

Political Issues and Social Policy in the E.U.

Professor John Wilton

Lecture 5

**Employment
and unemployment policy**

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CONTEXTUAL ANALYTICAL FRAMEWORK

1. The historical context of E.U. employment policy;
2. the theoretical perspective;
3. employment policy within the context of the defining characteristics and underlying principles of E.U. social policy

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Is the growth of E.U. social policy a
positive development?

- 2 possible answers:

(i) from the 'right' of the political
spectrum – 'free market liberals'

(ii) from the 'left' of the political
spectrum – social democrats

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(i) from the 'right' of the political spectrum
– 'free market liberals'

- development of E.U. social policy
counterproductive (dangerous!)
- constitutes a constraint on the
functioning of the free-market
- plus = one element in growth of E.U.
'superstate' and large bureaucracy

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(ii) from the 'left' of the political spectrum – social democrats

- development of E.U. social policy is a positive and necessary development
- needed to protect E.U. citizens from worst excesses of free-market
- plus, has economic gains for the market as assists in production of highly skilled, well-trained, well educated workforce

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E.U. labour and employment policy

a) the ‘acceptable core’

- i.e. health and safety, training,
and ‘free movement of labour’
(until recently)

b) the ‘disputed extended areas’

i.e. working conditions, employment
rights

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‘Free movement of labour’

- Art. 48 to 51 Treaty of Rome,
1957 established right of
freedom of mobility for workers
(excluded public sector
workers)

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1974 to 1976 Social Action Programme:

- encouraged creation of common vocational training, and employment and social protection policies
- plus a social action programme for migrant workers and their families (for EEC and non-EEC nationals)

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- 1985 White Paper on Completing the Single Market
- 1987 Single European Act
- 1988 Social Dimension initiative of the E.C. Commission
 - all moved policy on ‘freedom of movement of labour’ forward

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‘Social Dimension of the Internal Market’

‘ Social policy must, above all, contribute to the setting up of a “single labour market” by doing away with the barriers which still restrict the effective exercise of two basic freedoms: the freedom of movement of persons and the freedom of establishment.’

(European Commission, 1988, p.2-3)

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1988 Social Charter

- freedom of movement (first 'social right')
- encouraged harmonisation of conditions of residence
- encouraged mutual recognition of occupational qualifications
- included requirement of improvement of living and working conditions of immigrant workers

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1997 Treaty of Amsterdam

- Art.62 demanded that within 5 years the E.U. Council of Ministers should adopt “measures with a view to ensuring ... the absence of any controls on persons, be they citizens of the Union or nationals of third countries, when crossing internal borders”.

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Since May 2004 application of founding principle of EEC in 1957 Treaty of Rome has been varied:

- a) between Member states (different approaches, different application of regulations);
- b) within policy areas/sectors

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Phases in the political consequences of E.U.
employment policy:

Phase 1 – 1950s ‘recovery’ – ‘economic’
concerns dominant – ‘social’ subordinate

Phase 2 – 1950s/1960s ‘boom’ – ‘economic’
and ‘political’ concerns dominant – ‘social’
concerns expedient

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Phases in the political consequences of E.U.
employment policy:

Phase 3 – ‘recession’ 1970s/mid 1980s –
‘economic’/ ‘political’/‘cultural’ concerns
dominant – ‘social’ concerns subordinate

Phase 4 – ‘boom’ mid 1980s/mid 1990s –
‘economic’/‘political’/‘social’ concerns
expedient

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Phases in the political consequences of E.U.
employment policy:

Phase 5 – ‘uncertainty’ late 1990s/present –
‘political’/‘social’/‘cultural’ concerns
dominant – ‘economic’ concerns
subordinate?