

European Policy Co-ordination and the OMC¹

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The impact of EU's welfare policies on national policy-making has been subject to increased attention in recent years (Trubek, 2003; Jacobson, 2004; Com621, 2002, p.2). However, it is hard to assess how far EU policies have made a difference, partly because evidence is necessarily limited, as policies are in process of development and partly because most policies are implemented through soft law rather than legislation (Larsen & Taylor-Gooby, 2004). The emphasis on approaches which rely on benchmarking, encouragement and negotiations between EU and national officials directs attention to the relationship between the understanding of welfare issues and how to resolve them at the EU and the national level. This paper reviews recent welfare reforms at EU and national levels, and considers the impact of the OMC on national government officials' views in the areas of employment, social inclusion and pensions. It first presents a brief overview of the EU's political system and the main characteristics of welfare settlements across Europe before moving on to assess the impact of EU's employment, social inclusion and pensions strategies on Spain, France, Sweden and the UK by using discourse and policy transfer approaches. The analysis shows that the pace of convergence in perceptions at the different levels varies and that the awareness of EU's policies at national levels is limited among policy-makers working on domestic labour market, social inclusion and pensions policies. An important reason for this is that, as a supra-national political body, the EU can only disseminate and implement its policies through national policy-makers. EU policy directions do not figure largely in debates at the national level. As a result, the OMC only has a limited impact on national employment, social inclusion and pensions discourses.

The impact of EU's welfare policies on national policy-making has been subject to increased attention in recent years (Trubek, 2003; Jacobson, 2004; Com621, 2002, p.2). However, it is hard to assess how far EU policies have made a difference, partly because evidence is necessarily limited, as policies are in process of development and partly because most policies are implemented through soft law rather than legislation (Larsen & Taylor-Gooby, 2004). The role of soft law is becoming increasingly

¹ This paper draws heavily on the work of the French team (Lou Mandin and Bruno Palier), the Swedish/Finnish Team (Virpi Timonen & Olli Kangas), the Spanish team (Ana Arriba & Louis Moreno) and the British Team (Trine P. Larsen, Peter Taylor-Gooby & Anne Daguere) in carrying out interviews and preparing policy reviews.

important, particularly through the Open Method of Co-ordination (OMC). The emphasis on approaches which rely on bench-marking, encouragement and negotiations between EU and national officials directs attention to the relationship between the understanding of welfare issues and how to resolve them at the EU and the national level. This paper reviews recent welfare reforms at EU and national levels, and considers the impact of the OMC on national government officials' views in the areas of employment, social inclusion and pensions. The analysis shows that the pace of convergence in perceptions at the different levels varies and that the awareness of EU's policies at national levels is limited among policy-makers working on domestic labour market, social inclusion and pensions policies. An important reason for this is that the EU leaves the dissemination of its policies to national policy-makers, which fail to inform the general public including policy-makers excluded from the political process at EU level about the EU's policies. As a result, the OMC only has a limited impact on national employment, social inclusion and pensions discourses.

In the following, we first present a brief overview of the EU's political system and the main characteristics of welfare settlements across Europe. We then discuss contemporary theories regarding discourse theory and policy transfer before moving on to assess the impact of EU's employment, social inclusion and pensions strategies on Spain, France, Sweden and the UK, as they represent four distinct European welfare settlements with different political systems and traditions (Lijphart, 1999; Peters and Wight, 2001:167; Esping-Andersen, 1999).

EU's political system, national welfare settlements and the OMC

EU's decision-making system is often characterised as a multi-tiered governance system which is dominated by complexity, joint-decision traps (the problem of securing agreement across member states on common policy directions when multiple veto points exist) democratic deficits and implementation gaps (Marks et al, 1996: 357; Pierson and Leibfried, 1995: 6; Scharpf, 1988: 240; Dimatrakopoulos and Richardson, 2001: 349). The different national traditions in terms of welfare regimes and political systems along with member states' reluctance to transfer powers to the EU level accounts to a large degree for these features. (Mosher and Trubek, 2003: 66). In this context, Britain is often classified a liberal leaning welfare state with a highly majoritarian system of government combined with a centralised and integrative politico-administrative culture which is rather efficient in implementing EU policies, although Britain is highly EU-sceptic when it comes to transferring power to the EU level (See table, 1; Taylor-Gooby, 2001: 148; Peters and Wright, 2001: 167). Sweden has to some extent a similar centralised political system due to the strong social democratic party, which has dominated the multi-party system of government for decades and secured the universalistic and de-commodifying Swedish welfare state (Timonen: 2001: 29-32; Lijphart, 1999; 67). Sweden's politico-administrative culture is also similar to the UK, as the government has collective responsibility for all decisions made and the civil service is responsible to the whole government through a well developed and co-ordinated system, making the implementation of EU legislation rather effective despite the high number of EU sceptics (Jacobsen, 2003:3; see Table 1; Dimatrakopoulos and Richardson, 2001:349).

In contrast, France and particularly Spain are seen as strong supporters of EU integration, although their implementation of EU policy often lacks behind the rest of

the member states, which might be due to their political system (See table 1; Economist, 1990: 64). France has officially a centralised system based on a semi-Presidential regime, which is further centralised through the settlement of Matignon and the Elysée, but due to internal power struggles in the French administration the system is increasingly becoming fragmented (Peters and Vincent Wright, 2001: 167; Palier, 2001; 54). In addition, the French welfare state is often classified as a corporatist regime based on the insurance principle that privilege the interests of core workers (Esping-Andersen, 1999; Taylor-Gooby, 2004: 23). Internal conflicts in the Spanish administration cause similar problems for the relative structured political system, which is characterised through a decentralised system with a latent process of federalisation and consensus politics (Moreno et al. 2002, p. 2; Peters and Wright, 2001: 167). Spain has a relatively weakly developed welfare state services due to strong kinship relations and traditions for the family to be the main institution of welfare production, income distribution and benefits (Esping-Andersen, 1999; Moreno et al. 2002, p. 2).

Despite the different national traditions, implementation gaps and attitudes towards the EU increased powers have been transferred to the EU level from national member states (Leibfried and Pierson, 1995). This has mainly been done through the expansion of Qualified Majority Voting procedures and the enhanced role of the European Parliament in the 1986 Single European Act, the 1992 Maastricht Treaty and the 1997 Amsterdam Treaty, intending to solve the previous gridlocks and enhance the democratic side of the EU, thus neglecting the potential increase in implementation gaps due to enhanced complexity, cultural differences and lack of efficient control mechanisms (Thatcher, 2001:305-6; Dimatrakopoulos and Richardson, 2001:349-53).

The EU has particularly achieved new legislative powers in the area of economics, but increased political activity has also been seen with respect to the EU's social dimension, particularly after the 2000 Lisbon process. The policy instruments used to promote the social dimension has primarily been through soft-laws: resolutions, recommendations, targets, gender mainstreaming, the structural funds and most recently the open method of co-ordination (OMC) rather than legislative measures, except for the area of gender equality and the new pensions directive (Kleinman, 2002; Falkner, 1998). Indeed, the OMC has enabled the EU to move beyond a limited legislative approach confined to areas of free mobility of workers, gender equality, health and safety measures to include co-ordinations of sensitive social policy areas such as employment, social inclusion and pensions, which traditionally have been national prerogatives (Porte, 2002: 56; Leibfried and Pierson, 1995: 46; Larsen and Taylor-Gooby, 2004, p. 212).

The main feature of the OMC is its emphasis on mutual policy learning which is achieved through a 'decentralised, but careful co-ordinated process, involving the exchange of best practices, the use of benchmarking, national and regional-level target setting, periodic reporting and multi-lateral surveillance' (Porte, 2002: 38). It is a semi-voluntary mode of governance, where the European Commission in collaboration with the Council of Ministers, member states, social partners and civil society develops common objectives, guidelines on how to best achieve the common goals, quantitative and qualitative indicators and benchmarks. Member state are then obliged to implement the guidelines and report on their activities and policy efforts in the so-called National Action Plans which are monitored and assessed jointly by the Commission and the Council of Ministers (De La Porte, 2002: 40; Mosher and Trubek, 2003: 63; Larsen and Taylor-Gooby; 217). As emphasis is on policy learning through exchange of best

practice and benchmarking, the only way to pressurise member states that fail to comply with the set targets and guidelines is through ‘blaming and shaming’ rather than sanctions. The success of the OMC depends therefore on the EU’s ability to influence and change national policy-makers ideas regarding welfare policies through a process of social policy learning, making it even harder to evaluate the impact of the OMC. To assess the impact of the EU on national government’s employment, social inclusion and pensions policies, a theoretical framework drawing on contemporary discourse and policy transfer theories is developed below.

Social Learning and Policy Transfer from the EU to the National Level

Discourse and policy transfer theories see policy-making as a process of social learning which is influenced by the involved actors’ interests, their ideas, perceptions, and the institutional framework including past decisions and the rules of the political game (Hall, 1993, p. 275; Surel, 2002, p. 1; Dolowitz and Marsh, 1996: 344, 354). They therefore offer an alternative way of analysing the OMC’s impact on national welfare policies, as emphasis is on the role of social practices and ideas in the design of national policy rather than the assessment of policy outcome in terms of employment rates, gender gaps and unemployment rates. In this context, policy-transfer theories provide a framework for analysing the policy transfer process through a set of questions; what is transferred and are there different degrees of transfers, but often fails to explain what causes transfers (Dolowitz and Marsh, 1996: 344, 2000: 8). In relation to this, discourse analysis offers a way to explain causes of policy transfers as policy transfers can be seen as policy changes, but neglects the element of where policy-makers get their inspiration (Evans and Davies, 1999: 367). Based on the assumption that cognitive and normative aspects play an essential role in policy-makers’ understanding of the world, discourse analysis is able to explain the emergence of policy change, since social constructions can change over time, partly through interaction with other people, and partly through a process of social learning (Surel, 2002, p. 1).

Policy transfer refers broadly to a ‘process in which knowledge about policies, administrative arrangements, institutions etc. in one time and/or place is used in the development of policies, administrative arrangements and institutions in another time and/or place’ (Dolowitz and Marsh, 1996: 344). More precisely, a policy transfer can comprise of an exchange of policy goals, policy content, policy instruments, programmes, institutions, ideas, attitudes and negative lessons depending on the issue or situation (Marsh and Dolowit, 2000:12). A continuum of different forms of policy transfers can be identified, ranging from voluntary lesson drawing to semi-voluntary transfers to direct enforcement of a particular programme, policy or institutional arrangement on one political system by another (Dolowitz and Marsh, 2000: 13). Supra-national organisations, such as the EU institutions, often play a central role in the latter form of policy-transfers, as they are able to impose directives or regulations on member states. The voluntary lesson drawing is often seen among national, regional and local levels although the EU also has pursued more voluntary and/or semi-voluntary lessons drawings through the OMC, gender mainstreaming, positive action and social dialogue (Dolowitz and Marsh, 1996: 386; Hobson, 2004:239).

The success of a policy transfer from the EU to the member states depends not only on the used method (legislation versus soft-law). Factors such as cultural values and patterns of communication between the participants in the policy transfer process also

play a crucial role (Dolowitz and Marsh, 1996; 353; Daguerre and Taylor-Gooby, 2004: 26; Rose, 1991:17). This is mainly because member states can ignore or adjust the EU policies according to their own national traditions in the case of soft-laws while the EU can be much more directive with respect to legislation. As cultural values and the pattern of communication are essential elements of what constitute national policy discourses, discourse theory proves a useful tool to explain the causes of why certain EU policies are more successfully implemented in some member states than others. A policy discourse is defined as 'what people say to one another and to the public in their efforts to generate and legitimise a policy programme' (Schmidt, 2002: 210). The underlying policy discourse or paradigm determines the policy outcomes and thereby the extent to which a policy transfer has occurred, as it frames the national policy discussion by representing the sum of key actors' values and ideas with regard to the key problems, policy concepts and norms, the methods and policy instruments used along with the objectives and ideals underlying the specific policy programme (Schmidt, 2002, p. 213-214, Surel, 2002, p.3; Hall, 1993 p. 279).

Introducing new EU policy programmes aimed at mobilising the workforce, eliminating social exclusion and/or secure adequate and sustainable pensions prove extremely difficult, as national policy-making mainly relies on past decisions and policy procedures rather than changes in social and economic conditions (Hall, 1993, p. 277). Therefore, the success of the OMC depends on the EU's ability to both convince national key actors about the need for intervention and the efficiency of the proposed policies as well as to satisfy them and the general public that the proposed policies respond to real problems in ways that are in correspondence with national values (Schmidt, 2002, p. 221).

The task of the policy discourse is to promote cognitive and normative arguments, which justify and legitimate the EU's policy programme through a coordinative and a communicative process in which policy programme is first constructed and then legitimised through dissemination to the general public (Schmidt, 2002:221, 230). The general public refers here to both EU-citizens and national actors excluded from the negotiations at the EU level, as convincing the latter group also is crucial for a successful implementation of EU policies at national level (Barrett and Fudge, 1981: 25; Lipsky 1980). The cognitive arguments justify the EU's policy programmes by highlighting the key problems and providing efficient solutions to current and potential future problems and define the methods and policy instruments used. The normative function sets the political goals and ideals and serves to legitimise the policy programme by demonstrating its appropriateness in terms of following or transforming pre-existing national values (Schmidt, 2002:213-21). In this context, national values are defined as policy-makers and the general public's perceptions regarding state versus individual responsibility.

Both types of arguments are promoted in the coordinative and communicative stages of a discourse. It is within the coordinative process that policy-makers through negotiations and agreements design the policy programme, as ideas are articulated, developed and deliberated; the used policy instruments and methods and the ideals constructed; and the cognitive arguments about the necessity of the programme convincingly put forward along with the evolvment of the normative arguments (Schmidt, 2002:233). The involved actors are EU officials, national policy-makers including both civil servants, politicians and depending on the institutional context

leaders of major interest groups, civil society, sub-national governments officials and national experts (2002: 233). The policy programme is then legitimated through the communicative process. EU officials and national policy-makers try to convince the general public including other national actors about the importance of their policies by instigating public discussions and deliberations (Schmidt, 2002: 235). Indeed, this part of the process is crucial for a shift in the existing national discourse, as the policy-makers need to justify their policies and transform existing national values to be able to implement radical reforms, as any opposition, which have been excluded from the coordinative process can undermined or even erode the implementation process due to their powers as implementers (Schmidt, 2002: 235; Dimitakopoulos and Richardson, 2001: 337). In relation to the EU, the communication of new discourses to the wider public and other national actors is often left to national policy-makers due to language barriers, lack of strong European parties and the limited role of the European Parliament, particularly in the OMC (Schmidt, 2002:248).

The impact of the OMC on national policies depends on the EU policy-makers' ability to convince both the involved policy-makers at EU-level through the coordinative process and by communicating the new policy programmes to other national policy makers and the general public. In relation to this, commentators draw attention to three types of changes in policy discourses and thereby ways in which the OMC can influence national policymaking; a first order change, which renews the existing policy programme by modifying the policy instruments in use; a second order change that recasts the policy programme by altering the policy instruments and policy objectives; a third order change which represents a radical approach by changing the policy instruments, objectives and the underlying ideology (Schmidt, 2002: 222-23; Hall, 1993: 278, see table 3). It is only if a transformation of pre-existing national values (the underlying ideals) takes place that a radical change of the national policy discourse, e.g. a change towards the ideas of EU employment, social inclusion and pensions strategy will occur. The policy programme will otherwise continue to reinforce the existing discourse, which in this case is the national employment, social inclusion and pensions traditions (Schmidt, 2002, p. 221). A transformation is evident if policy-makers' perceptions have changed from following the passive social transfer approach to the active society approach which underlines the EU's employment, social inclusion and/or pensions strategy. If policy makers' perceptions have not been transformed and the policies do not address the issue of increased individual responsibility, the reforms only have the characteristic of a first and second order degree change (see table 3), as they will continue to reinforce the existing national employment, social inclusion and pensions policies rather than support the common initiatives agreed at EU level.

In the following sections we first briefly review the EU's justification of the employment, social inclusion and employment strategy including the overarching political goals. We then assess the impact of the three strategies on member states by comparing the Swedish, French, British and Spanish 2003 National Action Plans for employment, social inclusion and pensions with current political activities in the four countries, drawing on interviews with leading policy actors from political parties, trade unions, employers associations and campaign organisations carried out as part of the EU FPV project: Welfare Reform and the Management of Societal Change in 2003.

The Employment, Social Inclusion and Pensions Strategy- A call for action

During the late 1980's and early 1990's European states faced similar challenges in terms of economic recessions, escalating unemployment rates, demographic changes and escalating social expenditure costs. The most important issues concerned the cost of pensions, health and social services for older people, the costs of high levels of unemployment and changes in family patterns, which could threaten the stability and launch of the common currency (Pierson, 2001, p. 99; plus other note). Mobilising the workforce and transforming the existing social benefits systems was seen by national governments and the EU as a way to respond to these new challenges, as macro-structural barriers such as high unemployment rates, workless households passive social security systems were important reasons for the economic recession. (COM94(333final), section V; COM(93)551). Driven by economic concerns and pressures from national social policy ministries and unions to give EU a 'human face', national governments agreed to set common targets for the workforce as part of the employment strategy, develop a social inclusion and pensions strategy by applying the method used in already existing employment strategy (the OMC) at the 2000 Lisbon Summit (Presidency Conclusions, 2000; Palier, 2003; Larsen and Taylor-Gooby, 2004: 218).

By 2010 the political goal is that 70 percent of the workforce, 60 per cent of women and 50 per cent of the over 55 should be in employment. The employment strategy has later evolved to include targets for life-long-learning reducing gender inequalities, childcare and long-term unemployed (see table 3). In contrast, the social inclusion and the pensions strategy exclude concrete quantitative targets, but rely instead on weaker measures, which are less specific, making it even more difficult to assess the impact of the EU at national level. Indeed, these differences may influence the impact of the three strategies on national policies. The wide range of recent reforms aimed at mobilising workforce, restructuring the social benefits and pensions system in Spain, Sweden, France and the UK may to some extent be a product of the activities at EU level.

The Employment Strategy

The original EES outlined at the 1997 Luxembourg Summit has evolved from its initial focus on an active society approach and flexibility through the four pillars of employability, entrepreneurship adaptability and equal opportunities. In 2003 the employment strategy was modified to include a reinforcement of the active society approach; simplification and reduction of the guidelines; a new time frame aligned to 2010 with an intermediate evaluation in 2006; a streamlining of the economic and employment policy co-ordination cycles; and a better governed process (OJEU, L197/14EN-2003). Driven by three over-arching objectives (full employment; improving quality and productivity at work; and strengthening social cohesion and inclusion), the EES now comprises of 10 specific guidelines and a section on good governance and partnerships regarding implementation (OJEU, L197/14EN; see table 3). Specific recommendations addressed to individual member states regarding the implementation of their employment policies followed the 2003 employment guidelines (OJEU, L197/30EN-2003). Spain, France, Sweden and the UK all have to focus on improving work incentives for certain groups in various ways while Spain, France and UK are recommended to improve social partnerships at national level and only Britain and Spain were asked to reduce gender gaps in employment, unemployment and pay (see table 4).

In their National Action Plan's, Spain, France, Sweden and Britain each address the different guidelines and targets in terms of referring to national initiatives, which will be used to promote the EU policies (See NAP for employment: Spain; Sweden; France; the UK). To meet the specific recommendations of the Commission, Sweden, France, Spain and the UK have relied on different methods depending on their national traditions although the underlying discourse has to a large extent been an active work-orientated approach rather than passive social transfers, indicating a change of existing policy instruments and the underlying ideals in the four countries (see table 4). Although, the four countries attempt to address the specific recommendations and the employment guidelines put forward by the Commission and Council in their national action plans it is merely due to national concerns rather than a response to EU's recommendations. The EU's lack of influence on national debates is further underpinned when comparing the specific recommendations with national political employment activities.

Although the Spanish, Swedish, French and British NAPs emphasise that national reforms used to improve work incentives for certain groups support the EES, most of these reforms have been developed independently of the preparation of the NAPs and the EU recommendations. The British reforms to improve work incentives for different groups, particularly the New Deal for young people, and the tax credits, were shaped by New Labour long before the 1997 Luxembourg Summit, indicating that the EU's influence on designing these reforms have been limited despite the fact that the work first and make work pay approach is generally accepted by political parties, trade unions, employers associations and campaign organisations (Interviews: Treasury; DWP; Jobcentre Plus; Employment Panel; TUC). In Sweden, a broad consensus to promote a work first approach is also seen among policy-makers and social partners, but the impact of the EES on Swedish labour market reforms has been limited, as most reforms predate the 1997 EES (Interviews; Swedish Institute for Future Studies; the Left Party) In addition, the Swedish government has largely ignored the recommendation on reforming the tax and benefit system and strengthen long-term labour supply of particular immigrants to improve work incentives although minor reforms, which are in accordance with national welfare traditions, have been introduced to reach the national employment target of 80 per cent by 2004 and to reduce poverty rates (Jacobson, 2003: 12; Interviews: Swedish Institute for Future Studies; the Left Party; the Social Democratic Party, see table 4). The EU recommendation on reducing numbers of people on long-term sick leave has also figured as a central issue in the national debate where national policy-makers currently is trying to find solutions to the problem. However, the increased attention is primarily due to political fear of legitimacy problems and extensive financial costs rather than a response to EU's request (Interviews: the Swedish: Left Party; Centre Party; Social democratic party Sweden; the Green Party). Indeed this indicates that the EU only has limited impact on the design of Swedish policy instruments and methods.

In Spain the EU's influence on designing specific policies is also limited. This is also underpinned by the fact that the EU recommendation on eliminating regional differences in employment, this issue hardly figured in the political debate. However, some interviewees reported that the EU's influence is more prevalent in terms of directing the major ideological trends and values in a more symbolic way through exchange of best practices on the specific social policies are limited (Interviews: CIU; COOO; Ministry of Labour). Indeed this indicates that the EU has to some extent been able to transform national values.

In France the EU's employment guidelines have been incorporated in the national debates, indicating a successful dissemination of the EU's policies. According to some interviewees, the EU's employment target for older workers triggered the French debate on lifelong-learning and the incentives to increase labour market participation of older workers (Interviews: French DGEFP). Likewise, the European orientations also inspired the 2000 PARE reform on developing a new unemployment insurance system, a personalised return to work action plan and a modification of the training system (Interviews: DGEFP). However, the political process shows that not all national policy-makers and trade unions are satisfied with the new system. The employer association MEDEF wanted to introduce a more radical reform in terms of increased sanctions while trade unions and to some extent the Ministry of Labour advocated for less radical reforms which followed more the more traditional approach of passive social transfer and included retraining programmes (Interviews: French DGEFP, MEDEF; CGT; FO). A French interviewee reported in this respect: 'We should not throw away Keynes' (Interview: CGT). Indeed, this indicates that the EU has not succeeded in transforming national values from the passive social transfers to the active society approach and therefore only partly have succeed in promoting its active society approach which underlines the EES.

To meet the recommendation on gender equality, Britain and Spain have implemented new reforms to promote childcare facilities and to address gender gaps in employment, unemployment, and in the British case pay gaps. However, these issues have only been low profile issues in the national debate. In relation to this a British interviewee reports:

'We get told that they (the government) do not see sex discrimination as a major problem [] The UK the government does not see women's skills as a problem [.] They are not concerned about part-time versus full-time work for women.' (Interview: EOC).

Likewise, it is debatable whether the Spanish government's new tax credits and childcare allowances to families with children are driven by concerns of low fertility rates rather than mobilising the female workforce (Moreno, 2004). This is further underpinned by some interviewees reporting that the low number of women and young people in paid work is related to insufficient proactive policies geared to employment and the symbolic social services supporting working mothers (Interview: Spanish CiU). In addition, the Spanish childcare debate continues to be a low profile issue compared to other policy areas although the development of childcare services for children under the age of three is becoming an increasing issue for both left and right wing parties. Pressure from trade unions, employers, political parties and social movements to create public policy for small infants (aged 0-3) is practically non-existent (Vidal & Valls, 2002, p. 25). In contrast, employers associations, trade unions, women's movements and political parties in the UK all acknowledge the need to expand the national childcare infrastructure to mobilise the female workforce, but childcare remains an underdeveloped policy. According to a British interviewee this is mainly because:

Childcare is still seen as something that is quite close to home. You got very different perspectives operating about how people see the childcare function of return. It was changing, but again this low priority is also seen in the way childcare was funded over the first part of the labour government administration. There was no money earmarked. We had to find money from different parts and this was an attempt to try and get the

money on and putting them in.” The reasons for the underdevelopment of childcare are partly because “DfES’s priority will always be schools and universities”. Secondly, “Childcare has to compete with lots of other things for resources. Thirdly, we are ambivalent about whether we are building a new service, because we are also kind of having a market solution as well. (Interview: Government official).

This indicates that the EU has failed to transform the mentality of policy-makers in Britain and Spain, as recent policies of gender equality are neglected in the political debate and/or driven by other concerns than improving equal rights. The analysis demonstrates that the EU has been unable to legitimise its social justice discourse and thereby the overall discourse of an active society approach, which is a prerequisite for reaching the political goal of the ESS.

The recommendation on strengthening social partnerships is only indirectly addressed in the Spanish and French NAPs and has not figured as a prominent issue on the national political agenda as a direct response to the EU’s recommendations (NAPs on Employment: France; Spain). Instead, the French trade union CFDT and the employers association MEDEF have promoted the social dialogue to prevent governmental intervention in labour market affairs (Mandin, 2003: 33; Interviews: French CFDT; MEDEF). In relation to this a French interviewee reports:

‘It (the trade unions and employers launch of the PARE project) was more an action against the social democrat government than a desire of revival of the social dialogue, it was the desire to appropriate a field of competence within social partners’ (Interview: FO)

The national attempts reported in the British NAP to develop novel ways of involving trade unions and employers in the policy making process are, partly because of New Labour’s commitment to open government, and partly due to the government’s need of employers’ consent to implement the New Deals, the work-life balance package and the minimum wage successfully rather than a direct response to the Commission’s recommendation (Larsen et al., 2004). However, British social partners have similar to Swedish, French and Spanish have contributed to the design of the NAPs. Indeed, the EES has brought back employers into social dialogue after their withdrawal from all tripartite bodies in the early 1990s and has thereby strengthen the Swedish social dialogue (Jacobson, 2003: 4).

Overall new policy instruments have been developed at national level since the launch of the EES in 1997 to promote an active society. However, most reforms have only indirectly been designed as a response to the recommendations and guidelines of the EES. The 2002 evaluation exercise of the EES supports this although the European Commission claims that ‘there have been significant changes in national employment policies, with a clear convergence towards the common EU objectives set out in the EES policy guidelines’ (Com621, 2002, p.2). Both Sweden and the UK reported in their national evaluation reports that the impact of the EU had been limited, as most of the Swedish reforms were already in place before the launch of the 1997 employment strategy while the British reforms were mainly driven by the change of government in 1997 (Swedish and UK evaluation papers). In contrast, Spain and France claimed in their evaluation study that the EES had been instrumental in driving recent Spanish and

French reforms including structural reforms in France (Spanish evaluation report; Mosher and Trubek, 2003: 73). In relation to this, the French evaluation reports that:

‘French employment policy are not, in general, the same as they were before the Luxembourg process. To one degree or another, the framework for policy making, the content of policies, methods of implementation and the role of different actors, especially social partners were modified’ (Evaluation Study of France quoted in Mosher and Trubek, 2003: 74).

Indeed, this indicates significant differences in the impact of the EES across the four countries although national policy-makers agree that the main driver behind recent reforms have been national concerns rather than the EES. In this context, even French interviewees shared this view although they reported that the new policies of activation and older workers had been inspired by the political activities at EU level and to some extent the UK, the Netherlands and Nordic countries through exchange of best practices (Interviews: French DGEFP). The influence on the UK’s employment policies has largely been inspired by inputs from America rather than the European Continent except for issues on childcare where Scandinavia is seen as the role model (Interviews: government officials; TUC; Campaign organizations; special advisors). Likewise, Swedish interviewees reported that the EU’s influence is primarily through pressure on public finance rather than the employment policies directly, as many reforms in Sweden predates reforms in other countries and at the EU level (Interviews: Swedish Institute for Future Studies; the Left Party). In the Spanish case, interviewees report that the EU only exercises a limit influence on specific social policies, but plays an important role in influencing major ideological trends and values through exchanges of best practice as Spain face similar problems as the rest of Europe (Interviews: CIU; COOO; Ministry of Labour). Therefore the EES might have stimulated the exchange of best practice between member states although it is difficult to prove that these policy transfers would not have happened without the EES.

The EU’s varied influence on national policy debates might be related to the structure of the EU policy-making system, where emphasis is on constructing policies at EU level rather than ensuring that the policies are implemented successfully at national level. Recent studies show that the EES is not well integrated into the national policy-making and implementation systems even for countries such as Sweden and the UK, which traditionally have been rather efficient in implementing EU’s legislative policies (Jacobson, 2003: 1; Umbach, 2004; De la Porte and Nanz, 2003:16). Designing the NAPs in most countries including Spain, France, Sweden and the UK is a highly centralised process. In Sweden, France and the UK the social partners are actively involved in writing and implementing the NAPs, while the Spanish social partners are excluded from the former process and only passively participate in implementing the reforms. However, none of the social partners are particularly satisfied with the current arrangement (see De la Porte and Nanz, 2003). In addition, the interaction between Swedish and British officials working on the EES and those working with domestic labour market issue is often limited, making it extremely difficult to integrate the EES into national employment policies (Jacobson, 2003:4, Umbach, 2004: 60). This trend seems also to be supported by the remarks of the interviewees, as only the French and few Spanish civil servants reported about links to the EES in the design of national policies while the EES seemed unknown to national officials working with domestic labour market policies.

Despite the limited co-ordination of domestic policies and the NAPs, the British and Swedish officials have regular contact with EU officials when designing the NAPs to ensure compliance with the EES (Umbach, 2004: 52; Jacobson, 2003: 7). Indeed, this supports the notion that an important reason for the limited influence of the EES is the EU's neglect of disseminating its employment strategy to national policy makers and the general public. The lack of national parliamentary engagement in the EES underpins this argument along with the fact that recent studies have shown that national media coverage of the OMC in France, Britain and Germany has declined dramatically since 1997 and that knowledge about the OMC is limited to labour markets peak organisations (De la Porte and Nanz, 2003: 13; Jacobson, 2003: 4; Umbach, 2004: 60). The Social Inclusion process is also dominated by a lack of awareness of EU's policies among national policy-makers.

The Social Inclusion Strategy

The Social Inclusion Strategy, which aims at eradicating poverty and social exclusion is still being developed at EU level, but has been strengthening since the 2000 Lisbon Summit where member states agreed to develop such as strategy. The strategy is also founded on the same principles as the EES, but differ substantially from the used methods of the EES. The social inclusion strategy has a very weak treaty base and relies on much softer objectives without any specific quantitative targets and contains only specific recommendations addressed to all member states which is in stark contrast to the EES' specific recommendations to individual member states (Interview: DGESA). The Social Inclusion Strategy comprises of four broad objectives: participation in employment and access to resources, rights, goods and services, prevention of risks of exclusion, help to the most vulnerable and mobilisation of relevant bodies (Social Protection Committee, 2002: 9-12). In the second round of NAPs on social inclusion running from 2003-2005, member states have also been encouraged to set national poverty targets, strengthen the gender perspective in the NAPs and focus on risks of poverty and social exclusion faced by immigrants. (Social Protection Committee, 2002: 3-4). Six additional policy priorities were made after the European Commission and the Council published its 2004 joint-report (Council of European Union, 2004:5)

Similar to the principles of the Social Inclusion Strategy, employment and retraining are seen as the main policy instruments to eradicate poverty and social inclusion in the Spanish, French, Swedish and British NAPs on social inclusion (Council of European Union, 2004: part 2). A variety of measures have been initiated at national level to combat social exclusion and poverty, but similar to the national reforms in the EES, most the initiatives are responses to national concerns rather than the common objectives of the Social Inclusion Strategy. This is further underpinned by the fact that only the UK and Sweden has set poverty and employment targets to reduce poverty rates and social exclusion while only France and Spain have taken on board new initiatives to improve gender mainstreaming in the NAPs (see table 4). In addition the recommendation to focus on risks of poverty and social exclusion faced by immigrants has only indirectly been addressed through the national responses to the common objectives, indicating that the EU has failed to convince national policy makers about the importance of its recommendations (NAPs on Social Inclusion: Spain; France; Sweden and the UK).

The limited influence of the Social Inclusion Strategy is also reflected in the national debates although a sort of spill-over from the EES into the French and Spanish social inclusion and anti-poverty reforms can be traced. The French policies on social exclusion were largely designed and implemented during the 1980's, emphasising passive social policy transfers. (Mandin, 2003: 37). However, recent reforms such as the introduction of the RMA that emphasises obligations to seek employment and improving work incentives indicate a change of attitudes at national level from Francois Mitterand's emphasis on guaranteeing a minimum income to those people 'who don't have anything' and 'who cannot do anything' in the late 1980's(Mandin, 2003: 39). This change of attitude is further underpinned by a government official, who reports:

'The RMA is a response to the increasing critique that people receive the RMI without any obligation to work' (Interview Ministry of Social Affairs)

This emphasis on a work first approach rather than passive benefit transfers is to a large extent inspired by EU discussions of the EES (Interviews: Ministry of Social Affairs; Ministry of Labour). However, the change of attitude towards a work first approach is not widely accepted, as trade unions such as CGT opposes the RMA reform on the grounds that it creates a category of poor workers and a cheap labour force for employers, indicating that national policy makers and thereby the EU has not succeed in transforming national values towards an active society (Interview CGT). Spanish politicians have also had problems in transforming national values towards an active society approach. There exist large disagreements among political parties, trade unions, employers associations and campaign organisations whether employment is the right route out of poverty (Interviews: USAL, UGT; FEDEA; Arriba, 2003: 38-9). Despite this, the new social protection reforms emphasise a work first approach through the introduction of a means-tested minimum income guarantee and tax exemptions for the low paid, which are in line with EU's social inclusion and employment strategies (Arriba, 2003: 33). In addition, the EU has also initiated indirectly the series of social inclusion schemes aimed at families with low income through the European Commission's poverty programmes (Arriba, 2003: 33-4; Interview CEIM). Despite this relatively positive impact of other EU policies on the Spanish debate, the impact of the Social Inclusion Strategy is limited, as an interviewee reports:

'The National Action Plan for Social Inclusion has not made nay major contributions. It is a plan without any objectives, since its main priorities do not concern eradicating poverty, but rather the implementation of a series of measures. The indicators are macro indicators without any relation to the measures planned. It is a plan with no budget and in which no social partner has shown any interest' (Interview: Caritas Espanola).

The Social Inclusion strategy's impact on the Swedish debate is also limited, although Sweden experienced a transformation of the social protection system in terms of increasing cuts in social assistance; reinforcement of the work-first approach aimed particularly at the most needy (young people, immigrants, lone parents, large families and households with dependent on social security transfers); along with a redirection of national attitudes towards seeing social assistance as a last resort (Timonen, 2003: 34). These changes were primarily due to the economic recession in the early 1990's than a response to EU's policies, as the social democratic government is now trying to restore the levels of social assistance (Interviews: LO; Social Democratic Party). Likewise, the

strong emphasis on anti-poverty and social inclusion measures in Britain also derives from national problems such as large number of workless households and children living in poverty rather than the EU's social inclusion strategy. Indeed, most of the policies on improving social inclusion e.g. the New Deals, tax credits, the Sure Start Programmes and the minimum wage were developed and implemented before the introduction of the Social Inclusion Strategy (Daguerre and Larsen, 2003). In addition, most interviewees refer to the USA when asked about foreign influences on British policies. In relation to this some interviewees' reports:

'The USA is by far the most important influence. Policy advisers have done post graduate research in the US and they bring it back obviously' (Interview: TUC)

'The work first approach came mainly from the US. With respect to the child tax credit, the government was inspired by the Australia and Canadian systems due them already having a similar type of the child tax credit.' (Interview Special Advisor, Treasury)

'What we are doing now (SURE Start) is not driven by the EU as such.' (Interview: DfES).

Overall this shows that although social inclusion and anti-poverty measures have been high profile issues on national political agendas the EU's Social Inclusion Strategy has only had limited impact on those debates, mainly because most reforms were already in place before the launch of the strategy. However, a spill-over from the EES could be seen in France and Spain, where also the European Commission's anti-poverty programmes had influenced the Spanish debates. In addition, only few interviewees, reported about exchange of best practices with other European Countries in relation to their social inclusion and anti-poverty policies, indicating that OMC only inspires little interaction between European governments. The EU's reliance on national policy-makers to disseminate its policies may be an important reason for the lack of influence. The interviews indicates that the design of the national NAPs takes place independently of domestic social inclusion and anti-poverty reforms despite the fact that the national NAPs report about increasing participation of social partners, voluntary and campaign organisations in the design of the NAPs (The Council of European Union, 2004). In relation to this, hardly any of the interviewees referred to the European Social Inclusion Strategy when asked about foreign influences and the impact of the EU on national policies. The European Pensions Strategy seemed to suffer from similar problems.

The Pensions Strategy

The European Pensions Strategy was launched at the 2001 Laeken Summit and represents one of most recent attempts to promote a common strategy at EU level. The OMC is applied differently from the EES and the Social Inclusion Strategy although the fundamental procedures remain the same. The strategy relies entirely on mandates from the European Council, as there is no reference to pensions in the European treaties. In addition, it aims securing adequate and sustainable pensions by 'combining existing policy process that are relevant to the future pensions systems with the OMC that do not change the respective responsibilities of policy makers at EU and national level' (Council of Europe, 2001: 2). In doing so, the strategy comprises of 11 broad objectives under three broad headings: securing the long-term sustainability of pension systems: safeguarding the capacity of systems to their social objectives, maintaining their financial sustainability and meeting changing societal needs (Council of the European

Union, 2001: 2, see table 3). In 2002 Member states submitted the first round of national strategy reports in which they were requested to assess the progress towards the common objectives including the long-term sustainability of pensions system (Council of the European Union, 2003:5). However, individual recommendations or general recommendations have not yet been developed, as the current aim of the pensions strategy is to stimulate national debates and because it is still under development. In relation to this an EU official reports:

'The primary goal of the OMC is to have a public debate on whether or not the different goals laid out within the stability pact as well as on social adequacy can be met by the national policies at present time. Coming from that the second stages is whether we can design an alteration of the different national systems or can we design general guidelines for each individual member state to improve the situation' (Interview: Social Protection Committee)

In their national strategy reports, the Swedish, French, Spanish and British governments have described the ways in which their current pensions systems meet the 11 objectives. However, none of the four countries put forward new initiatives to meet the objectives set out in the European pensions strategy, indicating the limitations of the OMC on pensions as not all objectives were met with the existing pensions policies (National Pensions Reports 2002: Spain; France; Sweden; the UK). In addition, the OMC on pensions has not stimulated the expected debate at EU and national levels. A recent study shows that the European Parliament does not have a voice with respect to the OMC on Pensions and that representative for EU social partners or civil society have not been invited to participate in meetings of the EPC and SPC. These groups have only indirectly influenced the political process through written positions and informally contacts with EU officials in the DG for Employment and Social Affairs (Natali and Dela Porte, 2004; Interviews: DGESEA). The national debates of the OMC on pensions has also been limited or almost non-existent. The OMC has not figured at all in the media in France and the UK or been subject to public debate (Natali and Dela Porte, 2004). This is further underpinned by the fact that only French interviewees referred to the OMC on pensions in the domestic pensions debates, but mainly from an economic point of view in terms of the constraints imposed indirectly by the common currency. Instead, the national debates were more driven by national concerns, indicating the limitations of the OMC.

In Spain the national debates concentrated more specifically on the sustainability of the current pay as you-go-public pensions system driven by an ideological (privatisation versus socialisation) and technical (capitalisation versus share out) debate (Cabrero, 2003; 6). Despite agreeing that a feasible solution has to be found before 2015, national policy-makers, trade unions and employers associations are still disagreeing about the way forward (Cabrero, 2003: 12). Likewise, social partners and political parties are disagreeing on the design of the future pensions system in Britain. The debate centres around the fact that a large group of people have not saved up for retirement and various scandals in the pensions industry. However, the government so far been able to postpone any decisions on the so-called pensions crisis by setting up a series of independent commissions to assess sustainability of the British Pensions system (Interviews: CBI; TUC; DWP; Treasury). Pensions is also one of the most politically sensible issues in the French public debate, where any attempts to reform the current system is met by strong opposition from trade unions and sometimes by left-wing

parties (Mandin, 2003: 3-5). National debates concentrate currently on the long-term sustainability of the existing system. By contrast to Spain, France and the UK, pensions do not feature prominently in the Swedish public debate due to the comprehensive and highly consensual pensions reform, which was completed in 1995 (Timonen, 2003, p. 1; Interview: Liberal Party; Institute for Future Studies).

The lack of public debate and the fact that the Pensions Strategy only plays a minor role in national pensions debate, indicate the limitations of the EU in influencing national policies through the OMC. Indeed, the analysis shows that the EU has failed to communicate its pensions strategy to the general public. An important reason for this might be that the EU relies on national governments to communicate its pensions strategy at national level and thereby to legitimise its policies.

Conclusion

In recent years the EU has achieved new competencies in the area of social policy. The EU is now able to influence national employment, social inclusion and pensions through the OMC, which relies on methods such as social learning, bench-marking, encouragement and negotiations. However, the EU welfare policies have only had a limited impact on the direction of national welfare policies. The employment, pensions and social inclusion strategies are not part of the national debates behind recent reforms on pensions, social inclusion and employment. Indeed, most policy-makers involved in domestic labour market, social inclusion and pensions reforms are hardly aware of the content of EU's strategies. Few policy-makers refer to the strategies when asked about foreign influences on national policy-making and recent studies have shown that the NAPs are designed separately from domestic policies. An important reason for this is that the EU has relied on national governments to disseminate and thereby legitimate their policies to the general public including policy-makers excluded from the political process at EU level. Indeed, a close interaction between EU officials and national policy-makers is required for the EU to succeed in influencing the direction of member states' welfare policies, as the EU lacks sanctions for non-compliant member states. It is therefore crucial that the EU is able to convince national policy makers and the general public about the importance of its policies. However, the EU does not engage with this issue in its policy-making process, as the legitimation of its policies is left to national policy-makers. As a result, recent welfare reforms in Spain, France, Sweden and the UK continue largely to follow national traditions, rather than promoting a common discourse agreed at EU level, although a varying degree of convergence towards an active society approach can be traced among national policy-makers.

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Table 1: Judgement on EU membership and image of the EU by country (%)

	EU a good thing	EU A bad thing	EU viewed fairly positive	EU viewed fairly negative
Luxembourg	75	7	55	12
Greece	71	7	65	7
Ireland	71	8	65	8
Spain	64	10	57	7
Netherlands	65	12	34	22
Belgium	57	10	51	12
Portugal	55	13	57	14
Italy	54	13	58	14
Denmark	54	20	30	28
Finland	46	21	32	25
Germany	45	14	36	19
France	43	18	45	22
Sweden	37	33	29	42
Austria	30	36	25	32
UK	29	29	26	37
EU 15	48	17	43	21

Source: Eurobarometer, 2004: B.52, B42.

Table 2: Overview of changes in national policy discourses and programmes

Change in policy discourse and policy programme	First order change: Renew the policy discourse and programme	Second order Change; Recast the policy discourse and programme	New third order change Revolutionary change of policy discourse and programme
Policy instruments:	Changed	Changed	Changed
Policy Objectives:	Same	Changed	Changed
Policy core:	Same	Same	Changed

Sources: Schmidt (2002) p. 223.

Table 3: Employment, social inclusion and pension targets and guidelines

	Employment Guidelines	Social inclusion objectives	Pensions Objectives
Targets:	<p><u>Employment rate 2010:</u> All: 70%, Women: 60% Older Workers: 50 % Employment gap between non-EU and EU nationals: significant reduction Employment gap between disabled and non-disabled: significant reduction <u>Long-term Unemployed 2010:</u> Unemployed: 25 % in active measures Unemployed offered a new started before six months unemployment <u>Education 2010:</u> 22 year olds with upper secondary education: 85 % Adults (25-64) in lifelong learning: 12,5 % Early school leavers: max 10 % <u>Childcare 2010:</u> 3- mandatory school age: 90 % 0-3 years: 33 % <u>Gender gaps in unemployment, employment and pay:</u> Substantial reduction</p>		
1. Guideline/ Objective	Active and preventative measures	Facilitate participation in employment and access to resources, goods and services	Ensure decent living standards for older people
2. Guideline/ Objective	Entrepreneurship	To prevent risks of exclusion	Access to appropriate pensions arrangements
3. Guideline/ Objective	Address Change and Adaptability	To help the most vulnerable	Promote solidarity
4. Guideline/ Objective	Develop Human Capital	To mobilise relevant bodies	Achieve high levels of employment
5. Guideline/ Objective	Increase Labour Supply and Promote Active Ageing		Insure work incentives for older workers
6. Guideline/ Objective	Gender Equality		Reform pensions systems in accordance with sustainable public finances
7. Guideline/ Objective	Integration of the Disadvantaged		Ensure a fair balance between the active and the retired
8. Guideline/ Objective	Making Work Pay		Ensure appropriate regulatory frameworks
9. Guideline/ Objective	Transforming undeclared work		Ensure that pensions systems are compatible with the requirements of Labour market flexibility and security
10. Guideline/ Objective	Address Regional Disparities		Secure equal treatment
11. Guideline/Objective			Make pensions system transparent and adaptable to changes

Sources: OJEU (L197/13-2003) ; Council of European Union, 2000; 2002)

Table 4: Employment and social inclusion recommendations: France, Spain, Sweden and UK, 2003

	Employment recommendations	Social Inclusion Recommendations
France	<p>- Strengthening personal approach for unemployed; ensure that the new unemployment insurance system is accompanied by effective job search incentives <u>Action in NAP:</u> New PARE/PAP-ND programme; revision of the unemployment benefits; National targets to increase young and adult job-seekers' return to employment</p> <p>-Focus on a comprehensive lifelong learning strategy for particular less qualified employees in SMEs <u>Action in NAP:</u> Modernisation of the educational system; retraining programmes; Targets: to combat illiteracy, to improve IT knowledge; increase number of secondary education degree holders</p> <p>- Focus on policies to increase labour market participation of older workers. <u>Action in NAP:</u> National mobilisation plan for employees over the age of 55; reducing retirement age; New early retirement options; improved retraining programmes; targets for the employment rate of older workers, retirement age and holders of secondary education degrees -Foster social dialogue, particularly on issues on active ageing and life-long learning. <u>Action in NAP:</u> no direct action</p>	<p>-Set national poverty targets <u>Action in NAP:</u> No action</p> <p>-Strengthen the gender perspective in the NAPs <u>Action in NAP:</u> <u>Check</u></p> <p>-Focus on risks of poverty and social exclusion faced by immigrants. <u>Action in NAP:</u> only indirectly through the different common targets</p>
Spain	<p>- Foster social partnership at national level <u>Action in NAP:</u> no direct action</p> <p>-Focus on increasing employment rates; close gender gaps in employment and unemployment; improve care facilities for children and older people <u>Action in NAP:</u> Standards for gender equality; Interconfederal Agreement for Collective Bargaining, extended the scope of reductions in social security benefits after periods of maternity leave to include unemployed women; continuation of budget for improving care facilities for infants (0-3); a tax credit for mothers in paid work</p> <p>- Improve conditions for eliminating regional differences in employment <u>Action in NAP:</u> A study of job search measures to help the unemployed and allocated extra resources to support job-seekers' mobility</p> <p>- Complete modernisation and efficiency of public employment services <u>Action in NAP:</u> Modernising the public employment service; reviewed active policies; drafted a new employment bill</p>	<p>-Set national poverty targets <u>Action in NAP:</u>No action</p> <p>-strengthen the gender perspective in the NAPs <u>Action in NAP:</u> XXX</p> <p>-Focus on risks of poverty and social exclusion faced by immigrants. <u>Action in NAP:</u> only indirectly through the different common targets</p>
Sweden	<p>-Strengthen long-term labour supply particularly employment of immigrants <u>Action in NAP:</u> a pilot project involving workplace induction; a study of immigrants' reception and induction into the labour market</p> <p>-Reduce numbers of people on long-term sick leave; improve conditions of work and adapt regulatory framework for reintegration <u>Action in NAP:</u> A new unemployment insurance board; new tax reform; improved financial co-ordinating between labour boards, regional and local authorities; new financial incentives for employers to help employees regain their jobs: national target to reduce the number of people on sick leave -Focus on tax and benefit systems reforms to improve work incentives, <u>Action in NAP:</u> New tax reform.</p>	<p>-Set national poverty targets <u>Action in NAP:</u> Employment target 2004: 80 % in employment Social Justice target 2004: halving welfare dependency</p> <p>-strengthen the gender perspective in the NAPs <u>Action in NAP:</u>no direct action</p> <p>-Focus on risks of poverty and social exclusion faced by immigrants. <u>Action in NAP:</u> only indirectly through the different common targets</p>
UK	<p>-Foster social partnership at national level <u>Action in NAP:</u> set up of taskforce groups; Low Pay Commission</p> <p>- Focus on gender pay gap: more equality in pay and access to employment; policies to help reconcile work and family life <u>Action in NAP:</u> Tax Credits, National childcare strategy,</p> <p>-Reinforce active labour market policies <u>Action in NAP:</u> revised New Deals, the Jobseeker's allowance; compulsory work-focused interviews; modernisation of employment and benefit services including the set up of Jobcentre Plus</p> <p>-Increase opportunities and incentives to work (e.g. reform sickness and disability benefits) <u>Action in NAP:</u> new tax credits, minimum wage and reforming the incapacity benefit for disabled people</p>	<p>-Set national poverty targets <u>Action in NAP:</u> Eradicating child poverty by 2020 Teenage pregnancy rate 2010: halved</p> <p>-strengthen the gender perspective in the NAPs <u>Action in NAP:</u> only little detail on gender mainstreaming.</p> <p>-Focus on risks of poverty and social exclusion faced by immigrants. <u>Action in NAP:</u> only indirectly through the different common targets</p>

Sources: OJEU, L197/28, Umbach, 2004: 98. NAP for Employment, Sweden; France; Spain and the UK

