

ESPA net 2008 Conference
Cross-Border Influences in Social Policy
Helsinki, September 18-20, 2008,
Stream 2, Europeanization and welfare state change



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- analysis is based on 50 semi-structured interviews
 - representatives of administration on European, national and local level
 - representatives of European and national Social Partners
 - in ‚Brussels‘, Germany, France and Italy
 - between autumn 2005 – spring 2007

- plan of the talk
 - The puzzle of labor market reforms in the three countries.
 - How is this explained by current research on EES?
 - Our own analytical approach.
 - The traditional coordination patterns in the three countries
 - The domestic coordination of the EES
 - Comparing the coordination and the reform paths

What are the goals of the EES?

- equal opportunities on the labor market
 - increase labor market participation of all groups of society
 - include all those able to work into the regular labor market
 - reduce gender, age and education specific inequalities as well as regional disparities
- Flexicurity as key model
 - Flexibility/Adaptability
 - less labor market rigidities
 - less job protection for core-labor force
 - Security
 - adapt social security to cover new social risks, including all citizens
 - Activation
 - improve employability of all those able to work
 - empowering and supporting all citizens to meet the exigencies of the labor market

- Reduce social segmentation of the labor market
- Activation as key pillar of Flexicurity

The puzzle of labor market reforms between 2000-2005

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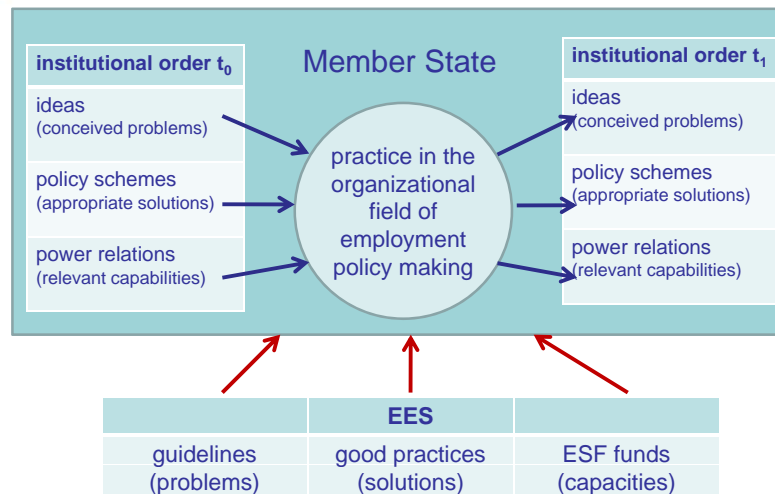
	biggest challenges	reforms	major reform areas
Germany	exclusion of -low qualified -women -older workers	Job-AQTIV (2001) HARTZ I-IV (2003-2005)	- activation -reform of PES -focus on employability -rights and duties for jobseekers
France	exclusion of -young people -migrants/ ethnic groups -low qualified -particularly in combination	Plan Cohesion Social (2004)	- fight risk of in-work-poverty - subsidizing employment - streamlining active LMP insertion schemes - as means of social cohesion
Italy	exclusion of -women -young people -older workers -immigrants/ ethnic minorities -low qualified -regional disparities	legge Biagi (2002-2004)	a) flexibility introducing a broad variety of precarious work contracts for fringe groups -as means of insertion and combating undeclared work b) activation? completely regionalizing LMP c) disregarding social security pillar, particularly for (a)
	-social security		

- So far Dominance of effect analysis (Zeitlin/Pochet 2005)
- Explanations of transnational learning
 - biased by individual learning (Jacobsson/Vifell 2007, Hemerijck/Visser 2003)
 - do fail to take domestic 'implementation chain' into account
 - need to consider 'ensemble of institutions' in a governance approach (Goul Andersen 2007)
- Explanation of differences in domestic appropriation
 - by vague reference to 'institutional legacies' (López-Santana 2006: 494)
 - failure to explain 'stable institutional practices' despite 'cognitive change'
- this has contributed to critique of EES as being merely 'cheap talk' (Büchs/Friedrich 2005, Borrás/Greve 2004)
- How does EES influence domestic institutional change?
- How do institutions effect domestic appropriation of EES?
 - no analysis of 'direct causalities', only indication of 'contributions'

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- Hypothesis 1
 - *the EES provides an additional strategic resource for actors within the domestic bargaining arena*
- Hypothesis 2
 - *the traditional patterns of coordination guide the domestic coordination of EES*
- Hypothesis 3
 - *the domestic patterns of coordinating EES influence reform paths*

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- institutional entrepreneurs as skilled actors (active strategy) (Fligstein 2001, DiMaggio 1988, Eisenstadt 1968)
 - use institutional structure as resource
- EES provides additional resource in the domestic field
 - to the extent that this is considered 'legitimate' by other actors
- oppose institutional 'conservateurs' (passive strategy)
 - actors who have an interest in calculability of existing institutions
- most important goal of actors:
 - increase or protect their relevance for the joint undertaking
 - regulating employment policy
 - three strategies
 - improve relevant organizational capabilities
 - propose relevant and promising new solutions to given problems
 - persuade others of new problems
 - » in a field the innovator has particular problem solving capability

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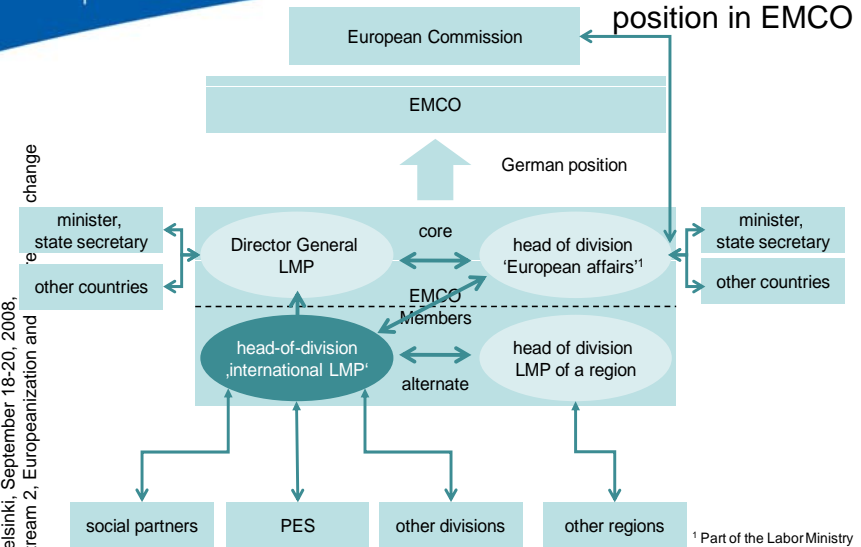
traditional coordination patterns

	Germany	France	Italy
inter-ministerial	horizontal, on the division level 'hierarchy by exception'	hierarchic, by specialized coordination body	fragmented 'failure of coordination' (Della Cananea 2000)
regions	'cooperative federalism', -shared competences - horizontal and vertical -coordination -'vertical brotherhoods'	centralist-unitarian - little competences - little coordination -(recently changing →)	regionalistic - many responsibilities - little coordination
social partners	cooperative tripartite industrial relations - strong ex-ante reconciliation on the working-level	etatistic - (comparatively) little competences - little coordination	particularistic and conflictive - many competences - failure of tripartite coordination

- Does the domestic organization of the EES reflect these patterns?
- Did this influence reform outcomes?
- Did the EES influence domestic power/coordination structure?

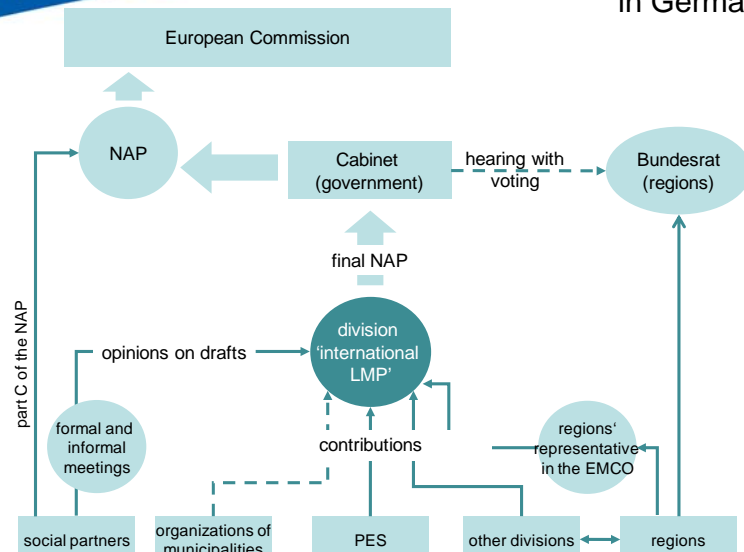
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Coordinating the German position in EMCO



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Coordinating the NAP in Germany

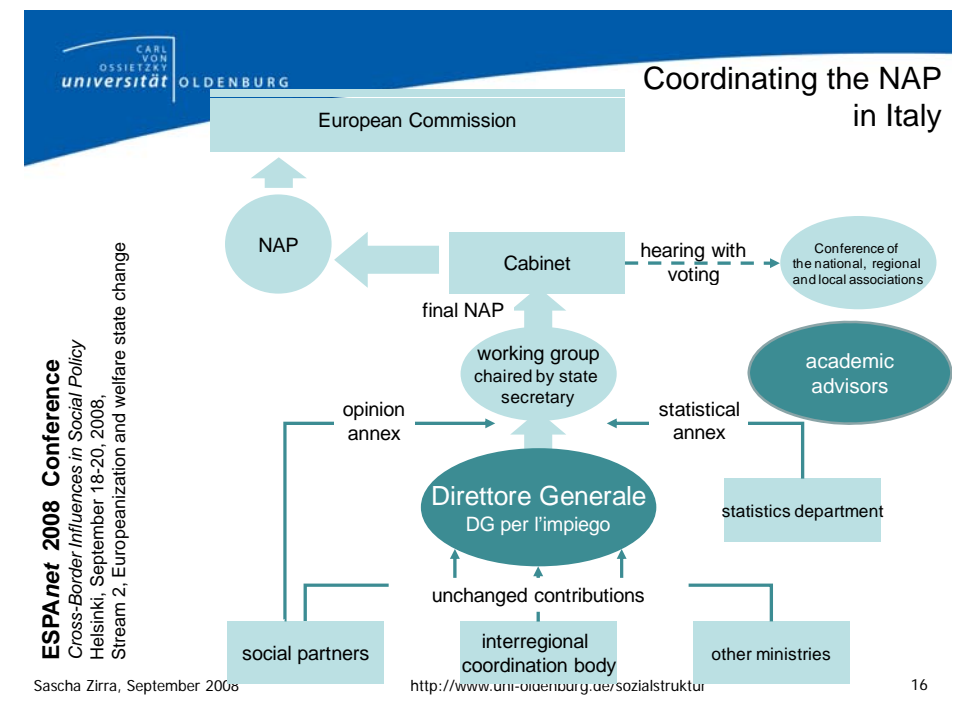
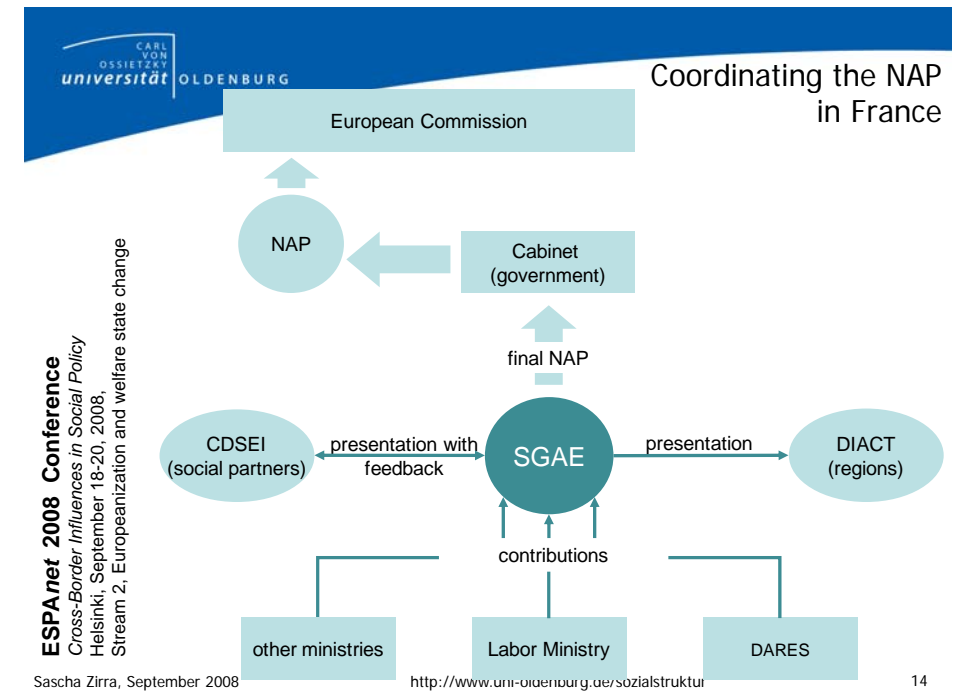
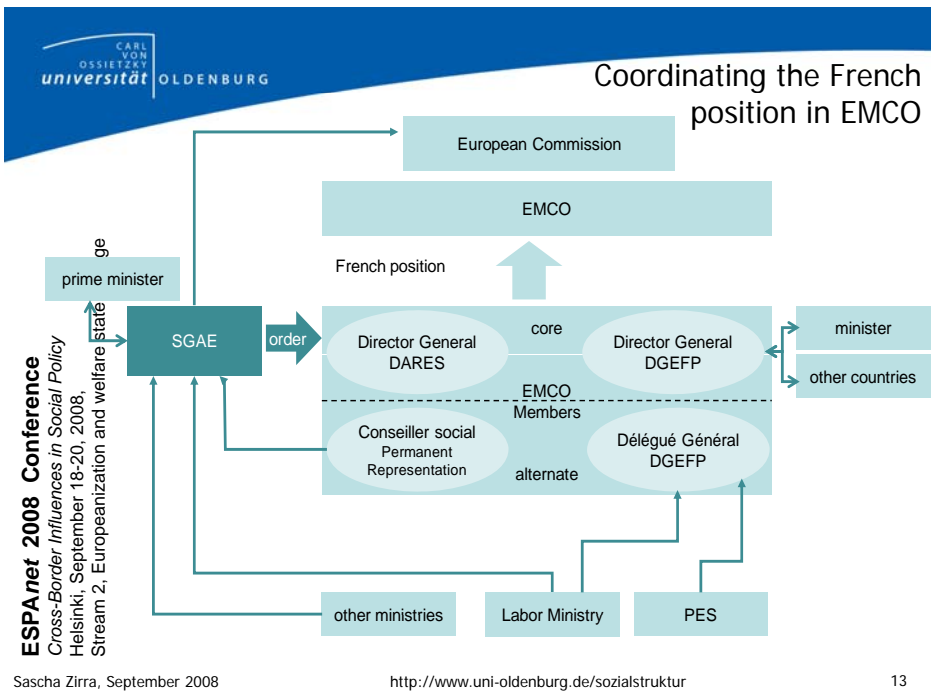


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institutional entrepreneurs in Germany

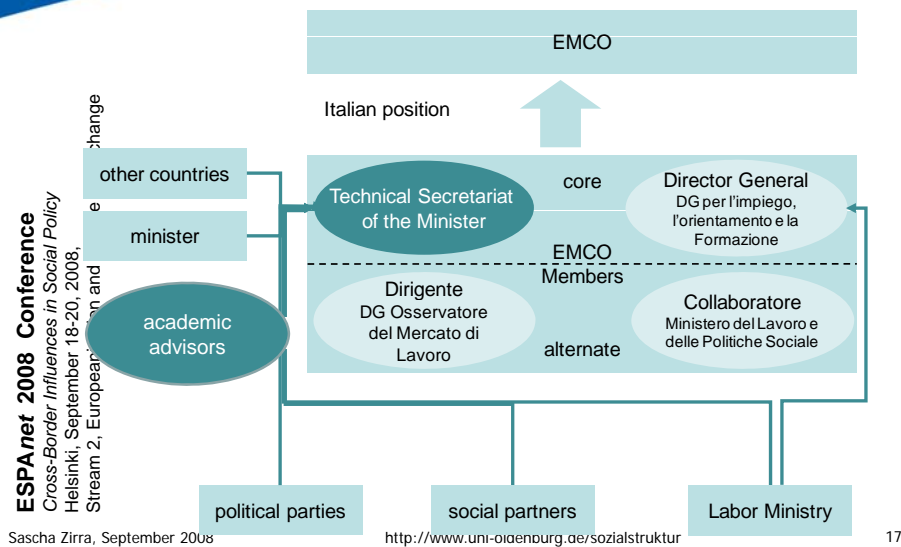
- division has used this strong position as institutional entrepreneur
 - 'we as policy advisors'
- EES widely organized in the tradition of pre-existing patterns
- but
 - attempts to implement broader employment policy approach
 - monopolization of EES communication and competences by work-level division 'international LMP and encouragement of job-take-up'
 - used EES as argumentative resource to increase stake of overarching employment policy and to further preventive approach in LMP
 - hard to commit actors beyond the technical LMP level
 - political level of Länder, municipalities and social partners
 - education, family topics
 - over-complex coordination, micro-political bargaining?

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Coordinating the Italian

European Commission position in EMCO



institutional entrepreneurs in Italy

- EES widely organized in traditional coordination patterns
 - fragmented competences, failure of coordination
 - strong role of academic counselors
- academic advisors as institutional entrepreneurs
 - first of all Marco Biagi but surrounded by many, dominantly economic experts
 - increasingly but still partially incorporated into the ministry
 - competing 'parties' within the Labor Ministry
 - advocating for reforming labor market rigidities for core workers
 - no reconciliation beforehand → doubtful compromise of rendering the margins more flexible (without endowing these jobs with more social security)
- regions as institutional entrepreneurs
 - increasingly enabled by ESF
 - little to no national coordination of regional LMP
 - very different organizational capacities to implement LMP (north vs. south)

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comparing the role of institutional entrepreneurs and reform paths

	Germany	France	Italy
institutional entrepreneur	working-level division 'international LMP and encouraging job-take-up'	SGAE and DGEFP competing	a) (economic) academic experts b) northern/central regions
major reform	preventive and activating LMP	streamlining active LMP schemes (subsidized work contracts)	a) flexibility/adaptability at the margins b) regionalization of PES
effect on power structure	- reduction of veto-positions (municipalities) - stronger position of LMP department	potential of better steering and programming capacity of prime minister	a) potential of improved expertise within the ministry by partially incorporating academic experts b) strengthening particularly northern regions while leaving the south to EU

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Conclusion

- the use of EES by domestic institutional entrepreneurs can contribute to explain reform paths
- EES has provided an important resource for actors advocating reforms in the three countries
- EES was largely organized according to pre-existing coordination patterns
- contrary to hopes of some authors (Sabel/Zeitlin 2007 and Eberlein/Kerwer 2004) we could not find major signs of opening the domestic arena to new actors
- but rather indications for a 'Matthew-effect' 'He that has plenty shall have more'

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Thank you for your kind attention.

EES resources	Germany	France	Italy
ideas, concepts	re-orientation of LMP towards activation	persistence of 'flexicurité à la française'	little overall realization of exiguency to reform LMP
LMP schemes	many implementation failures due to domestic veto-players and institutional 'misfit'	improving LMP schemes	'cherry picking', broad regional variety, 'flexibilization' at the margins
power relations	strengthening coordinating role of LM department	strengthening inter-ministerial co-ordination body SGAE	enabling regional LMP and PES

The Use of EES in Germany

	situation	key mechanisms	impact
ideas, concepts	window of opportunity (placement scandal, perception of policy failure), need for orientation in dynamic reform process	reference to individual EES guidelines -problem analysis and reform orientation by explicit reference in report of the Hartz-Commission	-change of preference in ministry -re-orientation towards a preventive and activating LMP
LMP schemes	dynamic reform process	many individual 'best practice examples' as a blueprint (e.g. one-stop-shop, profiling, job-rotation)	hard problems of implementation, many 'misfits'
power relations	- important role of LM department in ministry -in EES and domestic field -close, informal cooperation with social partners -resistance by 'provinces' ('Landkreise') and regions ('Länder')	-empowering LM department -marginalizing municipalities and regions -'binding' social partners to European commitments	-threat of 'disembedding' the field of LMP from domestic context

The Use of EES in France

	situation	key mechanisms	impact
ideas, concepts	referring to 'Europe ' not legitimate in domestic field 'You better don't mention Europe if you want to implement something'	no official reference to EES but re-interpretation of European leitmotif of activation	'flexicurité à la française' persisting idea of 'social cohesion'
LMP schemes	LM administration in search for better means to reach existing goals	strong use of 'best practice' examples as inspiration for domestic reforms	variety of new programs for job insertion
power relations	centralistic, etatistic administration -fragmentation of EES and domestic LMP competences -marginal role of social partners and regions in national LMP	strengthening the centralistic administrative co-ordination (SGAE)	threat of 'disembedding' central administration from domestic context

The Use of EES in Italy

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	situation	key mechanism	impact
ideas, concepts	realization of reform exigencies particularly for PES	strong orientation on EES goals due to ESF on regional level	new role of PES (starting in 1997)
LMP schemes	radical regionalization of PES and LMP, -no pre-existing LMP -missing financial resources on regional level	strong orientation on ESF funded schemes, financing PES reform	new training schemes (often as compensation for missing/low social benefits)
power relations	strong fragmentation - between government, administration, regions, social partners, -little co-operation -missing capacity of regions to cope with LMP and PES	ESF financing regional LMP and PES	strengthening local organizational capacities but little progress in the south

LMP as Organizational Field

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- Organizational fields
 - characterised by autonomous regulatory patterns
 - provide orientation for the actors in the field
 - organizations affiliated with the domestic regulatory system constitute an organizational field
 - based on interactions which are oriented towards each other according to their significance, sanctioning potential and power relations.
 - » Labor Ministry
 - » Social Partners
 - » Regions
 - here national employment systems are reproduced in ways which are not identical.
- field of employment policy is embedded in various environments
 - diverse national environments
 - receives legitimacy, needs to fit into institutional complementarities
 - decisions have a direct influence

The Europeanization of German Corporatism

