

Political Issues and Social Policy in the E.U.

Professor John Wilton

Lecture 5

**Employment
and unemployment policy**

Political Issues and Social Policy in the E.U.

Lecture 5

Additional sources:

Copeland, P. and Haar, B. 'A toothless bite? The effectiveness of the European Employment Strategy as a governance tool', in *Journal of European Social Policy*, Vol. 23 no.1, Feb. 2013, pp.21-36.

Talani, L.S. *European Political Economy*. Political Science Perspectives, Ashgate, Aldershot, 2004 (Revised 2013), Ch.6 and Ch.7

Political Issues and Social Policy in the E.U.

Lecture 5

CONTEXTUAL ANALYTICAL FRAMEWORK

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

Political Issues and Social Policy in the E.U.

Lecture 5

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

Political Issues and Social Policy in the E.U.

Lecture 5

(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

Political Issues and Social Policy in the E.U.

Lecture 5

(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

Political Issues and Social Policy in the E.U.

Lecture 5

E.U. labour and employment policy

a) the ‘acceptable core’

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

b) the ‘disputed extended areas’

i.e. working conditions, employment
rights

Political Issues and Social Policy in the E.U.

Lecture 5

‘Free movement of labour’

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

Political Issues and Social Policy in the E.U.

Lecture 5

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)

Political Issues and Social Policy in the E.U.

Lecture 5

- 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

Political Issues and Social Policy in the E.U.

Lecture 5

‘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)

Political Issues and Social Policy in the E.U.

Lecture 5

1989 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

Political Issues and Social Policy in the E.U. Lecture 5

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”.

Political Issues and Social Policy in the E.U.

Lecture 5

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

Political Issues and Social Policy in the E.U.

Lecture 5

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

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

Phase 2 – late 1950s/1960s ‘boom’ – ‘economic’ and ‘political’ concerns dominant – ‘social’ policy concerns expedient (only to support market)

Political Issues and Social Policy in the E.U.

Lecture 5

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

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

Phase 4 – ‘boom’ mid 1980s/mid 1990s – ‘economic’/‘political’/‘social’ concerns expedient (for needs of the market)

Political Issues and Social Policy in the E.U.

Lecture 5

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

Phase 5 – ‘uncertainty’ late 1990s/2007 – ‘political’/‘social’/‘cultural’ concerns dominant (particularly with 2004 expansion) – ‘economic’ concerns subordinate?

Phase 6 – ‘uncertainty’, 2008 financial crisis and economic recession, political dominant (nationalist?) reaction?

Political Issues and Social Policy in the E.U.

Lecture 5

E.U. European Employment Strategy

<http://ec.europa.eu/social/main.jsp?catId=101&langId=en>

- ‘soft law’ mechanism (part of OMC) designed to co-ordinate employment policies of Member States.
- based on ‘*Europe 2020 growth strategy*’

Political Issues and Social Policy in the E.U.

Lecture 5

E.U. European Employment Strategy

- produced by the Commission, includes:

- 1) Employment guidelines
- 2) Joint employment report
- 3) National Reform Programmes
- 4) Country-specific recommendations

- Linked to ‘Social Agenda 35 –
Employment and Social Innovation’