

# Social policy in the European Union 1999-2019: the long and winding road

*Brussels, 12 March 2020*

## Conclusions: the twists and turns of two decades of EU social policymaking

**Slavina Spasova and Bart Vanhercke**

European Social Observatory



[www.ose.be](http://www.ose.be)



# Outline of the talk

- 1. The EU's social dimension: twenty years of trials and tribulations (1999 – 2019)**
- 2. What place for the EU's social dimension in the light of the 'three transitions' ?**
- 3. Some recommendations**

# 1. The EU's social dimension: twenty years of trials and tribulations (1999 – 2019)

# I. The 'social period' (1997–2005): from the Treaty of Amsterdam to the revised Lisbon Strategy

## ❖ A particular context favourable to the development of the EU social dimension in the continuation of the 'Delors era'

- ✓ Social democratic governments in most of the Member States
- ✓ 1995 enlargement to 3 affluent & strong welfare models

## ❖ Main social achievements

### ✓ Overarching policy directions

- The Employment Chapter in the Amsterdam Treaty and the European Employment Strategy (1997)
- The Cologne process on wage coordination (1999)
- Lisbon Strategy (2000)
- EU Charter of Fundamental Rights (2000)

# I. The 'social period' (1997–2005): from the Treaty of Amsterdam to the revised Lisbon Strategy

## ✓ **Several regulatory initiatives**

- Extension of the European social security legislation to pre-retirement and paternity benefits
- Equal treatment directives
- Gender mainstreaming: the Treaty of Amsterdam and the EES
- Safety and health at Work: directives on specific hazards
- Working Time Directive

## ✓ **European social dialogue**

- Expansion of various technical or political concertation meetings
- 'Laeken Declaration' (2001) and the institutionalisation of the 'Tripartite Social Summit'

## II. A period of tribulations for the EU's social dimension (2005–2015)?

### ❖ A reversal of context...and of social achievements and rights?

#### ✓ 2004, 2007 and 2013 EU Enlargements :

- Thirteen new Member States, with no additional budget to ensure economic, social and territorial convergence, constrained Welfare States
- Limited role of social policy issues during the enlargement negotiations

#### ✓ Political shift towards centre-right or right-leaning national governments (2004 European elections)

## II. A period of tribulation for the EU's social dimension (2005–2015)?

- ✓ **The financial, economic and social 2007 crisis**
  - National fiscal policies under increased scrutiny in the EU's new forms of economic governance – cuts in public spending, especially social policies



## II. A period of tribulation for the EU's social dimension (2005–2015)?

- ✓ **European Social Dialogue: 'dialogue of the deaf' under the Barroso Commission (2004–2014)**
- ✓ **The European Central Bank**
  - ECB a key role to promote structural reforms: financial austerity considerations in stark opposition with domestic needs for higher levels of public spending on social programmes
- ✓ **The role of the Court of Justice of the EU (CJEU) : challenging fundamental principles underlying European social policy**
  - Precedence to market freedoms over social objectives
- ✓ **The OMC**
  - The re-launched Lisbon II Strategy from 2005 on jobs and growth
  - Marginalisation of the 'Social OMC'

## II. A period of tribulation for the EU's social dimension (2005–2015)?

- ❖ However 'Social Europe' was not completely 'sacrificed' on the altar of economic and monetary policies, even in this period of tribulation
- ✓ The Coordination of social security was extended to third-country nationals in 2010
- ✓ European Equality Agenda: four directives
- ✓ The Youth Guarantee
- ✓ The Social Investment Package
- ✓ First-ever numerical EU poverty and social exclusion target
- ✓ Cohesion policy was aligned with the goals of the Europe 2020 Strategy and the Semester
- ✓ Progressive 'socialisation' of the Semester

# III. The Juncker Commission: a social policy revival, with some caveats (2015–2019)

## ❖ **Social Triple A: in the wake of the recovery from the Great Recession**

### ✓ **European Pillar of Social Rights (EPSR)**

- Saving face in the context of mounting discontentment and populism
- Directives on work-life balance and on transparent and predictable working conditions
- Establishment of a European Labour Authority (ELA)
- A Council Recommendation on access to social protection
- Principles promptly implemented into the Semester
- 2018 (new) Social Scoreboard for monitoring Member States' performance

### ✓ **Health and Safety legislation**

### ✓ **'New Start' for the European social dialogue**

### ✓ **Further socialisation of the Semester**

### ✓ **ESF+**

### III. The Juncker Commission: a social policy revival, with some caveats (2015–2019)

#### ❖ Caveats

- ✓ Critics of the socialization of the Semester: social actors may have been ‘socialised into’ the Semester’s wider logic of competitiveness & market fitness
- ✓ Concerns raised over the high proportion of social and employment policy CSRs ‘being MIP-ed’, taking them outside the reach of Social Affairs Ministers
- ✓ European Social Dialogue: still in crisis despite its ‘new start’ in 2015

## 2. The three transitions and the further strengthening of the EU's social dimension

## 2. The three transitions and the further strengthening of the EU's social dimension

### 3. 'A strong social Europe for just transitions': an ambitious agenda

- ❖ Overarching frameworks: the Sustainable Development Goals (SDGs) and the European Pillar of Social Rights
- ❖ The three transitions: climate neutrality, digitalisation and demographic change
- ✓ On- going consultation first-stage on fair minimum wage: a 'paradigm shift' ? (Commissioner Schmit)
- ✓ Just Transition Fund (as part of the European Green Deal Investment Plan) in order to support economic reconversion
- ✓ A European Unemployment Benefit Reinsurance Scheme?
- ✓ Child Guarantee
- ✓ Demographic change
- Green Paper to launch a debate on the long-term impacts of ageing, pensions and access to affordable and quality long-term care, active ageing (2020?)

## 2. The three transitions and the further strengthening of the EU's social dimension

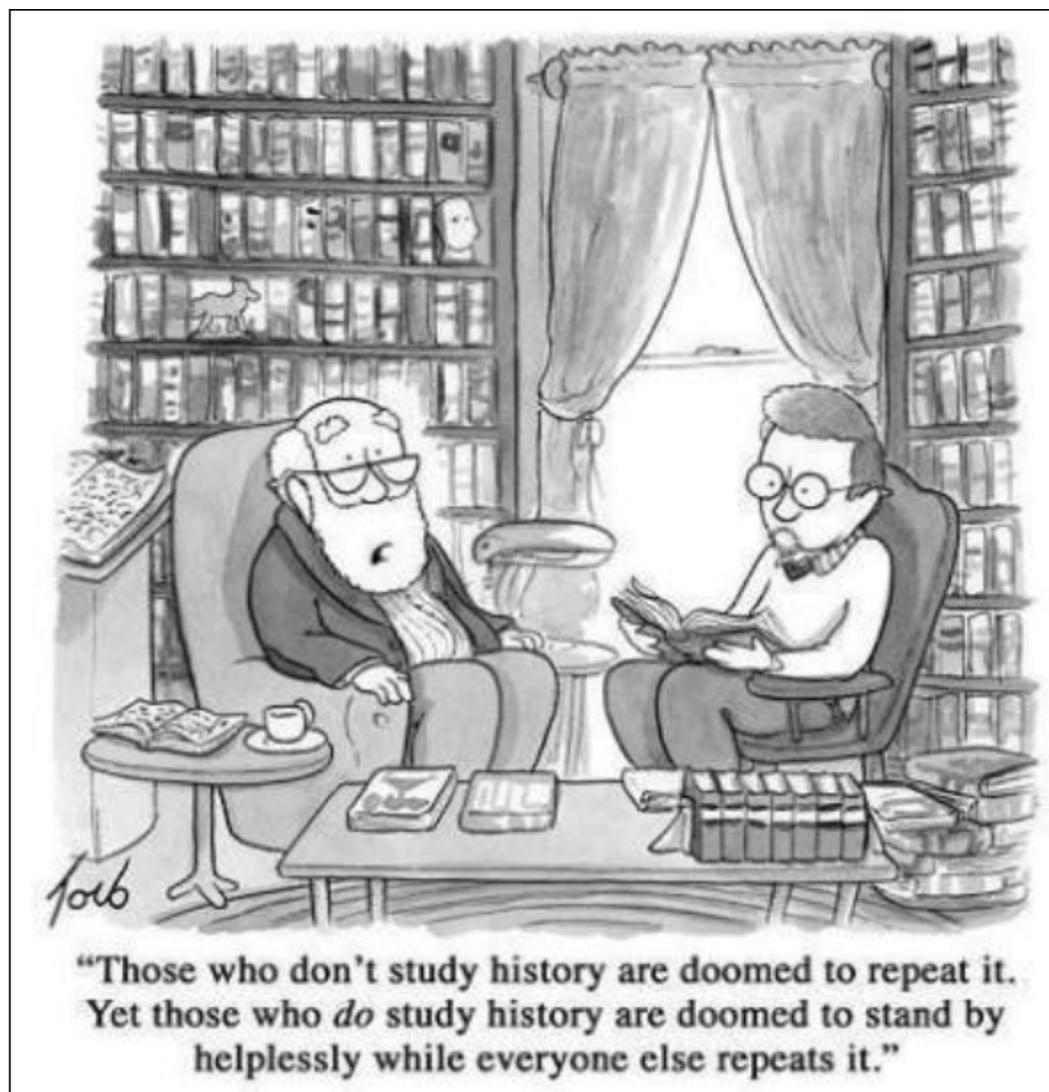
### ❖ **An ambitious plan... in need of SOLIDARITY**

- ✓ The rest of the EU institutions: von der Leyen plan for a closer work EP/EC/COM
- ✓ Member States in the context of mounting nationalism
- ✓ With and among the social partners: is cooperation still possible?
- ✓ Regulation of coordination of social security systems (stuck in Council)?

### ❖ **To be closely followed: economic governance review launched by the European Commission (February 2020)**

- ✓ COM acknowledges the complexity and some inefficiencies of the process
- ✓ Draws parallels with the new EU context: the Green Deal and the Communication on a Strong social Europe for just transitions
- ✓ Accompanied for the first time, by a large public debate

## The three transitions and the further strengthening of the EU's social dimension



# 3. Recommendations

## 3. Some recommendations

### ❖ Ensuring appropriate resources

- ✓ Continue supporting the capacities of social partners as well as of other social stakeholders
- ✓ More targeted research on the different social impacts of cohesion policy across
- ✓ Fund social inclusion and poverty alleviation measures and foster the administrative capacities of national and regional institutions

### ❖ The social dimension of EMU

- ✓ The EU needs powerful automatic macroeconomic stabilisers: political priority to a proposal for a European Unemployment Benefit Reinsurance Scheme
- ✓ Launching a 'Social Imbalances Procedure' (SImp), drawing on existing tools and practices within the European Semester

## 3. Some recommendations

### ❖ **Balancing economic and social rights**

- ✓ The approach of the Court of Justice of the EU needs to change: a fundamental discussion within the legal community is needed about the respective places of social and economic rights in the EU Treaties

### **Gender equality**

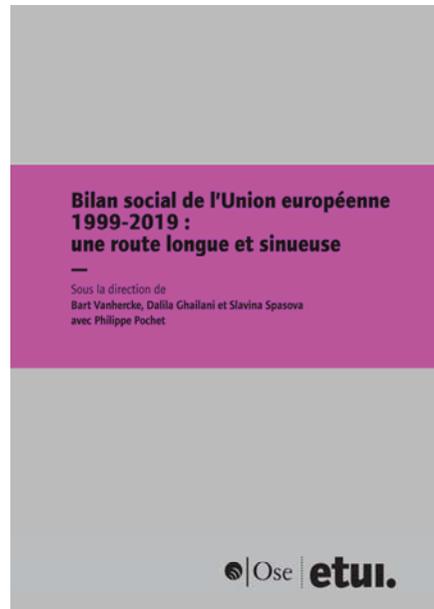
- ✓ Gender impact assessment: ex-ante analysis of the likelihood of a given decision having negative consequences on gender equality;
- ✓ Gender budgeting: gender-based assessment of budgets and the restructuring of revenues and spending to promote gender equality

## 3. Some recommendations

### ❖ Social policy coordination

- ✓ A clear political affirmation of the Social OMC's overall objectives, and its relationship to new initiatives (EPSR and SDG)
- ✓ Push for the launch of OMC-type exchanges on long-term care (dominated by DG ECFIN) and housing & homelessness (long overdue!)

**Thank you for your attention!**



# Bilan social de l'Union européenne 1999 – 2019 : une route longue et sinueuse

---

## Social policy in the European Union 1999 – 2019 : a long and winding road

Vanhercke B., Ghailani D. and Spasova S. with Pochet P. (eds.) (2020)  
Social policy in the European Union 1999-2019: the long and winding road,  
Brussels, European Trade Union Institute (ETUI) and European Social  
Observatory (OSE), 230 p.

Free download [here](#)