

Contemporary Social Policy in the E.U.

Professor John Wilton

Lecture 5a

A case study: E.U. Welfare policy

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Additional source:

Diamond, P. and Lodge, G. *European Welfare States after the Crisis. Changing public attitudes*. Policy Network paper at www.policy-network.net London, January 2013

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1957 Treaty of Rome – no Member State should be at a competitive economic advantage or disadvantage in ‘common market’ because of its social provisions (social protection and welfare systems)

Article 117 introduced principle of *harmonisation* of social protection and welfare systems – but only an ‘aim’, no laws or regulations

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1957 Treaty of Rome put social protection and welfare provision on E.E.C. agenda

After 1985 – Delors '*spillover*' neo-functional strategy – develops '*Coherence*' approach – enables him to get '*Social Dimension*' on to E.C. policy agenda

1985 Single European Act confirmed move away from any attempt at complete *harmonisation* towards *mutual recognition* of national social protection and welfare systems – within a set of *harmonised* core values and principles

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1985 Single European Act referred to “the harmonisation of conditions”, BUT stressed that directives should be adopted setting out “minimum requirements for gradual implementation having regard to the conditions and technical rules obtaining in each of the Member States” (on social protection and welfare) (***POLICY FORMULATION based on MUTUAL RECOGNITION***)

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1989 Charter of the Fundamental Social Rights of Workers – encouraged *convergence* of national social protection and welfare policies on common objectives

- *harmonisation* retained in context of freedom of movement - harmonisation of:
 - conditions of residence;
 - conditions on duration of paid leave;
 - of health and safety conditions at workplace

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BUT Charter ‘recognised national differences in social protection and welfare systems – referred to “ need to act in accordance with national practices and arrangements applying in each Member State

(POLICY FORMULATION based on ***COHESION*** and ***HARMONISATION*** (of principles)

(MUTUAL RECOGNITION of diversity in ***POLICY IMPLEMENTATION***)

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Charter of Fundamental Social Rights of Workers
appended to 1992 Maastricht Treaty as the
Agreement on Social Policy

- EU Commission's role limited to encouraging co-operation between Member States and facilitating co-ordination of action of Member States in all social policy/welfare policy covered by Agreement on Social Policy
*(leading to greater **CONVERGENCE**)*

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July 1992 E.U. Council of Ministers issued recommendation on ‘convergence of social protection objectives and policies’

- was concerned that differences in social security cover might impede free movement of labour and increase regional imbalances, particularly between north and south of E.U.

- proposed a *convergence* strategy that was flexible, progressive, but non-binding

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Common *harmonised* objectives of *convergence* strategy based on:

- equal treatment and fairness;
- avoidance of discrimination and disadvantage.

BUT only broad aims and principles – no clarification of how principles should be operationalised

(***POLICY IMPLEMENTATION*** based on harmonisation of principles rather than clear measures)

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1997 E.U. Commission described highly developed social protection (and welfare) systems as a ‘fundamental component and distinguishing feature of the European Model of Society’

BUT welfare and social protection *policy formulation* only subjected to limited *harmonisation* (of objectives, aims and principles) AND greater *mutual recognition* of diversity in *policy implementation*

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Reasons for limited harmonisation (of principles and aims) and greater mutual recognition (in implementation to meet principles and aims):

1. Enlargements (membership of states with differing welfare and social protection systems);
2. Differing stages of social and economic development of States (economic costs);
3. Differing societal cultural traditions;
4. Lack of political will Member States politicians;
5. Euro-zone crisis (harmonisation downwards)

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Implementation of Welfare policy across EU

Member States last 30 years influenced by:

1. Shifts towards market principles in provision of welfare – and introduction of some privatisation of services;
2. Economic pressures and political ideological choices by governments (especially after 2008 Eurozone crisis);
3. Introduction of managerial reforms;
4. Increased selectivity of citizens entitled to welfare (rise of ‘social exclusion’)

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So, we have in EU:

4 types of welfare systems across E.U. states
(Lecture 3)

influenced by

other factors over last 30 years

(economic and political) (Lecture 2)

and this has produced

greater convergence between harmonisation
and mutual recognition (Lecture 4)

in welfare systems in EU states