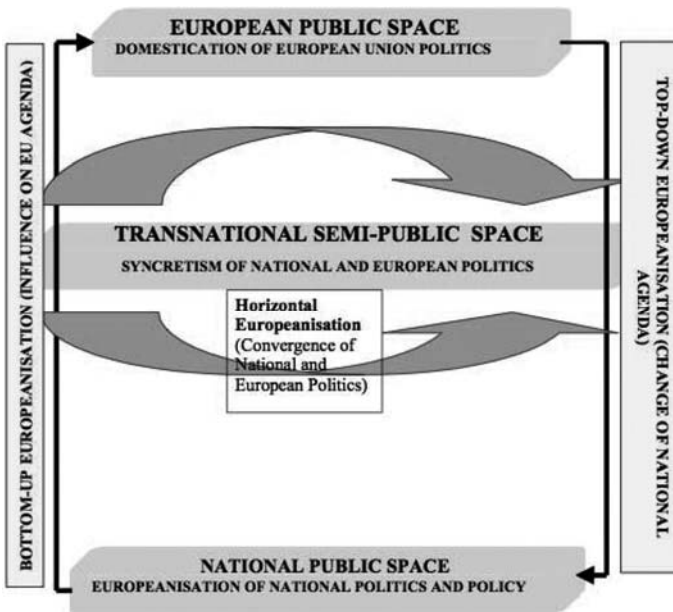
In this multi-level governance system, Portuguese interest groups have so far been marginal players. Before discussing in greater depth the role that trade union confederations and business associations have played in this emerging EU political system, it is important to define Europeanisation and its linkage with democratisation in the Portuguese case.

The europeanisation of political systems and civil society actors

One of the consequences of the emergence of the EU multilevel governance system is that national political systems are becoming europeanised. Although there are several definitions of Europeanisation, one can differentiate at least three forms of this phenomenon. The majority of studies tend to focus on top-down dynamics, in which policies decided by the European Union

institutions are implemented at national and subnational levels (Ladrech, 1994: 69-70 Radaelli, 2003: 29). These top-down dynamics may affect institutions such as national parliaments and interest groups. The latter may respond to general calls for mobilisation coming from their transnational European organisations in order to achieve particular aims.

Figure 2. The dimension of Europeanisation of national politics and Domestication of European politics



The second approach focuses on horizontal transnational cooperation in certain fields such as public administration, education, employment policy. It entails a less formalised process of implementation, and is based on a voluntary action towards convergence which may take a long period of time to materialise. Horizontal Europeanisation refers to coordinating policies such as the open method of coordination which allows for best practice and benchmarking to be adopted by the member-states (Radaelli, 2003: 41; Dyson, 2000: 646). The third approach can be described as bottom-up, although some authors call it European integration (Börzel, 2005: 46-7) and others the domestication of European politics (Magone, 2006: 83). It refers to the attempt of national actors and institutions to strategically shape the European integration process. A very good example was the initiative taken by former French Prime Minister Lionel Jospin to introduce the coordination of employment policies at European level. This led to the inclusion of a chapter on employment in the Amsterdam Treaty, and later to the European Employment Strategy (Cole 2001: 25-31).

Naturally, all these forms of Europeanisation interact within the EU multilevel governance system. Tanja Börzel regards the top-down process as a ‘downloading’ of policies and politics, while bottom-up dynamics serve as an ‘uploading’ of new ideas for European integration. Moreover, she emphasises aspects of policy or politics ‘fit’ or ‘misfit’ in top-down policies between the supranational and the national/subnational levels. The number of veto players may play an important role in delaying implementation of policies or politics. There are also different degrees of change. From no change and inertia to reactive absorption, accommodation and pro-active transformational change (Börzel 2005: 58-9). Basically, the Europeanisation of national interest groups can be studied through the three approaches. While a top-down approach would show a strong impact of decision-making at supranational level on national interest groups, a

bottom-up approach would be more appropriate to analyse stronger resource-strong actors like the German Trade Union Confederation (*Deutsche Gewerkschaftsbund-DGB*) than resource-poor protagonists like Portuguese trade union confederations or business associations (on the issue of resources see Marks et. al., 2002).

Democratisation and europeanisation of Portugal: the problem of weak civil society

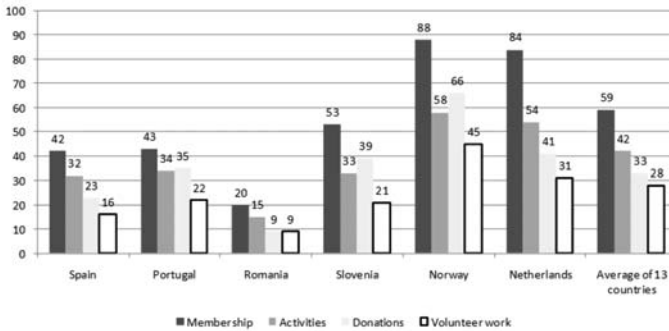
The Portuguese case has attracted considerable scholarly interest since 1974, because it was the first country to initiate the 'third wave' of democratisation. (Huntington 1993: 3). After the successful, but turbulent transition to democracy in 1974-75, the Portuguese political elite regarded integration into the European Union as a priority and the main objective of Portuguese foreign policy. European integration was regarded as essential to strengthen the weak young democratic institutions. After 48 years of authoritarian rule, new institutions had to be built in order to create the new democratic state. However, the weak economic structures, the low level of educational attainment among the vast majority of the population and a strong recession were major factors leading to a very difficult situation for the country between 1976 and 1985 (Magone, 2004: 27-30). In spite of efforts by political parties and other actors, interest groups remained weak with a low level of resources. It was not until 1984 that an organisation, the Standing Council for Social Concertation (*Conselho Permanente para a Concertação Social-CPCS*), was created to integrate the social partners, so that national agreements could be reached. The CPCS consisted of representatives from the agricultural, industrial, and services sector as well as other non-economic civil associations. For Portugal, this was a major neo-corporatist innovation and it was created due to the economic crisis that the country was facing at the time. Several agreements were signed, notably by the socialist General Labour Trade Union Confederation (*União Geral*

de Trabalhadores-UGT). Certain interest groups resisted taking part in this institutional innovation, in particular the Communist Trade Union Confederation (*Confederação Geral de Trabalhadores Portugueses-CGTP-In*) and the Confederation of the Portuguese Industry (*Confederação da Indústria Portuguesa-CIP*) (Magone 2001: 142-3; Rodrigues 1995: 506-8).

In the early 1990s, an Economic and Social Council (*Conselho Económico e Social-CES*) was created, and the CPCS became part of it. The CES is enshrined in Article 92 of the Portuguese Constitution, in which it is designated as the main institution for the social concertation of socioeconomic interests. All relevant socioeconomic interest groups have a seat in the CES. However, the absence of any representatives from multinational foreign firms, which are central to Portuguese industry, remains a major problem to this day (Magone 2001: 65). The Portuguese CES is integrated in the network of economic and social committees coordinated by the European Economic and Social Committee, which organises regular informal meetings. In this sense, the Portuguese CES is a transmission belt of any issues related to social Europe (Magone 2001: 150-1; Magone 2000).

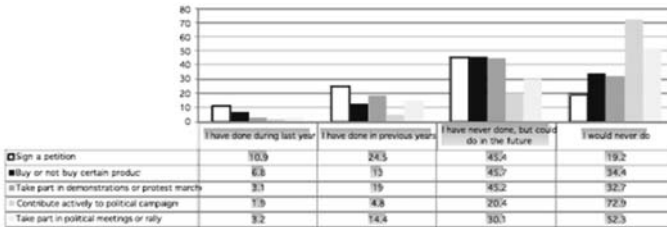
In spite of thirty five years of democratisation, civil associationism is not as prevalent as in other European countries. This is demonstrated by low levels of membership, which is concentrated in sport or community associations, activism, donations and volunteer work (see Figure 2).

Figure 3. Associationism In Portugal And Other European Countries (2002-3)



Source: Laura Morales, Fabiola Mota, El asociacionismo en España. In: José Ramon Montero, Joan Font and Mariano Torcal (eds.), *Ciudadanos, asociaciones y participación en España*. Madrid: CIS 2006, p. 80.

Associationism is also characterised by a fluctuating pattern of engagement. Pro-active participation in associations is normally limited to a small number of people, which are well-educated and have a higher income. (Figure 3)

Figure 4. Patterns of associationism in Portugal (2006)

Source: data provided by Luis de Sousa, João Triães, *Corrupção e Ética em Democracia: O Caso de Portugal*. Survey conducted on 10 and 26 November 2006 in Portugal

Europeanisation of Portuguese Business Associations and Trade Union Confederations: The National Level

This fifth section of this paper focuses on specific sectors of civil society in order to demonstrate how these social actors are integrated into the multi-level governance system. It will analyse the activities and positioning towards the EU of the two main business organisations the Association of Portuguese Industry - Entrepreneurial Confederation (*Associação Industrial Portuguesa-Confederação Empresarial AIP-CE*) and CIP and the two main trade union confederations - UGT and CGTP-IN. On the employers' side there are other sectoral organisations such as the Confederation of Portuguese Agriculture (*Confederação da Agricultura Portuguesa-CAP*) and the Portuguese Confederation for Trade (*Confederação do Comércio Portuguesa-CCP*) and the Portuguese Confederation of Tourism (*Confederação do Turismo Portuguesa-CTP*), which are acknowledged social partners.

In 1981, there was an attempt to create the National Council of Portuguese Enterprises (*Conselho Nacional das Empresas Portuguesas-CNEP*) comprising CIP, CAP and CCP. However, the project failed due to disagreements between

the three confederations (Lucena, 1991: 902). This association was seen as a “way to take a fundamental step toward a reorganisation of entrepreneurial associativism in Portugal by representing the top of Portuguese entrepreneurship and facilitating the adoption of coordinated actions between the three confederations” [reference missing]. In other words, it had the objective of increasing the influence of this sector of civil society in decision-making. The main recognized social partners are CGTP, UGT, CIP, CAP, CCP and the CTP. AIP-CE is a merger of two business organisations which attempt to gain more influence in the Portuguese system of interest intermediation.

The AIP-CE and the CIP were chosen as the main focus of this paper because they represent most of the enterprises in the industrial sector. The focus will be on the strategies adopted by these actors in order to gain influence in the EU multi-level governance system

Before we take a detailed look at each of these actors in turn, it is important to emphasise that the Portuguese system of interest intermediation is characterised by a moderate fragmentation in representation both on the employees’ as well as the employers’ side. A general overview shows that membership density has been declining among trade unions from 25 percent in 1995 to 17 percent in 2004, one of the lowest in the EU. The employers’ organisations had a membership density of 58 percent in 2004, which is exactly the same figure as the EU average and lies in a middle ranking position. However, these are only estimates (Eurofound, 2007: 6,12).

Organised civil society in the entrepreneurial and industrial sectors: CIP and AIP-CE.

- Confederation of Portuguese Industry (Confederação da Industria Portuguesa-CIP)

CIP was created in 1974. A document from that time sets out the aims of the association, stating that it was founded in order to represent “the expression of the democratic thought, the capacity of organisation and the sense of responsibilities of entrepreneurs”, and aims to serve as a “bulwark against the projects of the collectivisation of economy and for the defence of interests of various associations so that industrial democracy based on freedom of initiative and a flourishing market economy can be ensured” (posted on website CIP, 2009). As with AIP, CIP is nominated as a member of the European Economic and Social Committee in 1986. (Lucena, 1991: 888-902)

CIP presented itself as a truly representative institution of industrial businesses, and it is recognized by trade unions as well as by the public institutions. It does not consider itself as an association/confederation of SMEs, as it also represents large enterprises.

According to the official figures of CIP, this employers' organisations represents 47 000 enterprises. 35 associations, eight enterprises and four organisations with a cooperation protocol (CIP 2009). Despite its weak membership, several factors contribute to its recognition. First of all, there was a general need to include this most representative employers' organisation in sharing responsibility as a social partner in the economic and social dialogue. Secondly, it was important that employers were represented in debates with public actors and trade unions within the Permanent Council for Social Dialogue to ensure these debates were inclusive. Last but not least, there was a general interest in asserting the unity and

strength of CIP *vis-à-vis* public opinion, even if some industrials considered its interventions to be overly politicised.

-Portuguese Industrial Association-Entrepreneurial Confederation (Associação Industrial de Portuguesa-Confederação Empresarial-AIP-CE)

The origins of AIP can be traced back to 1837. In 1986, AIP gained a seat at the European Economic and Social Committee and finally, ten years later, it began to establish itself as a business confederation at European level. A large percentage of its members are small- and medium sized enterprises. It consists of nine regional associations which act as transmission belts for any problems that SMEs may want to express their concerns to the national leadership. It provides support for its members in the field of economic information, education and training, consultancy, fairs and congresses and, more recently, for new technologies and information systems. In other words, it tries to provide its members with as many resources as possible so that they are able to remain competitive. At the national level, it is not included among the main social partners and does not participate in the official consultations. This is due to the dominance of CIP in the industrial sector. AIP essentially intervenes as a pressure group in the field of economic policies.

Since 2002, there have been negotiations for the formation of the Portuguese Entrepreneurial Council (*Conselho Empresarial Português-CEP*). In 2005, CIP decided to move towards the foundation of a new entrepreneurial umbrella organisation. Nevertheless, after an agreement between AIP-CE with the Socrates government in early 2006 related to representation of all SMEs across the country, CIP decided to suspend the process. Although cooperation between the different confederations is slowly emerging, there is still a long way to go until a common

front can be established. (Diário de Notícias, 26 Setembro 2005; Jornal de Notícias, 26 January 2006).

In 2003, AIP continued its strategy of forming alliances by signing the protocol creating the Entrepreneurial Units for External Projection (*Núcleos Empresariais para a Promoção Externa* (NEPE) and a system of information for enterprises. The former is an alliance between a public entity, the Portuguese Institute for External Trade (*Instituto de Comércio Externo Português-ICEP*) and private entities (AIP and AEP). A very important objective of ICEP is to enhance the external projection of Portugal and ultimately to improve the image of the Portuguese economy internationally, by coordinating the efforts and the actions of all involved entities.

For all good business strategies, the gathering of information is paramount. AIP established a Euro Info Centre in 1989 in order to support the integration of Portuguese enterprises in the European market. Portugal has about 10 contact points across the country and belongs to a European network of 300 contact points created at the initiative of the European Commission, whose objective is to help SMEs. AIP's EIC has several missions, which include providing information, advice and support for enterprises concerning European matters. It aims to provide information as quickly as possible so as to ensure that SMEs possess the right information at the right time. This structure has an important role since it is not only about providing information, it is also about making a selection of the most useful information and explaining how the European system works. It is housed within AIP infrastructures and it has four permanent employees (AIP, 2009).

Organised civil society in the trade union sector: UGT and CGTP

- General Confederation of Portuguese Workers (Confederação Geral dos Trabalhadores Portugueses CGTP-IN)

The history of CGTP goes back to 1970, when trade unionism acted under the late phase of authoritarian regime. It is and was dominated by the Communist party, but includes also members with other ideological profile. After the Revolution of April 1974, it became the main trade union confederation and it was formally constituted in April 1975. The CGTP-In defines itself as being “an independent, democratic, unitary, mass and class-based trade union movement”(CGTP, 2009). Internationally, the CGTP-In was close to the Prague-based World Federation of Trade Unions (WFTU) which comprised communist-leaning trade unions across the globe. Although there was no formal affiliation, it is also clear that CGTP has communist-oriented political objectives (Lucena, 2001:876-82). It is estimated that it has about 650,000 members (EIRO, 2009).

- General Union of Workers (União Geral dos Trabalhadores-UGT)

Until 1976, the CGTP monopolized trade union activities in Portugal. In this same year the movement of “Carta Aberta” (Open Letter) initiated a second wave of trade union formation in Portugal, which aimed to challenge the dominance of communism within the movement. The Carta Aberta movement was denied representativeness in the CGTP. Despite the efforts to conserve unity among the trade union movement, a new organisation, the UGT, was created in January 1979. Essentially composed of employees’ trade unions in the services industry, UGT was supported by the Socialist Party (PS) and the Social Democrat party (PSD), as well as by other external

political and financial backers, namely central groups of affiliated trade unions (Costa, 2006). Aware of the need to establish connections at the international level, UGT became member of the International Confederation of Free Trade Unions in November 1979. This confederation brought together trade unions affiliated to social democratic political parties (Lucena, 1991:873-6). It is estimated that it has 400,000 members (EIRO, 2009).

The difficult establishment of a professional system of intermediation

One of the major problems for interest groups associations is that Portugal is lagging behind in the establishment of a regulatory framework for lobby activities and its enforcement. Although the Constitution allows for petition rights for all citizens, the power structures are not open and transparent enough to allow this to happen. The article 52 n^o1 of the Portuguese Constitution states that:

“Every citizen shall possess the right to individually, or jointly with others, submit petitions, representations, claims or complaints in defence of their rights, this Constitution, the laws or the general interest to bodies that exercise sovereign power, the autonomous regions’ self-government bodies or any authority, as well as the right to be informed of the result of the consideration thereof within a reasonable period of time.”

But the reality is that policy making in Portugal is dominated by the strongest interest groups, which are able to get special access to members of parliament and of government. Although this may be true of most countries, it is particularly acute in Portugal as weakness of the regulatory regimes allow for practices of clientelism and patronage. Informal access to members of parliament,

government and civil servants clearly create strong inequalities in the structure of opportunities to influence politics.

As José Miguel Judice wrote in 2005, “Portugal is still a profoundly conservative country with a culture of hypocrisy and “trickery” formulas. We are still too close to the “cunha” [To put in a good word for someone] and favour archaisms and concealed personal relations (Judice, 2005:4).

For Martins Lampreia, who is the only accredited Portuguese lobbyist to the European Parliament, professional lobbying is a necessary condition for the development of democracy. It is a way to promote transparency in the relations between public authorities and civil society. In fact, it is inherent to democratic societies that civil society can legally defend its interests *vis-à-vis* government and legislators (Martins Lampreia, 2007:7). However, in order to fulfil this function, such practice must be managed and regulated- otherwise the borderline between corruption and lobbying is quite thin (Interview with Martins Lampreia, 10 October 2007).

Yet in Portugal, after thirty five years of democracy and twenty four years of EU membership, professional lobbying is still underdeveloped and is characterised by parallel informal, untransparent practices, which undermine a more regulated and formalised framework.

Although there are problems in Portugal related particularly to these neo-patrimonial practices in the political system and society, one has to acknowledge that Portugal is among the top democracies of the world. Political corruption may emerge, but it is rather due to ongoing problems with elite behaviour and the enforcement of legislation than systemic failings. The Global Integrity Report for Portugal in 2004 coordinated by Luis de Sousa and Rui Araújo states that clearly the

main problem continues to be related to the accountability and transparency of actions of political parties and the political class. The overall score for the section on institutions was moderate and reveals many problems of accountability. In particular, the executive and parliament were highlighted as having major problems. The report highlights that Portugal has still deficient mechanisms of accountability and transparency in relation to financial processes (such as the budget), party financing and the regulation of immunity and financial declarations by individual officeholders (Sousa, Araújo, 2004).

Luis de Sousa confirms the transitional status of formal to effective (qualitative) democracy in Portugal. In his global integrity overview report he writes as follows:

“In many ways, Portugal is still a two speed democracy. The coexistence of traditional conceptions of public and elected office, where personal or affinity ties between the officeholder and citizens prevail, with modern principles governing public life, such as objectivity, transparency, fairness, accountability, and integrity causes an ambiguous condemnation of corruption in society. There is a widespread public belief that legal and moral standards governing public life are to be circumvented or subdued, whenever individual or affinity group interests stand higher. Public opinion also tends to be more focused on individual financial impropriety than on collective misconduct— such as illicit party financing or conflicts of interest—and more sensitive to visible aspects of corruption—such as ostentation and proved financial offences—than on the opportunity structures that give rise to deviant behavior (Sousa, Araújo, 2004).”

This is confirmed by Joaquim Aguiar who has been the foremost political scientist drawing attention to the neo-patrimonial nature of Portuguese democracy, in which new modern transparent cultural patterns are coexisting with traditional untransparent practices (Aguiar, 2005; see also Magone, 2008).

This situation affords large enterprises with considerable resources easy access to MPs and members of government. Conversely, SMEs are disadvantaged in the structure of opportunities in this regard, because they are rather resource-poor.

Another problem is that MPs earn on average a fraction of the salaries of their counterparts in Germany, the Netherlands, UK and France. On average, an MP earns about € 2,500 a month. Although they have subsidies for travel and other purposes, the job is not particularly attractive. Many MPs tend to have a second job, creating a problem for a more professional parliamentarianism. Many of these jobs are in established enterprises, which certainly create² a conflict of interests. Most recently, a register of declared interests was introduced in the Portuguese Parliament, but the enforcement and control of these interests still lags behind in Portugal. Many MPs decide to designate a non-elected representative to substitute for them in parliament while they pursue their professional interests (Magone, 2003: 330-333).

Europeanisation of Portuguese business associations and trade union confederations: the European level

Engagement of Portuguese socio-economic actors at European level still lagging behind

Both employers' and employees' organisations are weakly represented at European level. One of the main reasons is that Portuguese socioeconomic interests groups are resource-poor. This is particularly important for the trade

union confederations which have to rely on the membership fees and are not entitled to any public funds. It means that both trade union confederations have to deal with considerable debt. The UGT is particularly affected by the debt burden. In this sense, business associations are slightly better positioned to develop a modest representation at European level. Portuguese interest groups are not only represented in the European Economic and Social Committee, but also in several advisory committees of the European Commission which has been labelled in the scientific community as 'comitology'. Therefore, regular interactions between Lisbon and Brussels of interest group representatives belonging to these committees are a common feature, as they are in other countries.

The strategies of Portuguese business organisations at European level

As far as the European level is concerned, the business organisations have come to understand that the EU has become the centre of decision-making and that it is necessary to engage more closely with Europe. In practice, all aspects of the day-to-day business of enterprises are influenced by community legislation. Currently, around 60 percent of the law applied in Europe has its origin in the European Union and around 70 percent of community law affects, direct or indirectly, the activity of enterprises (Fernando Almeida, written statement, 29 October 2007). The tendency is for these percentages to continue to increase. Bearing in mind the increasing influence of community institutions on enterprises, the entrepreneurial organisations which have a delegation in Brussels have to develop appropriate activities to guarantee that the new community proposals take into account the interests of the enterprises they represent.

CIP was accepted as full member of UNICE/BusinessEurope¹ in 1981, even before Portuguese accession to the European Community. It has a seat in the Council of the Presidents and it is represented in the following internal committees: industrial businesses committee; economic and financial matters committees; committee of industrial matters; committee of external relations and the commission of social affairs.

CIP is represented in the European Economic and Social Committee and it also participates in several advisory committees attached to the European Commission such as the social dialogue committee; macro-economic working group; consultative committee of the European Social Fund; consultative committee for professional training; consultative committee for social security of migrant workers; consultative committee for security, hygiene and health safety at work; consultative committee for free circulation of workers; permanent committee for health and safety in the coal mines; council of administration of the European agency for health and safety at work and finally in the permanent council of European Patent Office. AIP-CE also participates in comitology and in the European Economic and Social Committee as a member of the employers' group.

¹ The Union des Industries de la Communauté européenne, natural evolution of the Union des Industries des pays de la Communauté européenne founded in 1949, was created in March 1958. The basic motivation for collective action by UNICE has remained unchanged for over forty years, that is to say, to unite the central industrial federations to foster solidarity between them; to encourage a Europe-wide competitive industrial policy; and to act as a spokesperson body to the European institutions. UNICE became Business Europe on 23 January 2007. In 2008 Business Europe had 40 members from 34 countries, including the European Union countries, the European Economic Area countries, and some central and Eastern European countries. For more details, see <http://www.businesseurope.eu/>

CIP did not wait for the accession of Portugal to the European Community to inaugurate its representation in Brussels in 1983. Conversely, AIP only opened its representation in 1990 in order to get closer to the centre of decision-making.

A protocol was signed on the 22nd of November 2001 between AIP and CIP in order to create a common representation in Brussels. The representation is composed of a representative and a secretary. During the second half of 2007, the common representation hired an economist on temporary basis to help cope with the considerable increase in workload. Presently the representative is M. Fernando de Almeida (M. Fernando de Almeida, written statement, 29 October 2007).

In order to facilitate the articulation of positions and lobbying activity, the representation also maintains a contact network with EU institutions, the Portuguese Permanent Representation, other relevant national and international institutions, and above all with other business organisations affiliated to Business Europe. While Portuguese enterprises may find it difficult from a distance to gain a response to complex questions, the representation has access to knowledge on the ground which can be decisive in finding solutions and identifying the relevant contacts in Brussels.

According to Fernando de Almeida, the present representative in the CIP/AIP office in Brussels, all lobbying activities developed by CIP and AIP at the European level must follow a specific procedure. Firstly, they must clearly establish priorities and objectives. In light of the large number of legislative proposals that are simultaneously in the “pipeline” of the decision-making process, it is paramount to select the ones which will have the most negative impact on Portuguese enterprises. The next step is to develop a coherent, realistic and constructive position on these legislative proposals. Finally,

the position of the Portuguese employers' organisations has to be adjusted to the overarching position approved within Business Europe and active participation has to be ensured in the lobbying networks and strategies that seek to influence this position. As far as the European Parliament is concerned, for instance, there are only 24 Portuguese MEPs and probably not all of them can be considered as allies so it is important for AIP/CIP to participate actively in the B-NEP network (Business Europe Network for the European Parliament) to be more successful in its lobbying activities. The CIP/AIP office maintains selective contacts with some MEPs, explaining to them the association's position on policy and legislation and making some suggestions for amendments. Moreover, it is fundamental for CIP and AIP to adapt themselves to the common organisational pattern existing among the members of Business Europe, not only at the headquarters of the organisation but also as far as their intervention at the national and European level are concerned. In order to succeed it is also important to meet technical requirements and to gather more human and material resources (Fernando de Almeida, written statement, 29 October 2007).

Advocacy coalition building and networking are important techniques to improve the effectiveness of lobbying strategies. In April 2003, AIP and CIP organised a ceremonial dinner that gathered several potential partners in order to constitute a permanent contact network among the diverse Portuguese players of the decision-making process at the national level so as to better support Portuguese enterprises' interests in a proactive way. The idea was that this contact network would have a permanent central unit consisting of business association representatives in Brussels as well as personnel from ICEP and the Permanent Representation in charge of contacts with enterprises (Fernando de Almeida, written statement, 29 October 2007).

Finally, it is important to underline the importance of Portuguese presidencies of the Council of Ministers. While in 1992, during the first presidency, Portuguese business associations were not very pro-active in promoting their interests, this has changed considerably in the past fifteen years due to the cumulative increase in policy areas and initiatives.

In fact, in October 2006, the President of AIP-CE, Jorge Rocha de Matos, and the President of CIP, Francisco Van Zeller were nominated vice-presidents of UNICE as a consequence of the integration of Portugal in the Presidency Troika since July 2006(AIP,2009). The former finished his mandate at the end of the year 2007 but afterwards joined the group of Business Europe's vice presidents. Furthermore, last June, Ernest-Antoine Seillière, president of Business Europe together with the presidents of AIP-CE and CIP, submitted to Portuguese Prime Minister José Socrates a document called 'the Priorities of European Enterprises for the Portuguese presidency'(AIP, 2009).

The Portuguese business associations are well-integrated into the larger organisation BusinessEurope. The principles and ethos of the latter have also been taken on board by the former. Due to the professional lobbying activities practiced by BusinessEurope, the activities of the Portuguese CIP/AIP office are also quite professional and transparent. This naturally contradicts considerably with the reality at national level, which we have discussed in the previous chapter, in which professional lobbying activities are paralleled by more archaic informal clientelistic and patronage networks bypassing the weakly enforced official framework.

According to Fernando de Almeida, Portuguese enterprises in general, and SME's in particular, are still not well informed either about the impact of the European Union on their everyday business nor the

implications of enlargement for their future. Furthermore, he argues that it is frequent to hear from members of CIP/AIP how weak Portuguese interest groups are in Brussels. There is a tendency towards fatalism, by stating that nothing can be done about this situation. For many of the members, even if Portuguese lobbyists were very well-organised, they would not be very successful in making themselves heard, because Portugal has a weak economic capacity to influence processes. However, Fernando M. Almeida mentions always the case of Ireland to show that interest groups of small countries can also influence legislative and policy-making processes. According to Almeida, the “secret of Ireland is that it uses transparent and professional lobbying, based on well elaborated and realistic positions towards those matters that are considered as priorities for the country, (Fernando M. Almeida, written statement, 29 October 2007).

The strategies of Portuguese trade union confederations

The present characteristics of Portuguese trade unionism are the result of the last 30 years of democracy. However, there is a fundamental difference of attitude between UGT and CGTP towards Europe. There have been problems concerning the ‘more-European’ UGT, and the ‘more-Portuguese’ CGTP. While UGT has been strongly supported by the social-democratic party and trade union structures from the outset, the communist CGTP was initially more sceptical towards European integration and focused predominantly on activities on the ground in Portugal. However, both trade union confederations are restricted in their ambition by lack of resources. The UGT is probably the confederation with the most difficulties. Neither of the trade union confederations are eligible for state funding, as their counterparts are in other countries such as Spain.. The UGT was also involved in the mismanagement and diversion of funds totalling approximately €1.5 Million for vocational training from

the European Social Fund in the 1990s, which threatened to close down the confederation. The judicial process continued through the new Millennium and still there has been no decision on this issue. (Jornal de Notícias, 17 Novembro 2006)

One can observe a growing integration and engagement of UGT within the EU multilevel governance. At its annual conference in 1988, Europe was only briefly mentioned, while at the 2000 conference UGT could refer to its participation in several projects related to the EU multilevel governance system. Social dialogue, influenced by the principles of the EU, became a central positive framework for UGT. The role of the structural funds in achieving regional development in Portugal is an important consideration of the organisation, and the coordination of employment policy has become more important in its discourse (Magone, 2001:162-9).

On the whole, UGT is known for its pragmatic approach to interest intermediation, which is more flexible and less ideological than that of the CGTP. However, rather than taking a proactive stance towards the European Union, its entire attitude is one of deference.

Similarly, CGTP's discourse has shifted from a national to a more European position. At the sixth CGTP conference in May 1989, the European integration process was interpreted along class conflict lines, (with the European Community representing the interests of multinationals and capital). The national position is quite dogmatic. For a long time, the CGTP was prevented from joining ETUC, particularly due to the pressure of UGT, but finally in 1994 it joined this supranational organisation, and its discourse soon became more supportive of social Europe issues. CGTP became less confrontational against successive governments and began to emphasise 'social dialogue' as promoted by the European Union (Magone, 2001:169-72).

Although both organisations viewed integration into European governance as an important means of exerting influence, each developed different strategies within the EU multilevel system.

UGT became member of ETUC in 1983, once again, even before Portugal's accession to the EC. Its integration in two different confederations just a few years after its creation certainly contributed to some kind of external attraction effect even before it consolidated its internal organisational model (Costa, 2005: 9). UGT was from the outset the first social partner to support the accession of Portugal to the EU. Since the very beginning, UGT has created expectations around the potential progress that accession could bring; namely, the levelling of economic and social conditions with the other member states as a result of technical and financial support coming from the EU structural funds (Costa, 2005: 4). Furthermore, UGT has been a very active member of ETUC, viewing this confederation as a favourable environment to develop advocacy coalitions to fight for common interests at the European level.

In this respect, João Proença, secretary general of UGT, has asserted as follows in 2004:

“The accession to European Union has allowed for a deepening of the democratic process in Portugal and for a full participation in the European construction, strengthening economic and social welfare and the projection of Portugal in the world” (Proença in 2004 quoted from Costa, 2005: 10).

Furthermore there is a deep belief on the part of UGT that ETUC is an indispensable defender of European trade unions' interests. In fact, the lack of debate at the national level makes it fundamental for UGT to rely on ETUC to fight for its preferences, namely during treaty

reforms. There was no in depth debate at the national level concerning the incorporation and status of the Charter of the Fundamental Rights in the Treaty of Lisbon. This document includes a chapter on Solidarity which stands for the rights of workers and for those of their associations and Portuguese trade unions had no real opportunity to support the Charter of the Fundamental Rights in Portugal.

UGT's success in getting its members a place on ETUC's general secretariat can most probably be attributed to its moderate attitude. Maria Helena André, member of the International department of UGT, sat on the board of ETUC for a decade as Confederal Secretary, and was elected Deputy Secretary General in 2003 and again in 2007. Even more recently, João Proença was nominated vice-president of ETUC in the May 2007 Congress in Seville. It appears that the "EU presidency" effect has also worked in the case of Portuguese trade unions. On the one hand, the appointment of Portuguese trade union officials to high-ranking positions within ETUC was a strategy to reach and influence the Portuguese Presidency more easily and efficiently; on the other hand, the presence of UGT within the Secretariat makes it more likely that Portuguese interests will be taken into account.

UGT and CGTP share the Portuguese representation within the European Trade Unions Confederation and Group 2 of the European Economic and Social Committee, which comprises employees' organisations, on a rotating basis. CGTP presented its first application to ETUC in 1979, but it was rejected due to both its visibly anti-European attitude and the excessively political (communist) connotations of its activities (Costa 2005: 10). Moreover, the "veto right" of UGT was used for a decade against CGTP, until the eventual accession of the latter in December 1994 (Costa, 2005:16). Nevertheless, following the accession of Portugal to the EU in 1986, and due to the representativeness of CGTP, a new debate started to

allow affiliation within ETUC (Carvalho da Silva quoted from Costa, 2005: 13).

In fact, one could question the existence of a deep conviction behind CGTPs' accession to ETUC. One of the most likely reasons that membership was more actively sought was the changing international environment, which led to the collapse of the Soviet Union in 1991. This reinforced the desire of the leadership to focus more on the European level and adopt a more multilevel governance strategy, in which all aspects of the structure of opportunities could be explored.

Even so, the active involvement of CGTP in the European confederation's activities has been slow. For instance, CGTP only started to contribute to mass mobilisations promoted by ETUC in 2000 (which also coincided with the second Portuguese Presidency) (Costa 2005: 13).

A major obvious international priority for Portuguese trade unions confederations is the protection of emigrant workers, which is guaranteed by the agreement signed with trade unions of the reception countries. Giving the high number of Portuguese emigrants in the EU, the participation of UGT and CGTP in ETUC facilitates contacts with trade unions of the other Member states.

A lack of resources has been a major problem for both trade union confederations. Although there are offices of UGT and CGTP in Brussels, they are not designed to lobby on behalf of their constituencies. It is simply a place for representatives to be based while they are in Brussels. Most of the activities are linked either to collective actions of ETUC, comitology or work within the European Economic and Social Committee (Magone 2001: 260-80).

In sum, over the past two and a half decades, Portuguese socio-economic interest groups have showed a lack of strategic ambition in influencing European Union

processes. Europeanisation has followed more of a top-down dynamic, in which Portuguese interest groups have adjusted to the European Union and internalised the discourses that were being propagated at supranational level. A lack of resources, particularly on the side of the trade union confederations, has been a major problem. In this sense, interest groups in Portugal remain peripheral in the shaping of the socio-economic agenda of the European Union.

Conclusions: Portuguese socioeconomic actors in the EU multilevel governance system

Portuguese socioeconomic actors were slow to realise the potential of EU multilevel governance as a new structure of opportunities. Instead, they have focused their work at national level and neglected the supranational level. Neither the business organisations nor the trade union confederations have become influential actors at European level. Insofar as they are active on European matters, they tend only to react to policies developed by the Eurogroups in which they are integrated. They function more as transmission belts than as lobby groups at European level. The weakness of the Portuguese economy, dominated by small and medium sized enterprises and larger foreign transnational corporations, is one reason for this. Another is that Portuguese interest groups lack the financial and human resources to undertake a more sophisticated strategy. This is particularly true for the trade union confederations, which are very dependent on the membership fees and potentially on projects financed by the EU or the national government. Last but not least, the late arrival of democracy in Portugal is a major factor which has led to this lag in active participation in lobbying at European level. It would appear that Portuguese civil society still has little awareness of its right to openly question the elite's actions. Thirty five years of democracy have not been sufficient to bridge the gap between the elites and the population.

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