The emergence and transformation of the European agenda on flexicurity

Patrik Vesan

Working Paper n. 4
Ottobre 2012

COMITATO EDITORIALE

Marco Alderighi
Paolo Gheda
Anna Merlo
Lucia Ruggerone
Dario Elia Tosi
Patrik Vesan
The emergence and transformation of the European agenda on flexicurity

Patrik Vesan
Dipartimento di Scienze economiche e politiche
Università della Valle

Abstract

A considerable number of studies have been devoted to clarifying the meaning of flexicurity and its components. By contrast, little attention has been paid to the politics of flexicurity in Brussels. This paper addresses this knowledge gap. Building on the agenda-setting literature, we trace the emergence and transformation of this issue within the EU discourse on employment policy. After a brief historical reconstruction, the paper explores the causes of the emergence of flexicurity as a central component of the European Employment Strategy. Three hypotheses are discussed. The first considers flexicurity a part of a hidden agenda aimed at fostering the hegemony of the neoliberal discourse in Europe. According to the second hypothesis, the flexicurity agenda can be viewed as an attempt to face the EU’s legitimacy crisis by promoting the social dimension of the European integration process. The third hypothesis regards the flexicurity agenda as a discursive tool used to improve the visibility of the European Commission and expand its influence on employment policy. Our argument is that the flexicurity agenda should be understood by looking at the Commission’s interest in gaining visibility and legitimacy for its actions within the EU governance system. The last part of the paper focuses on how the discourse on flexicurity has been adapted in the light of the recent global economic crisis, shifting from an approach based merely on hiring and firing to one focused on protecting existing jobs and social security elements.

Keywords: Flexicurity, employment policy, European Union, policy agenda, European Commission, transitional labour market.

Patrik Vesan (corresponding author), Università della Valle d’Aosta, Loc. Grand Chemin, 73-75, 11020 St. Christophe (AO), Italy. Tel. ++39 0165 066 716; Fax. ++39 0165 066748; e-mail: p.vesan@univda.it
1. Introduction

Ten years after the launch of the European Employment Strategy, a new buzzword, ‘flexicurity’, has appeared in the European debate on employment policy. Flexicurity refers to a policy approach aimed at balancing flexibility in the labour market with the security needs of workers. Several studies have attempted to clarify this concept and its two component elements (Viebroke and Clasen 2009; Wilthagen and Tros 2004; Vielle 2007; Pacelli et al. 2008) or define it with reference to the labour market reforms conducted in Denmark or The Netherlands (Green-Pedersen et al. 2001; van Oorshot 2004; Bredgaard et al. 2005; Jørgensen and Madsen 2007; Auer 2002; Vesan 2008). In addition, other scholars have tried to trace the history of flexicurity at the EU level, looking at its key events and actors (Mailand 2010; Uslu 2009; Keune and Jepsen 2007; Antoniades 2008).

Nevertheless, little attention has been paid to the reasons behind the European Commission’s decision to position flexicurity at the top of the EU agenda or to the shifts the EU discourse on the issue. This paper deals with these matters and focuses on the politics of flexicurity in Brussels. It is divided into five sections. Section II presents three hypotheses on the emergence and transformation of the flexicurity agenda: (i) flexicurity as a vehicle for the promotion of a neoliberal paradigm; (ii) flexicurity as an answer to the EU’s legitimacy crisis; and (iii) flexicurity as a discursive tool to increase the influence of the European Commission in employment policy. Section III traces the development of the flexicurity issue within the EU employment policy debate, drawing on the literature on agenda-setting. Section IV discusses, in light of this policy narrative, the three above-mentioned hypotheses on the rise of flexicurity at the EU level. Finally, section V focuses on how the Commission has adapted its debate on flexicurity in the context of the recent global economic crisis, integrating flexicurity into the framework of the new ‘Europe 2020’ strategy.

We argue that the rise to prominence of flexicurity can be explained by looking at the Commission’s interest in increasing its own power within the EU governance system. Our second conclusion is that, since 2009, the European debate on flexicurity has gradually moved away from an approach based merely on “hiring and firing” and “make work pay” policy strategies to an approach more focused on protecting existing jobs, fostering internal flexibility measures and securing labour transitions.

Drawing upon insights from discursive institutionalism (Schmidt 2000; 2010), the analysis of the setting of the agenda on flexicurity and the change in its substantive content will be conducted through the reconstruction of the sequence of events and interactive processes by which the issue of flexicurity has been conveyed in the EU institutional context. As we will argued, this institutional context has constrained the development of the discourse on flexicurity and favour the construction of a specific meaning of flexicurity. The data we have used in the research derive from eight semi-structured interviews with some key informants and from the in-depth analysis of government and social partner position papers, newspapers articles, and EU documents. We have compared the information we have collected with the policy reconstructions and interviews reported in other studies in order to verify its reliability.

---

1 The only significant exceptions that we know are represented by the analyses carried out by Klindt (2011) and Mailand (2010, 2011).

2 We carried out eight interviews between 2008 and the beginning of 2012: some were conducted by myself and some by Federico Pancaldi, whom we thank for kindly making the collected information available (see the list in the annex).

3 A valuable source of information has been the three dossiers produced by Clemente Massimiani (2007; 2008; 2009). These documents are available at http://www.lex.unict.it/eurolabor/ricerca/dossier.htm. Another source of information has been the report produced by Federico Pancaldi (2009) under the framework of the research project ‘Between flexibility and security: new challenges for the European employment policies’, financed by the University of Valle d’Aosta and coordinated by Patrik Vesan.

4 We refer especially to the information reported in Mailand (2010), based on ten interviews, and Uslu (2009), based on four interviews.
2. Flexicurity as a European issue: Three hypotheses

In 2005 the ‘concept known as flexicurity’, as it was originally described by Commissioner Vladimir Špidla in 2005, suddenly entered policy parlance across Europe. Initially framed by small epistemic communities composed of academics and policy experts, the concept of flexicurity rapidly assumed a high priority at both the EU and national levels (Jørgensen and Madsen 2007). To be sure, the European Commission (especially the DG Employment) was the actor that played the major role in ensuring this success. In what follows, we present three hypotheses about why the Commission launched and invested so much in the flexicurity agenda.

The first hypothesis considers the ideational content of the European Commission’s agenda on flexicurity. A simple way to understand why a policy agenda is promoted by a some actors is to look at the values and the normative orientations carried out by the agenda itself. As suggested by some authors (Kurian 2008; Bradanini 2009; Crespo and Serrano 2010; Ter Haar and Copeland 2010), the agenda on flexicurity can be explained as a strategy designed to spread the fundamental tenets of the neoliberal doxa on employment policy, such as the lowering of labour protection or the focus on activation and individual responsibility of jobseekers. The real intention of the Commission’s agenda on flexicurity was to persuade social partners and national governments of the need for labour market flexibility reforms in return for some relatively vague notion of employment security (Kurian 2008). From this perspective, flexicurity can be regarded as a clear example of “embedded neo-liberalism” strategy (van Apeldoorn 2009), i.e. an attempt to incorporate elements of the socio-democratic discourse into the hegemonic neoliberal discourse “in such a way that the antagonism of these rivals projects can be effectively neutralised and the primacy of the neoliberal objective and free markets and enterprise secured” (ibid., 24, italic added). The main driving force behind flexicurity was therefore represented by the effort to disseminate a specific work ideology based on the shift from the static idea of job protection to the promotion of flexibility and employment security (Keune and Jepsen 2007; Tangian 2007).

The second hypothesis focuses on the role of the European Commission as the guardian of the common European interest and the promoter of European integration process (Christiansen 2011). According to a common reading (Tsakatika 2005), the Commission can be depicted as a supranational authority that mediate between contrasting political views deriving from national governments or interest groups. This role of broker of interests has often been crucial for providing new impetus for European integration, especially in times of crisis when the negotiations between Member States are locked in stalemate. The Commission, at least in the original idea of Jean Monnet, is the best placed actor at the EU level as policy proposer since it can assume the role of impartial arbiter between small and big states or between social partners. In addition, the Commission often appears to be the “Community’ sympathetic ear” (ibid., 200), i.e. the actor best equipped, in terms of technical and political knowledge, for building consensus among actors, thanks to the daily consultations of interest groups and national officials. The argument to be made here is therefore that the agenda on flexicurity can be understood as a communicative strategy carried out by the Commission in order to accommodate (inasmuch as possible) all national preferences on how the European Union can face the labour market challenges posed by the economic globalization (Antoniades 2008, Mailand 2011). The agenda on flexicurity, therefore, did not simply represent a neoliberal Trojan horse, as suggested by the first hypothesis. By contrast, it represented a compromised solution aimed at re-launching the debate on the social dimension of the European integration process and thus redressing the EU’s legitimacy. Meanwhile, as a new slogan, flexicurity offered an opportunity to improve media coverage of EU initiatives and arouse the sleeping European Employment Strategy (EES).

The third hypothesis is based on the role of the European Commission as a strategic actor seeking to increase, in spite of its budgetary and human resources constraints, its competencies within the EU system and its influence on policy domains (Majone 1996; Cram 1993; 1994; Mazey and Richardson 1993). As shown by Cram (1994), the Commission often operates as a purposeful opportunist that constructs and then disseminates the policy images that offer it the best chances of achieving its objectives. According to this hypothesis, flexicurity agenda can be explained as an ‘image-venue exercise’ (Wendon 1998) carried out by the Commission to support policy approaches that can help it carve out an influential role. The role of the European Commission in promoting flexicurity has been neither that of an impartial mediator, simply interested in giving new impetus to the European integration process (as suggested by the second hypothesis), nor of an “at-any-cost” supporter of neoliberal approach in employment policy reforms (as suggested by the first hypothesis). By contrast, the promotion of flexicurity meets the Commission’s interest to expand its influence on employment policies and to maximize its position, in particular vis-à-vis the European council (Princen and Kerremans 2008).

To sum up, these three hypotheses focus on the existence of different explanations of why flexicurity became a European policy issue. In the first case, the agenda on flexicurity is considered as a vehicle for the promotion of neoliberal ideology. The second hypothesis looks at the attempt made by the Barroso Commission to promote a new consensus among Member States on the way of countering economic globalization and to revive the debate on the Social Europe and the European Employment Strategy. Finally, the last hypothesis focuses on the strategic role played by the European Commission and on its interest in incrementally gaining power in these policy domains – such as the employment and social domains – where it has limited competences. Indeed, these three hypotheses are not necessarily contrasting, since a certain degree of compatibility can be supposed. Nevertheless their discussion will help us to shed light on the main driving force behind the Commission’s elaboration and promotion of flexicurity as a supranational agenda. To this end, in the next section, we trace the key aspects of flexicurity’s history at the EU level. Our aim is to analyse the interplay among EU stakeholders and the role played by the Commission in the formulation of the flexicurity agenda. The plausibility of the hypothesis that we have presented will be then assessed on the basis of the main elements that emerge from our reconstruction.

3. The setting of the EU agenda on flexicurity

The growth of flexicurity’s prominence has been influenced by various events occurring in the broad European political context. Building on the literature on agenda-setting (Cobb et al. 1976; Princen and Rhinard 2006; Princen 2009; Peters 1994; 2001), we identify three phases in the development of flexicurity at the European level: issue emergence, issue specification, and issue consolidation.6

The first phase, issue emergence, usually occurs when attention is attracted to a hitherto neglected issue and when proposals for action (albeit vague) are put forwards to address it (Tallberg 2003).

The second phase, issue specification, is characterised by the ‘further elaboration of a general issue into a set of specific demands’ (Princen and Rhinard 2006, 1121). Advances in the process of issue framing (Cobb and Rochefort 1994) and an extension of debates away from the initial actors (the originators) to a wider set of participants characterise this phase.

The last phase, issue consolidation, concerns the appearance of the issue on the formal political agenda and is often characterised by the creation of a highly visible political momentum, such as

---

6 This distinction is made only for analytical purposes. In fact, the different phases can, to a certain extent, overlap. Nonetheless, it is possible to identify events and policy initiatives that can be plausibly considered as relevant turning points or markers in the agenda-building process.
the publication of official documents. This phase usually represents a crucial, though insufficient, step towards reaching the decision agenda, understood as the governmental agenda for active decision making (Kingdon 2003).

**Issue emergence**

Until the second half of the 1990s, the issues of labour market flexibility and worker security were separate concerns in the European debates and in employment policy initiatives. The usage of the concept of flexicurity was virtually exclusive to a few small circles of policy experts before the Commission decided to pick it up officially (Barbier 2007; Wilthagen and Tros 2004). Actually, the first explicit reference to the flexibility-security nexus (before the appearance of the ‘flexicurity’ neologism) can be found in the 1997 European Commission Green Paper on ‘Partnership for a new organisation of work’. Only by 2005, though, had flexicurity started to be raised as an issue, initially in connection with the revision of the Lisbon agenda. In October of that year, the British Presidency of the EU held a tripartite summit (the Hampton Court Summit) to discuss how best to promote the social dimension of European integration. This summit represented the first opportunity for the Employment and Social Affairs Commissioner, Vladimír Špidla, to set out his vision. This called for greater flexibility in European societies and economies and new forms of security based on workers’ skills rather than the simple preservation of jobs.

Therefore, in this first phase of the agenda setting, the flexicurity approach prompted by Commissioner Špidla clearly addressed the flexible elements of labour market reform (such as hiring and firing) and the concept of employment security rather than job security (Mailand 2011). In the beginning of 2006, flexicurity became one of the priorities of the Austrian Presidency, which dedicated the first informal Employment, Social Policy, Health and Consumer Affairs Council (EPSCO), held in Villach from 19 to 21 January 2006, to the issue. This event marked the entrance of flexicurity into a new phase of the agenda-setting process.

**Issue specification**

Between 2006 and spring 2007, the debate over flexicurity extended to include a wider set of stakeholders. This new phase of the flexicurity agenda was characterised by the publication of the ‘Modernising labour law to meet the challenges of the 21st century’ Green Paper in November 2006, which represented the first important contribution of the European Commission to the flexicurity debate. This consultative document had the stated aim of looking at the role of labour law in advancing the flexicurity strategy. The main intent of the Commission was to frame the discourse on European employment initiatives, addressing, for example, the need for a European definition of ‘employee’ and the role of the EU in the modernisation of labour law, especially as regards the issues of temporary agency work and working time.

A lively debate on the Green Paper opened up across Europe. Two cleavages emerged: the ‘pro- vs. anti-EU regulation’ and the ‘liberal vs. social protectionist’ cleavages.

---

7 COM (97) 128 final, 16 April 1997.
8 See for example Špidla’s speeches ‘Is flexicurity topping the DG employment agenda?’ EPC Policy Dialogue, and “Flexicurity” on the labour market: are the EU-25 speaking the same language?” 14 September 2005 (Speech/05/506).
9 In this regard, it is interesting to quote the metaphor used by Špidla during the Villach Summit (January 2006) when he was describing flexicurity: ‘I see it as a policy which is geared more to the protection of people than to the protection of jobs. By way of illustration: when a ship sinks, the most important thing is not to save the ship but to save the people on board’.
11 As reported in the Commission’s document: ‘this Green Paper looks at the role labour law might play in advancing a “flexicurity”agenda in support of a labour market which is fairer, more responsive and more inclusive, and which contributes to making Europe more competitive’ (CEC 2006, 4).
12 See in particular questions n. 8-9-10-11 and 12 in the 2006 Green paper.
13 On similar cleavages in the debates on European employment policy, see Gold (1993) and Degani (2006).
Concerning the first cleavage, countries such as France, Belgium, Italy, Spain, Portugal, Austria, Luxembourg, Slovakia, Hungary, and Bulgaria (along with the European Trade Union Confederation - ETUC) supported the idea of a more pro-active role for the EU in employment policy (Gentile 2007; Massimiani 2007; Pancaldi 2009, Mailand 2011). The French government, for example, explicitly argued for the establishment of a ‘European social order’, based on the ‘construction of a basic foundation of social norms...in order to provide all workers throughout the Union with a decent level of minimum protection’ (French Labour Ministry 2007, 13). By contrast, other countries, such as the UK, Denmark, Sweden, and Germany, backed by some of the new member states (such as Poland and the Czech Republic), expressed opposition to the widening of the EU’s scope of action in labour law (Gentile 2007; Massimiani 2007; Pancaldi 2009, Mailand 2011). In addition, the main European employers’ association, the Union of Industrial Confederations of Europe (UNICE), mounted stiff opposition to the early drafts of the Green Paper. These efforts by UNICE, which led to a significant delay in the presentation of the definitive text, was to put a preventive veto on the text of the Commission’s document, since the association feared that the Green paper concealed ‘an implicit agenda of harmonization of labour’.16

A second contentious issue involving the Green Paper, which was at the centre of the ‘liberal vs. social protectionist’ cleavage, concerned the role of atypical forms of employment contracts in the labour market. According to the UK, Denmark, and the UNICE, the Commission was embracing a prejudiced view of non-standard forms of work and self-employment, at least in the early versions of the Green Paper (Pancaldi 2009; Massimiani 2007). By contrast, the German government distanced itself from the more liberal countries and joined with other continental countries (France, Austria) and the Southern European and in calling for the need ‘to strengthen standard working relationships in accordance with national practices and to limit their circumvention by atypical employment relationships.17 Similarly, the ETUC openly disagreed with the Commission’s analysis that blamed the high level of employment protection legislation for Europe’s underperforming labour markets18.

To sum up, the Commission opened the debate on flexicurity by launching a consultation on the old issue of European labour law. The positions of national governments and interest organizations on the (narrow) Green Paper’s approach to flexicurity appears complex and cannot be simply translated into a “pro and cons flexicurity” dichotomy. On the one hand, some member states, (for example the UK, the Netherland, Denmark, and Germany) and the UNICE were opposed to flexicurity by EU laws, although for different reasons. On the other hand, France, Belgium, the Southern European countries and the ETUC, while opposing the anti-job security bias of the early Commission’s approach on flexicurity, welcomed the idea of flexicurity as a way of raising labour standards of atypical workers.

In this second phase of the agenda setting process, the Commission tried to act as a disseminator of knowledge and best practices in order to build consensus on its new employment policy flagship (Keune and Jepsen 2007). The most striking example of this attempt was the creation of a group of

---

14 In 2007, the UNICE changed its name to BusinessEurope.
15 The Green Paper was originally due to be discussed at the European Council in June 2006, and its publication was to be accompanied by the adoption of a Communication (‘Working in Europe – jobs, competitiveness and social justice in the European labour market’), as announced in the first draft of the Green Paper and then removed from the following versions. In addition, the last-minute choice of title ‘Modernising Labour Law’, more neutral than the previous suggestion ‘Adapting labour law to ensure flexibility and security for all’, also seems to confirm the existence of pressures on the European Commission to reduce the scope of its initiative. See for example Euractive, ‘Commission to cancel Labour market communication’, 20 November 2006 and ETUC (2006).
16 The quotation refers to the words of the UNICE’s President, Daniel Sellières, as reported by Euobserver, ‘Labour law: Green Paper delay raises tempers’, 22 June 2007.
17 See the Chair’s conclusions at the Informal Meeting of ministers of Employment and Social Affairs (Berlin 18-20 January 2007).
18 See for example the position adopted by the ETUC Executive Committee in their meeting held in Rome on 20-21 March 2007, retrievable from www.etuc.org.
policy experts enrolled by the Commission to prepare a report on flexicurity.\(^{19}\) This group, composed of academics, DG Employment officials, and social partner representatives, worked from July 2006 to June 2007 under the coordination of Tony Wilthagen. Nevertheless, as reported by Mailand (2010), reaching an agreement within the Expert Group was a ‘painful process’ (ibid, 246). Representatives of the ETUC, for example, decided to step back from the group and assume the position of external advisors, as they found the final report too focused on external forms of flexibility. In addition, the Commission had to face some tensions due to the initially sceptical position of the German government who held the EU Presidency in the first half of 2007. In a letter sent to the Commission, the German government, together with the Slovenian and the Portuguese governments (the EU “troika”), asked for excluding some aspects related to numerical flexibility and job security that were, by contrast, strongly supported by DG employment officials represented in the Expert group (Mailand 2010).

**Issue consolidation**

With the adoption of the European Commission’s communication ‘Towards Common Principles of Flexicurity: More and Better Jobs through Flexibility and Security’\(^{20}\) in June 2007, the issue of flexicurity definitively find a place on the EU employment policy agenda. The content of the Wilthagen report and the Commission’s communication were broadly similar. Both documents defined flexicurity as a policy strategy, focusing on the same key components and common principles. The main message was that flexicurity could not be considered a ‘magic recipe’ or a ‘one-size-fits-all’ solution to the problems affecting European labour markets. In fact, both the Wilthagen report and the communication on flexicurity identified some typical ‘pathways’ towards flexicurity, indicating the possible directions of policy reforms based on the main challenges facing different national employment regimes.\(^{21}\)

In the months that followed its publication, the communication on flexicurity was at the centre of a widespread debate that prepared the ground for the final adoption of the flexicurity principles by the European Council at the end of 2007. National governments welcomed the communication’s contribution as an important milestone in the debate on flexicurity; the most sceptical of the positions that had emerged during the discussion on the Green Paper were overcome.

Member states that had held an ‘anti-EU regulation’ position started to support the Commission’s flexicurity approach openly. This shift was favoured by the fact that the risk of excessive European intrusion in national policies was circumscribed. For example, while the European Commission preferred to present the flexicurity pathways, which were part of the main text of the Wilthagen report, as an addendum to the communication, specifying that ‘the four typical pathways do not reflect the concrete situation of any specific country’ (CEC 2007, 5). This cautious approach also reflected the opposition of the majority of member states to any explicit reference to national situations that might make the pathways appear to be disguised guidelines (Uslo 2009, Mailand 2011). In addition, it was decided not to change the monitoring procedure already established by the Lisbon strategy and to maintain the Integrated Guidelines for Growth and Jobs adopted in 2005.\(^{22}\) Finally, no mention of the 2006 Green Paper was made in the Commission’s communication to avoid the impression of hiding an attempt to harmonise labour laws (Mailand 2010).

---

\(^{19}\) Other examples of the role played by the Commission as ‘cognitive entrepreneur’ are the 2006 Eurobarometer survey, the paper in the 2006 report ‘Employment in Europe’, and several conferences organized with academics and social partner representatives.


\(^{21}\) The pathways towards flexicurity are: a) ‘tackling contractual segmentation’; b) ‘developing flexicurity within the enterprise and offering transition security’; c) ‘tackling skills and opportunity gaps among the workforce’; and d) ‘improving opportunities for benefit recipients and informally employed workers’.

\(^{22}\) See, for example, the position expressed by the Irish government in the Irish National Reform Program. Progress Report 2007 and Wilthagen’s declarations collected by Uslo (2009).
Other important developments can be observed concerning the ‘liberal vs. social protectionist’ cleavage.

First, an important development was the shift in the French government’s position on flexicurity (Mailand 2010; Antoniades 2008; Barbier et al. 2009). With the election of President Nicolas Sarkozy in spring of 2007, the flexicurity debate stepped up a gear. France began to express a less conditional support for flexicurity at the European level. This strategy offered a new opportunity to legitimise national policy reform proposals aimed at reducing the differences between open-ended and temporary employment contracts and assuring a greater integration of passive and active labour market measures.

Second, other governments softened their initially very sceptical position and welcomed the Commission’s communication as an important contribution to the flexicurity debate, while stressing the need to promote job quality and protect the traditional model of the employment contract. This was the case with the German and Portuguese governments, for example, who held the EU Presidency in 2007. As declared in one of our interviewees, both governments were pressed by the Commission to support flexicurity; the failure of this agenda would have reflected negatively on their Presidencies (Mailand 2011).

Third, another important stakeholder entered this phase of the agenda setting: the European Parliament (EP). In July 2007, the Employment and Social Committee of the EP, chaired by Christiansen Ole, presented the first draft of a resolution on the Commission’s communication, which was adopted at the end of November 2007. In this resolution, the EP expressed concern over the Commission’s approach, pointing out the need to adopt a ‘more balanced’ set of common principles on flexicurity: a stronger emphasis would have to be placed on the issues of quality of work and gender equality, paying particular attention to the security of the most disadvantaged people. In addition, the EP accused the Commission of underestimating the risk of work exploitation ‘through the accumulation of non-standard contracts that do not contain the same rights as full-time employment contracts’ (European Parliament 2007). In addition, also the European Economic and Social Committee expressed some criticisms towards the Commission’s communication and asked for strengthening the role of social partners and enhancing internal flexibility as “a viable and acceptable dimension of flexicurity” (EESC 2007, 3).

Finally, a partial shift in the debates over flexicurity happened on the issue of social partners. At the end of October 2007, European social partners adopted a ‘Joint Analysis’ of the key challenges facing the European labour markets. The European Commission and the Portuguese EU Presidency presented this document as a ‘historical agreement’, a ‘milestone’ for the advancement of flexicurity. In fact, if we consider the position papers released by the European employers’ and employees’ associations just before the Joint Analysis, it was clear that their views on flexicurity were all but convergent. BusinessEurope, contrary to its previous position on the Green Paper’s perspectives on labour law modernisation, explicitly supported the Commission’s proposal to establish a set of common principles on flexicurity. By contrast, the ETUC continued to criticise the Commission’s communication, calling for a more balanced and labour-friendly approach to flexicurity. A tough debate took place in October 2007 within the Executive Committee of the ETUC during which continental and southern European trade unions were suspicious of the flexicurity strategy, while Scandinavian and UK trade unions were less reluctant to accept the spread of atypical forms of employment. Despite these different positions, a wide reaching agreement was finally achieved. Indeed, as the ETUC General Secretary, John Monks, tried to clarify, the Joint Analysis did not represent an endorsement by the ETUC of the Commission’s and

---

23 EU interview n. 6.
24 See, for example, ‘EU leaders and social partners discuss how the Reform Treaty and Lisbon Strategy can boost labour markets’, retrievable from http://ec.europa.eu/socialdialogue.
25 According to the EU employer’s association, flexicurity is about ‘facilitating the creation of new jobs as opposed to trying to preserve existing ones…moving away from a job preservation mindset into a job creation mindset’ (BusinessEurope 2007, 1).
BusinessEurope’s approach to flexicurity. This compromise, however, paved the way for endorsements of flexicurity at the highest EU level.

In December 2007, the common principles of flexicurity were adopted by the Employment, Social Policy, Health and Consumer Affairs Council (EPSCO) (on 6 December) and by the European Council (on 14 December). The Presidency’s conclusions delivered a compromise, accommodating most of the claims made by the EP’s resolutions and trade unions. In the Council Conclusion, the flexicurity approach was specifically moved under the aegis of the Lisbon Strategy. The wording of the common principles was modified, in accordance with the European Parliament’s and trade unions’ calls for a more balanced approach. For example, reference to the divide between insiders and outsiders was avoided and replaced by a more general reference to flexicurity as a strategy that concerns ‘those in work and those out of work’. Also, the expression ‘sufficient flexibility in recruitment and dismissal’, previously used in the European Commission’s communication, was replaced in the European Council’s Conclusions by the more neutral phrase ‘sufficient contractual flexibility’. Finally, the European Council underlined the need for a fair distribution of costs and benefits among businesses, public authorities, and individuals.

In conclusion, the issue of flexicurity launched by the European Commission at the end of 2005 finally reached the Council agenda two years later. In this period, the Commission succeeded in overcoming the initial reluctance of national governments and European social partners on flexicurity (Table 1). The ‘deliberate ambiguity’ (Uslo 2009) of this policy issue was used as a political resource to build a broad consensus which was actually based on stakeholders’ divergent positions (Keune and Jepsen 2007). The Commission convinced the national governments that held ‘anti-EU regulation’ and ‘liberal’ positions of the desirability of flexicurity without losing the support of member states with ‘pro-EU regulation’ and ‘social protectionist’ orientations. This was possible because the flexicurity approach was widely considered to be ‘old wine in new bottles’

At the national level, each government could easily find in its policy repertoire examples of flexicurity policy initiatives. At the EU level, agreement on the common principles of flexicurity did not require substantial changes. As mentioned, member states saw no need to re-negotiate the Broad Policy Guidelines or add new indicators to monitor the agreed common principles on flexicurity. The only direct and immediate follow-up to the Council Conclusions was the launch of the ‘Mission for flexicurity’ in 2008. The main aim of this initiative was, at least theoretically, to raise public awareness of the flexicurity approach, extending ownership of its principles to all significant stakeholders. Chaired by Commissioner Špidla and composed of six other members, the mission was conceived as a series of visits to be held in France, Spain, Finland, Poland and Sweden; it was completed in December 2008 with the presentation of a final report. Nevertheless, it emerged from some interviews that the ‘mission’ was nothing but a ‘parade’ across Europe, aimed at promoting flexicurity as an appropriate response to the challenges of economic globalisation.

---

26 In his resolution, the EP expressed a clear disagreement with the Commission’s distinction between insiders and outsiders (see comma 12). This issue was also at the centre of the controversies about the 2006 Green Paper ‘Modernising labour law to meet the challenge of the 21st century’.
27 Eu interview 6.
28 Eu interviews n. 6 and n. 7.
Table 1 The Flexicurity agenda setting process: approaches and positions of main actors.

<table>
<thead>
<tr>
<th>Agenda setting phases</th>
<th>Issue emergence</th>
<th>Issue specification</th>
<th>Issue consolidation</th>
</tr>
</thead>
<tbody>
<tr>
<td>European Commission’s discourse on flexicurity</td>
<td>European Commission’s flexicurity approach (early version): strong focus on “making work pay” and on the shift from job security to employment security.</td>
<td>2006 Commission’s Green Paper: Flexicurity through European laws.</td>
<td>2007 Commission’s Communication on “Principles of Flexicurity”: still a focus on “making work pay” and on employment security, but more nuanced discourse that partially acknowledge the importance of social security.</td>
</tr>
<tr>
<td>Main member states positions on the Commission’s idea on flexicurity</td>
<td>Any specific positions</td>
<td>Flexicurity opponents: UK, Denmark, Germany BusinessEurope.</td>
<td>Flexicurity supporters: UK, Denmark, France, BusinessEurope.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Flexicurity mildly supportive: France, Italy, Portugal, Belgium, ETUC.</td>
<td>Flexicurity mildly supportive: Germany, Portugal, Slovenia, Italy, ETUC.</td>
</tr>
</tbody>
</table>

4. Discussion

In this section, we discuss our three hypotheses about the rise to prominence of flexicurity. As mentioned, these hypotheses do not necessarily offer opposing explanations of why the Commission invested in the issue of flexicurity; however, we can evaluate their heuristic potential in the light of our reconstruction of the agenda-setting process.

The first hypothesis considers flexicurity as an attempt to foster a neoliberal agenda in employment policy. Some evidences of the neoliberal strategy pursued by the Commission can be found in the text of the 2007 Communication on flexicurity. In this document, the Commission emphasizes, for example, the negative consequences associated to a high level of employment protection and proposes adopting two new indicators of flexicurity: one on the Employment Protection Legislation (EPL) and the other on the risk of “unemployment trap”29 (CEC 2007, 21).

Also some of our interviews30 confirmed that flexicurity represented the latest example of the neoliberal approach in the European employment policy; this policy issue was used by the Commission to give new impetus to the idea of labour market deregulation, while the focus on the social elements served to make more acceptable the hegemonic neoliberal perspective.31

The same view was then shared by the ETUC and some MEPs. For example, according to Ronald Janssen, advisor for labour market policy and EES for the ETUC, ‘the real agenda hiding behind “flexicurity” simply seems to be the dismantling of job protection, thereby giving employers

29 This is an indicator elaborated by the OECD that measures the extent to which work is financially rewarding moving from unemployment to full-time work at wage level equal to 67% APW. This indicator has been often criticized by the trade-unions, since it starts from the assumption that the only effect of unemployment benefits is to reduce the incentive for unemployed to take up jobs.
30 Eu interviews n. 7 and 8.
31 Similarly, according to Auer (2010): ‘flexicurity was the European answer to the “flexibility-of-labour-markets-will-bring-about-economic-and-employment-growth-and welfare-for-all” mantra of the neoliberal kind, associated with former US employment successes’ (ibid, 373). Cf. also van Apeldoorn (2009); Keune and Jepsen (2007); Tangian (2007).
even more power to press for lower wages and reduce workers’ flexibility’. Similarly, some MEPs from the GUE/NGL group considered the Commission’s proposals as an attempt to increase the ‘flexploitation’ of workers, while some socialist MEPs stressed that there was a considerable apprehension at the EU level that flexicurity ‘could provide cover for what is essentially a deregulatory drive, giving priority to the needs of employers over those of employees’.

Finally, this first hypothesis appears consistent with the change (to the centre-right) in the Council’s majority and the appointment in 2005 of the Barroso Commission, which had a strong neoliberal profile (Borrás 2009; Hyman 2005; Ter Haar and Copeland 2010). Nevertheless, the analysis of the ideological orientations of the flexicurity approach carried out by the Commission may lead to opposite conclusions. Flexicurity can be regarded, for example, as a reaction to the ‘neoliberal epidemic’, an attempt to support an ‘alternative to the bankrupt neoliberal view of the labour market’ (Keune and Jepsen 2007, 6) rather than a simple neoliberal agenda in disguise. Similarly, flexicurity appears largely compatible with the ‘social investment’ paradigm (Vandenbroucke et al. 2011) or with a “liberal neo-welfarism” vision that appears rather different from the neoliberal ideology (Ferrera 2012). In addition, Graziano (2011) and Klindt (2011) see, in the adoption of common principles of flexicurity, a change in the policy principle underlying the EES, from flexibility to a greater emphasis on security elements, through activation.

Therefore, an explanation of the agenda on flexicurity focused merely on its (supposed) normative content (i.e. ideology or underlying philosophy) does not seem totally convincing. To be sure, while it is fair to say that the President Barroso had a clear neoliberal orientation, the position held by the European Commission often appeared fuzzy: on the one hand, it promoted the deregulation of labour markets; on the other, it supported the definition of common rights for non-standard workers and the adoption of adequate social protection systems. In fact, the issue of flexicurity, which was moulded at the European level, was the result of a struggle over discursive hegemony among different stakeholders, not the product of a single ideological root. As we have illustrated, European actors tried to recapture and redress the debate about this issue throughout the various phases of the agenda setting process, shaping it according to their interests and perspectives. And it is precisely this ideological ambiguity and malleability that can help to explain the success of flexicurity.

Our second hypothesis focuses on the role of European commission as impartial mediator of divergent interests and promoter of the European integration process. As we said, the discourse on flexicurity has been used by the Commission to face the inadequate EU communication strategy concerning the social dimension of European integration and to build a vast consensus on a new policy strategy that could have facilitated the compromise between national governments and between social partners. If we look at the broad EU political context in which the issue of flexicurity was raised, we can highlight three aspects that seem to support this interpretation.

First, the issue of flexicurity emerged in 2005, when the EU was deadlocked after the rejection through referenda by the French and Dutch of the treaty establishing a constitution for Europe. The results of these referenda called for a re-launch of Social Europe to counteract the growing

---

33 See the open letter to the PES Group in the EP ‘Flexicurity or flexploitation: why the European Strategy must be re-oriented towards the concept of good work’, 27th November 2007.
34 See the document ‘Towards a common principle of flexicurity. A PES Group reflection on the Commission’s Communication’, retrievable from http://www.socialistsanddemocrats.eu/gpes/media3/documents/2418_EN_flexicurity_en_sept_07.pdf. Similarly, in a document on the new social Europe the PES recognized that “the fight for a strong European labour and employment policy has always been spearheaded by Europe’s socialist and social democrats...[such as Jacques Delors and Romano Prodi]”, while “in 2005 the Barroso Commission, dominated by conservatives and liberals, in cooperation with similarly right-wing European Council, imposed a profoundly conservative, neo-liberal agenda on the Lisbon Strategy” (PES 2009, 6-7).
35 See also Maciej Kaczyński (2009).
apprehension of European citizens about joblessness, social dumping, and worker dislocation (Barbier 2007; Keune 2008; Ferrera 2006). Similarly, the lively debates following the adoption of the ‘Bolkestein directive’ and the European Court of Justice ‘Viking’, ‘Laval’, and ‘Rüffert’ rulings showed the existence of a widespread fear that EU laws could represent a threat to the protection of workers’ rights. In this scenario, the flexicurity agenda represented an opportunity to give new impetus to the development of the EU’s social dimension in line with the imperatives of economic competitiveness and growth.

Second, the European political scene in 2005 was characterised by the heated confrontation between Tony Blair and Jacques Chirac over the EU’s 2007-2013 budget. Actually, as argued by Antoniades (2008), behind this confrontation was the opposition of two competing discourses on the role of the EU in a globalised society, the Continental and the Anglo-Saxon positions. The Commission lacked the power to directly affect the positions of the French and British governments. However, in autumn 2005, and especially during the Hampton Court Summit, President Barroso actively tried ‘to “bind” the European debate about the Social Model and its reform to the concept of flexicurity’ (Antoniades 2008, 338). This concept offered a viable way to ‘bridge the gap’ between different ideas about what Europe should do in the era of globalization.

Finally, since the relaunch of the Lisbon Strategy in 2005 the European Employment Strategy has gradually lost its visibility and its initial participatory impetus (calling for the involvement of national, sub-national and non-state actors), especially after the fusion of the Employment Guidelines with the Broad Economic Policy Guidelines and the disappearance of the Joint Employment report and of the National Action Plan on employment as well (Armstrong et al. 2008). Flexicurity represented thus a new catchy word that could have stimulated a revival of interest in the European employment policy at different level of governments.

In sum, the Commission was in front of two interrelated priorities in 2005: pointing out the challenge of ‘Communicating Europe’ (Borrás 2009) and making the ‘Caring Dimension’ of the EU more visible. Flexicurity was a vehicle for an interpretation of the European way of countering globalisation and therefore represented a precious instrument with which to deal with the EU’s legitimacy crisis.

This hypothesis provides, though, only a partial explanation of the flexicurity agenda at the EU level. It’s is highly plausible that the Commission wanted to raise the profile of the European Employment Strategy, but why promoting a policy agenda on a new issue (flexicurity), that could have put in the shade the EES itself, after its revision in 2002 and 2005? And why did the Commission continue to invest in such a controversial issue in its campaign to raise awareness of what Europe does in employment and social policies? In fact, flexicurity - as discourse addressed to the general public - had a limited success. Since the first phases of the setting of this new policy

---

36 Directive on services in the internal market, adopted as the Directive 2006/123/EC.
37 See Viking C-438/05; Laval C-341/05; Rüffert C-344/06. These three cases raise some important questions about what wage and employment conditions should be applied to workers in case of transnational provisions of services. The rulings caused a great deal of consternation amongst trade unions as the European Court of Justice seemed to given a higher priority to the market freedoms to the right to collective bargaining and the right to strike. See for example Bürker and Warnech (2011) and Malmberg (2010).
38 According to the first one, globalization is mainly perceived as a contested phenomenon, which should be ‘controlled, if not resisted’ while the ‘Anglo-Saxon discourse’ appears more open to new policy solutions in order to meet the challenges posed by globalization (Antoniades 2008). It should be stressed, however, that these two antagonistic discourses, as used here, did not correspond to specific geographical areas, but were (and are) embedded in broader transnational discursive fields. Thus, Anglo-Saxon attitudes have been held by groups and actors in Continental Europe and vice versa’.
39 It is worth noting that, during the 2005 Hampton Court Summit, President Barroso also backed the proposal of the European Globalisation Adjustment Fund (EGAF) to help member states recover from social shocks caused by changes in global trade and economy.
40 This was, for example, one of the main issues raised during the 2005 Hampton Court Summit.
41 This view seems to be share also by the ETUC General Secretary, Bernadette Ségol, who has acknowledged that “the current picture of the flexicurity debate is almost wholly negative” (ETUC 2011) and that there is a strong risk for the
agenda, the risks of distrust and immobility was clear, as the case of the rejection of the French 
“Contract de Première Embauche” and the spontaneous resistances against some measures of the 
German “Hartz reform” have demonstrated (Gazier 2007). The heated debates on flexicurity 
indicated that a communication strategy based on it could produce a ‘boomerang effect’, making 
European citizens even more suspicious of the ability and willingness of the EU to protect their 
social rights. 

As also suggested by some socialist MEPs, it would have been better for the 
Commission to ‘think seriously about an alternative name’ (PSE 2007, 1), since the term ‘flexicurity’ had rapidly come into disrepute in some member states.

In addition, the conceptualisation of flexicurity made by the Commission was nothing but 
neutral, as also shown by the open criticisms expressed by the EP or by the European Economic and 
Social Committee. Indeed, the Commission wanted to revive the European employment strategy, 
but behind the promotion of the agenda on flexicurity there was more than the simple attempt to 
impartially redress the debate on the social dimension of the European integration process. We can 
therefore turn our attention to a different explanation.

According to the third hypothesis the agenda on flexicurity can be interpreted as the 
Commission’s deliberate effort to construct a new cognitive frame in order to affect the existing 
relations of power within the EU arena and regain a more prominent role vis-à-vis national 
governments. Since the second half of the Nineties, the influence of the Commission in the 
European Employment Strategy has been significantly diminished, while national governments 
have reasserted their prominence within the EU system of governance (Ashiagbor 2005; Kassim 
and Menon 2010). The adoption of EES and the Lisbon strategy on the one hand, and the 
administrative reform of the European Commission, on the other hand, have affected the balance of 
power between and national governments and the Commission, weakening the position of the latter. 
The decision-making process in the socio-economic area at the EU level has become more 
tergovernmental, that is to say more driven by national interests. This trend has then been 
reinforced after the revision of the EES in 2003 and the adoption of two influential reports prepared 
by two different groups of experts coordinated by the former Dutch President, Win Kok. Both 
these initiatives on European employment policy strongly reflected a inter-governmental character, 
in a period when the position of the Commission was rather weak.

In such a contest, the Barroso Commission needed to elaborate a ‘home-made’, ‘Commission-
only’ programme, the flexicurity agenda, in order to regain centre-stage in European employment 
policies. This interpretation is consistent with the argument made by Borrás (2009), who reasons 
that the Barroso Commission changed its attitude to gain a more prominent political role in the 
governance of the revised Lisbon agenda. As we have seen, the issue of flexicurity was raised in 
2005, when the Commission was putting its Growth and Jobs strategy at the top of the EU political 
agenda. The agenda of flexicurity represented therefore a deliberate attempt made by the DG 
employment to balance the reinforcement of the intergovernmental dimension of the European 
employment policies that we observe since 2003. In order to regain some influence and overcome 

concept of flexicurity being demonised as flexibility has been. Cfr. the discourse at the Stakeholder Conference on flexicurity (November 2011) retrievable from “http://www.etuc.org/a/9281”.

Emmenegger (cf. in this volume and Emmenegger 2009) indirectly confirms the risk of negative reactions to flexicurity. The author shows that both labour market insiders and most outsiders (especially the unemployed) are supportive of job security. Therefore, we can expect that even the outsiders would not welcome an approach to flexicurity based on a reduction of job security.

See also Auer (2010).


EU interview 6. See also de la Porte (2011). On the different role played by the Commission in the production of the two Kok reports, see Mailand (2011).

In March 2005, the Barroso Commission presented the mid-term review of the Lisbon strategy, while in July 2005 it presented its ‘Community Lisbon Programme’ which consisted of fifty initiatives to be taken at the EU level to complement national action plans for growth and job.
the risk of being trap in a (passive) role, the Commission made use of its capacity to steer the European policy debate and set political priorities for Member states by the publication of a Green paper on labour law, a Communication on flexicurity and by lobbying the EU Presidencies and social partners. In the final phase of the setting of the agenda on flexicurity, the Commission did some concessions to the flexicurity critics, downplaying the initially strong focus on the transition from job security to employment security. Nevertheless these concessions were not the results of an “embedded neoliberalism” strategy, but of the DG employment’s attempt to transform the debate on flexicurity from a zero-sum to a win-win situation, in order to create a wide consensus over its own policy initiative.

In addition the Commission used the agenda on flexicurity as an “image venue exercise” (Wendon 1998), that is to say to as an discursive tool to disseminate a prevailing image of common policy problems and solution that should have promoted its own initiatives at EU level. Some elements supporting this thesis can be found in the Impact Assessment for the 2007 Communication on flexicurity, where the Commission declared that ‘appropriate legislation at EU level might be considered in the future’ (CEC 2007, 40). Moreover, the fact that the Commission presented its first official document on flexicurity as a Green Paper on the role of labour law (a very specific aspect of the more comprehensive flexicurity approach) suggests that it was paving the way for some legislative initiatives, at least in the first two phase of the agenda setting process. In particular, two Commission proposals were locked in a political stalemate at the time of the launch of the agenda on flexicurity: the proposal concerning the amendment to the 2003 directive on working time and the proposal for a directive on temporary agency work. In December 2007, the Portuguese Presidency tried to promote an integrated approach to the two directives that would have immediately translated into concrete decisions on the common principles of flexicurity. Nevertheless, the EU Council failed again to reach unanimity on the two bills, which were not put to a vote. In fact, a compromise on the Temporary Agency Workers Directive was finally achieved one year later, while the long-running disagreements over the Working Time Directive have not yet been resolved.

In conclusion, our hypotheses focus on three possible causes of the rise to prominence of flexicurity at the EU level. In spite of the neoliberal orientation of the Commission’s approach to flexicurity, the issue of flexicurity, which emerged from the text adopted by the Council in 2007, appears to be the result of a political and ideological compromise. Flexicurity has been a discursive tool used by the Commission to promote a European solution to the challenges of economic globalization. However, beyond the need to face the EU legitimacy crisis, the Commission has primarily elaborated a discourse on flexicurity in order to redress pro domo sua the balance of power with national governments in the European scene. The aim was to claw back a central role in the employment policy area, while framing the debates in order to gain influence on member states.

5. From flexicurity to Transitional Labour Market: the shift of European Employment policy discourse in times of crisis

Since the end of 2008, Europe has been significantly affected by the global financial and economic crisis. This recession has raised serious doubts about whether flexicurity is an attractive

47 The compromise proposed by the Portuguese Presidency was to keep the ‘48 hours opt-out’ from the working time directive in exchange for British approval of the extension of the equal treatment clause to temporary agency workers with a contract lasting at least six weeks.

48 As declared by the Portuguese minister, Vieira da Silva, ‘it is not understandable and neither acceptable’ that, despite committing themselves to these common principles [on flexicurity] member states have not been able to agree on two EU laws which deal with just these issues. This declaration is reported in Kubosova, ‘EU fails again to agree disputed work bills’, EUobserver, 6 December 2006.
option in ‘bad weather conditions’ (Sapir 2009; Tangian 2010). It is fair to say that this policy approach has partially lost its popularity during these last years. This is evidenced by the fact that flexicurity has been mentioned in only one of the seven flagship initiatives (‘An agenda for New Skills and Jobs’) identified by the Commission in the Europe 2020 strategy.

On the other hand, EU institutions has continued to insist on the critical relevance of flexicurity in the current economic climate. For instance, the European Commission has argued in favour of flexicurity as ‘the right approach to modernise and foster the adaptability of labour markets, increase competitiveness and prepare for recovery’ (CEC 2009, 3). More recently, the EU Commission has published a new communication where it has illustrated a set of measures and initiatives, called “Employment package” and aimed at facing the main challenges of labour markets during and after the economic crisis. In this communication, the Commission has affirmed that “the EU’s common principles of flexicurity remain an important policy milestone in building dynamic labour market”, though “the progress towards more flexibility and security has been modest and uneven” (CEC 2012a, 8).

Additionally, the European Parliament has underlined the need to update the current thinking on flexicurity at the European level in light of the economic crisis, calling for a more ‘fair and balanced implementation’ of flexicurity principles, focused on security measures for workers (European Parliament 2010). Finally, the European Council reconfirmed that ‘flexicurity is even more important and appropriate in the current difficult economic context’, since it can ‘provide a comprehensive policy strategy to coordinate efforts to manage the employment effects and social impacts of the crisis and to prepare for the economic upturn’ (European Council 2009, 2).

With increased relevance, however, comes a refocus, emphasizing job security through the promotion of internal flexibility measures. The European Council has stressed, for example, the importance of ‘maintaining employment’, supporting ‘alternatives to redundancy’ than can ‘mitigate the social impacts of the crisis’, and ‘the need to protect unemployed workers, providing them adequate income support and training’ (European Council 2009, 4-5). Similarly, President Barroso has underlined the need for an ‘equal and well balanced’ approach to flexibility and security to respond to a new priority: ‘keeping people in jobs, for instance by providing financial support to temporary flexible working-time arrangements, and get those who have lost their jobs back into jobs as quick as possible, for instance by investing in re-training and skill upgrading’ (Barroso 2009, 1).

Further examples of the refocusing in the usage of flexicurity are apparent in the Commission’s endorsement of the use of short-time working arrangements (STWA) as flexicurity instruments to lessen the social impact of the current recession. In the 2009 communication “A shared commitment for Employment”, the European Commission made explicit reference to the importance of these instruments and reallocated financial resources (especially from the European Social Fund) to support them. In addition, the April 2012 Employment package has focused on the crucial role of SWTA (when properly targeted) in saving many jobs, stressing the importance of these and other internal flexibility instruments (such as the working-time accounts) during periods of economic contraction (CEC 2012a, 2012b).

This partial shift in the flexicurity approach has also affected the position of European social partners. As we have seen, social partners held opposing views on what flexicurity should have been. However, as argued by Mandl et al. (2010), a widespread consensus emerged in which ETUC,

---

49 See also EurActive.com, “Crisis slows progress on EU 'flexicurity' model”, article published 22 November 2011, retrievable at “www.euroactive.com”.
51 See also the presentation of the ‘Agenda for New Skills and Jobs’, part of the EU’s Europe 2020 strategy, where the Commission states that ‘the Agenda will harness the principle of flexicurity, which aims to improve worker job security while addressing employers’ needs for flexibility, especially during challenging economic times (italics added)’. Information retrievable from “http://ec.europa.eu/social/main.jsp?langId=en&catId=370&featuresId=131&furtherfeatures=yes”.
BusinesEurope, and national governments acknowledged STWA and temporary layoffs as useful 'measures for coping with the effect of the economic downturn [...] embodying flexicurity in crisis’ (Ibid., 56).

Therefore, the economic crisis has had an impact on the European discourse on flexicurity, both moving European social partners closer together and pushing the Commission to partially revise its approach. Since 2009, the Commission has reconsidered its view on flexicurity in order to maintain the support of trade unions and national governments, which have become, in reaction to the crisis, more aware of the risks of social unrest.53 As we have shown, during the setting of the agenda on flexicurity (2005-2007), i.e. in a period of relative economic growth, the idea of flexicurity, as expressed by Špidla, was clearly marked by a neoliberal orientation and focused on the deregulation of labour markets rather than on job security. By contrast, in the last years we can observe an evolution in the Commission’s thinking about the need for labour market deregulation. As argued by the current European Commissioner for Employment, Social Affairs and Inclusion, László Andor, ‘even after the member states adopted the common principles of flexicurity, the impact of reforms has been more temporary works and fixed-term contracts, and more duality on the labour markets’ (Andor 2011, 82). Andor continues to say, though, that the increase in temporary contracts has not helped labour markets, despite a short honeymoon, since both job insecurity and inequality have risen, while employment has sharply fallen (ibid., 3). Finally, in a recent speech to the High level Stakeholder conference in November 2011, Andor has offered a more critical reading of flexicurity, asking to the social partners and the national representatives whether flexicurity still represent, after the economic crisis, the only answer to achieve productivity increases, while preserving the European social model or whether “the structure of flexicurity need to be revisited, putting more accent on other policy instruments such as internal flexibility, taxation or labour mobility”54.

We can find therefore many signs of a gradual and partial move of the European Commission’s discourse on flexicurity. This move can be illustrated as a shift from a neoliberal and individualistic approach to an approach more clearly inspired by the transitional labour market (TLM) theory55. This theory proposes a dynamical analysis of labour market and advances normative and policy prescriptions that goes beyond the traditional (and quite confused) debate on flexicurity that has developed at the EU level from 2005 to 2008 (Gazier 2007; Gazier and Gautié 2011; Schmid and Gazier 2002). The proponents of TLM theory support in fact a particular variant of flexicurity which differs from the early version promoted by the Commission. Two main aspects can be highlighted.

First, the relationship between flexibility and security has often been presented or in negative terms, i.e. as a pure trade-off (Auer 2006), or in positive terms, i.e. focusing on complementarities and synergies between these two concepts (Boyer 2006). By contrast, Schmid and Gazier (2002) regard the combination of flexibility and security as a complex and evolving liaison that can change according to different situations and institutional contexts. The authors affirms that flexicurity can be depicted as a “marriage” that something works and sometimes can be complicated. This relationship may imply the risk of vicious relationships, i.e. of a perverse interactions that can lead to “distrust and low investment spiral” (Gazier 2007). For example, when the promotion of flexibility measures produces only an increase in job volatility, this could cause a reduction in skills investment and a low commitment of precarious employees to the firm. Similarly, training and lifelong learning in order to be effective should be designed for the most disadvantage categories that usually tend to be less able and willing to undertake these opportunities. According to TLM we

---

54 See the Speech 11/751, 14th November 2011.
55 A presentation and discussion of the TLM theory is out of the scope of this paper. For an overview see Schmidt and Gazier (2002), Gazier and Gautié (2011) and the papers retrievable on the TLM.net website (http://www.siswo.uva.nl/tlm/).
should therefore abandon the narrow view on flexicurity based on the exchange of less Employment Protection Legislation for more active labour policy and social protection and embrace an “enlarged one, which introduces the variety of firms’ internal adjustments as well as the intervention of local actors developing “option security” (Gazier 2007, 7).

Second, the early Commission’s version on flexicurity was inspired by a Schumpeterian, asset-based welfare state approach (Jessop 1993; Gautié 2005), where jobseekers and workers are individually responsible to adapt to the changing labour market and economic conditions. From this perspective, traditional “reactive” welfare state policies, which provide passive security to workers, should be replaced by an “enabling welfare state” (Gilbert and Gilbert 1989) which delivers a minimal set of rights and helps people to construct and accumulate human capital on individual basis. As for employment policy, the State should promote measures that “make work pay”, promoting the access (or the return) to work and discouraging unemployment and inactivity traps. In other word, the main motto of this Schumpeterian approach is that people should be “equipped for market” (Gazier 2007). By contrast, TLM theory, without totally rejecting this approach, puts a strong emphasis on the importance of “equipping markets for the people”, i.e. investing in the provision of new social rights that can “make transitions pay” (Gazier 2007). In this case, a key role is given to the sharing of responsibility among all actors (firms, employees and public authorities) concern with the constitution, accumulation and management of high level of “transitional rights”, such as the right to benefit from a rich infrastructure of employment services or other rights linked to mobility, training, parental leave or time saving accounts. Providing new transitional rights does not simply imply to give vouchers to individuals, leaving people “to pack their own parachute strategy” (Osterman 1999, 195). As affirmed by Gazier “fostering individual access to networks and opportunities is a necessary condition for securing “good transitions”, but it may not be a sufficient one” (Gazier 2007, 110). In fact, it is important to develop sophisticated individually-tailored services and promote local institutional arrangements with the involvement of social partners, employers and public authorities, in order to ensure collective guarantees, especially for disadvantages groups.

Clear hints about the TLM version of flexicurity can be found in the April 2012 Employment package. According to the Commission, structural labour market reforms should “make transition pay”, securing labour market transitions and deserving particular attention to the move of young people from education to work, the integration of women in the labour market and “the transitions of older in the context of the modernisation of pension system and extending working lives” (CEC 2012a, 10). The Commission also has affirmed that the complex relationships between flexibility and security can lead to vicious circles. For example it warns against the cutting of benefits during the crisis because they can increase the risk of poverty, without reducing unemployment. Though activation of jobseekers remains important, the Commission acknowledge that “conditionality also risks that most vulnerable groups, who need the most support, are de-motivated and put off trying to find work and fall back into inactivity” (CEC 2012b, 14). Moreover the delivery of lifelong learning should take into account that low-skilled and vulnerable groups risk to be segregate into low-quality jobs with limited career mobility opportunities, since the recession has accelerated a polarisation in employment, hollowing out medium skill jobs (CEC 2012a, 11).

In line with the principles of TLM approach, the Commission has also stressed the importance of the sharing of responsibilities in supporting transitions. The Commission asks for the creation of “new partnerships between local governments, social partners, networks of firms (notably SME’s) and communities” (CEC 2012b, 22), in order to translate flexicurity into concrete policies and practices. All relevant actors should mobilise at the appropriate territorial level, reinforcing social dialogue, pooling financial and material resources by groups of employers and redefines the primary and core role of public employment services (CEC 2012a, 12). A specific emphasis should

56 Gazier (2007) calls “option security” the possibility of combining more or less stable work positions with income transfers during the life cycle.
be put on the role of Public employment services (PES). PES can be regarded as “transition agencies” (Gazier and Gautié 2011, 13) that may play an important role in managing social risks occurring in life-course transitions. One of the causes of the structural mismatch between the supply and demand for labour is, according to the Commission, the limited geographical mobility. The post-crisis scenario, therefore, calls for actions aimed at promoting intra-EU mobility\(^57\). This can be done, as affirmed by the Commission\(^58\), only under the coordination of EU institutions, since member states lack of administrative structures and capability to manage transnational network. For this reason, the Commission has proposed to reform and expand the EURES service, mainstreaming it into the national public and private employment service network and to test new labour mobility schemes\(^59\). The scope of this reform will be limited in terms of budget and policy implications. Nevertheless, the history of EU integration process has shown that even small pilot projects can expand to serve more people (think about the Erasmus programme or the INTERREG), opening new venues for EU’s action. Therefore, this emphasis on PES and EURES seems consistent with our third hypothesis: Again the identification of a common problem (the intra EU labour mobility) calls for a European solution and thus the promotion of specific activities carried out by the Commission.

6. Conclusions

In this paper we have reconstructed the main events which have led to the consolidation of the issue of flexicurity into the European employment agenda, focusing on the reasons behind the efforts made by the European Commission in order to guarantee the success of the flexicurity approach.

The discussion of our three hypotheses has shown that the main driver of the flexicurity agenda has been the Commission’s attempt to regain partial control over the European employment policy. The political initiative on this policy area has been shift in the last fifteen years from the Commission to the Member States as the reduction of the number European legislative initiatives, the watering down of the content of the Social Agendas\(^60\) and the actions directly took by the European Council demonstrate. The promotion of flexicurity has thus served the Commission in its \textit{jeu d’acteur} (strategic role-play, as per Crozier and Friedberg 1977) in the EU arena, i.e. in the attempt to expand its role and acquiring informal power based on the control of the discourse on the new policy mantra of flexicurity.

Our second main finding is that the discourse on flexicurity has known some important changes both during the setting of the policy agenda and after the beginning of the economic crises.

Although a gradual re-orientation in the Commission discourse on flexicurity can be identified during the agenda setting phase\(^61\), we argued that a more significant change has emerged as a consequence of the economic recession. This crisis have acted as an external perturbation that has produced a change in the Commission’s “core beliefs” entrenched in its discourse on flexicurity. As we said, the early version of flexicurity was based on the motto “making work pay”, a focus on external flexibility measures and on individual responsibility. By contrast, the Commission has integrated this approach with a new view inspired by the idea of securing transitions, a focus on internal flexibility measures and on mutual responsibilities in managing the social risks connected with transitions.

\(^{57}\) See the commission staff document, “Reforming EURES to meet the goals of Europe 2020”, accompanying the Commission’s communication “Towards a job-rich recovery” SWD (2012) 100 final.

\(^{58}\) See the Commission’s roadmap, “EURES 2020. Reforming the European employment services and its legal basis”, 9th December 2011.

\(^{59}\) The reference is for example to the pilot initiative “Your First EURES job” and the new programme Erasmus for all that will be launched in 2014.

\(^{60}\) As by Pochet (2010), it is the first time that, since the 1970s, the Commission has not presented a Social agenda,

\(^{61}\) See also Klindt (2011).
This discursive change has been triggered mainly by the economic recession rather than by internal “analytical debates” (Sabatier and Jenkins-Smith 1993) carried out at the European Union level. Nevertheless, other factors have probably facilitated this shift such as the influence played by expert communities and forums inspired by the TLM approach, as well as the turnover of the Employment, Social Affair and Inclusion Commissioner. These factors have led to the activation of a “policy-oriented learning” (Ibidem, 42) that represent above all a clear political process. The European Commission has reacted to the crisis adapting its old “paradigm” on flexicurity to the new circumstances (Hall 1993). Also in this case, therefore, the Commission’s attempt to expand and reinforce its role remains a crucial factor in understanding the recent dynamics of the European discourse on employment policy.

References:


- (2012b), Open, dynamic and inclusive labour markets, Commission Staff working document accompanying the European Commission’s communication, Towards a job-rich recovery, SWD(2012) 97 final


- (2006), European Commission’s Green Paper on labour law is long overdue, says the ETUC, article retrievable from “www.etuc.it”, 20th march.


EESC–European economic and Social Committee (2007), Opinion on Flexicurity (internal flexibility dimension – collective bargaining and the role of social dialogue as instruments for regulating and reforming labour markets), SEC 272, 11th July.


Kassim, H. and Menon, A. (2010), Bringing the member state back in: the suprational orthodoxy, member state resurgence and the decline of the European Commission since 1990’s, paper presented for the Conference of Europeanists of the Council for European Studies, Montreal, Canada, 15-17 April.


Mailand, M. (2011), Slowing down social Europe? The role of coalitions and decision-making arenas, report 3 – the employment policy area, Employment relations research centre, Department of sociology, University of Copenhagen, Denmark.


- (2008), Flexicurity. Posti di lavoro più numerosi e migliori grazie alla flessibilità e alla sicurezza dossier, Centro Studi Diritto del Lavoro Europea Massimo D’Antona, n. 10.


Pancaldi, F. (2009), European labour Law and Flexicurity, unpublished research report, University of Aosta Valley.

PES (2009), Policy briefing: new Social Europe: giving people a fairer deal, 9 May.


Appendix 1

List of interviews:

EU interview 1: European Commission – DG Employment, official (A)
EU interview 2: European Commission – DG Employment, official (B)
EU interview 3: Italian Permanent Representation to the EU, representative
EU interview 4: Dutch Permanent Representation to the EU, representative
EU interview 5: MPE, Party of the European Socialist
EU interview 6: Former Secretary of the Employment Committee (A)
EU interview 7: Former Secretary of the Employment Committee (B)
EU interview 8: ETUC, representative


