

NEW PERSPECTIVES FOR A SOCIAL EUROPE: THE “SOCIAL PILLAR” AND THE EUROPEAN SEMESTER AS TRIGGERS FOR A NEW PARADIGM OF SOCIAL RIGHTS?*

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Abstract

European policy-making has focused on economic and budgetary policies in the aftermath of the financial crisis of 2007-2008 and the austerity programmes that ensued. Recent years, particularly those under the Juncker Commission (2014-2019), have seen new social issues appear on the European agenda and European social policy gaining momentum – at least on a rhetorical level. The “socialising” of the European Semester, the declaration of an “European Pillar of Social Rights” and a recalibration of the European Social Fund are key parts of this new social agenda. While this seems to be a promising reinvigoration of a Social Europe, the classic regulatory approach to social policy remains more or less in stalemate. This article asks whether we face a promising new governance mode with substantial policy implications or if these are merely symbolic actions designed to give Europe a more social face. In exploring this issue, the article evaluates the social policy-related country specific recommendations (CSRs) for Spain and Germany in the European Semesters. First, it asks whether the recommendations mirror the specific problem constellations and the new agenda of the “Social Pillar”. Second, it evaluates how far both member states integrate the CSRs into their domestic policies.

Key words: European social policy; European semester; European Pillar of Social Rights; social rights; soft law.

NOVES PERSPECTIVES PER A L'EUROPA SOCIAL: EL “PILAR SOCIAL” I EL SEMESTRE EUROPEU COMA IMPULSORS D'UN NOU PARADIGMA DELS DRETS SOCIALS?

Resum

La política europea s'ha centrat en les polítiques econòmiques i pressupostàries després de la crisi financera de 2007-2008 i els plans d'austeritat que la van succeir. En els darrers anys, especialment en els de la Comissió Juncker (2014-2019), han sorgit problemes socials nous en l'agenda europea i la política social europea ha guanyat impuls, almenys retòricament. La “socialització” del Semestre Europeu, la declaració d'un “pilar europeu de drets socials” i el recalibratge del Fons Social Europeu són parts fonamentals d'aquesta nova agenda social. Mentre que això sembla una revitalització prometedora d'una Europa social, els criteris normatius clàssics per a la política social s'han mantingut més o menys estancats. En aquest article ens preguntem si ens trobem davant d'una manera de governar nova i prometedora amb conseqüències polítiques importants o si es tracta només de mesures simbòliques pensades per donar a Europa una imatge més social. En examinar aquesta qüestió, en l'article s'avaluen les recomanacions específiques per país (REP) d'Espanya i Alemanya en relació amb les polítiques socials als semestres europeus. En primer lloc, ens preguntem si les recomanacions reflecteixen les constel·lacions específiques de problemes i la nova agenda del “pilar social”. En segon lloc, avaluem fins a quin punt ambdós estats membres integren les REP en les seves polítiques nacionals.

Paraules clau: Política social europea; semestre europeu; Pilar europeu de drets socials; drets socials; dret tou.

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Summary

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1 Introduction: European social policy on the road to a new paradigm?

One of the fundamental characteristics of European social policy is the enduring tension between supranational ambition and the prevailing national responsibility of member states regarding social issues. For the most part, social policies in Europe remain the exclusive competence of the nation states. European harmonisation has taken place almost exclusively in instances where the functioning of the internal market is concerned, in particular in relation to the free movement of labour and the non-discrimination of EU citizens. Accordingly, European social policies have for a long time been considered as “market making” rather than “market correcting” (Leibfried & Pierson, 1995; Scharpf, 2002; Streeck, 1995). From this perspective, the “social dimension” of the European Union has mainly progressed if the measures were aimed at supporting the internal market programme, in particular by enhancing labour mobility and harmonising labour standards. By contrast, social policies with a redistributive character were impeded by member states’ fundamentally different national welfare states and the national actors supporting (and benefiting from) the existing welfare set-ups.

Since the Lisbon Strategy, European social policy has moved into a new paradigm at least at the programmatic level. With the Lisbon Strategy (Daly, 2008), the key notions of cohesion and inclusion introduced aspects that did not primarily address and cushion labour mobility, but were also aimed at addressing those excluded from the European labour market. Poverty reduction and the situation of children and adolescents became more important. This new focus gained momentum after the economic crisis of 2007-2008. Are we witnessing a substitution of “negative integration” (Scharpf, 1999) with something like “positive integration”?

Several attempts to push the “social dimension” beyond a minimal “market-making” orientation, have been rather symbolic in nature, e.g. the integration of fundamental rights in European primary law or the latest initiatives to establish the European Pillar of Social Rights (hereinafter referred to as the “Social Pillar”). However, given the Social Pillar and the European Semester are intertwined, the Social Pillar may gain more momentum. This article evaluates the potential and actual application of these new soft-law mechanisms by analysing the European Semester’s country specific recommendations (CSRs) for Spain and Germany and asking to what extent, and in which direction, the demands of the Social Pillar are included in the respective CSRs.

The article is organised as follows: first, it traces the development of the “social dimension” in European social policy. Second, it introduces the new regulatory framework of the European Pillar of Social Rights and the soft-law mechanism of the European Semester. Third, it examines the inclusion of the Social Pillar’s demands in the European Semester’s governance mechanism in the cases of Spain and Germany. Finally, the conclusion discusses the findings and puts forward a modestly optimistic vision of a future “Social Europe”.

2 From “negative integration” towards social rights? Stages in European social policy development

Since the Treaties of Rome, European social policy has been restricted to issues closely related to work mobility and the functioning of the internal market, especially in instances related to the free movement of labour and non-discrimination of EU citizens. Consequently, European social policies have for a long time been regarded as “market making” rather than “market correcting” (Leibfried & Pierson, 1995; Scharpf, 2002; Scharpf, 2010; Streeck, 1995). The harmonisation of redistributive social policies did not stand a chance even in a smaller and more homogeneous union (Scharpf, 2002), never mind in an enlarged Europe. The heterogeneity of social models in Europe increased with each round of enlargement and this heterogeneity and sense of difference intensified further in the crisis of 2007-2008. All the while, social policy remained a core competence of the nation states. This status quo is sustained by the importance of social policies for the domestic electorates. Thus the social policy domain becomes an issue where member states are able to defend their sovereignty vis-à-vis Europe. In the case of the “rich” member states, fears of more far-reaching redistributive measures between member states – unpopular among their own populations – prevail, while in “poorer” member states, worries about further paternalistic conditionality on the part of those states that pay for policies, i.e. the richer member states, have hindered the expansion of social rights (Leibfried & Pierson, 1995).

This situation, where control over the social policy domain is retained by member states, has changed only incrementally with a modest extension of Qualified Majority Voting (QMV) in the major treaties. QMV was first introduced in relation to occupational health and safety and other not primarily social policy areas in the Single European Act of 1986. Then, followed the Social Protocol, an annex of the Maastricht Treaty (1993) which provided for QMV on, for example, public health. The expansion of QMV continued in the Amsterdam Treaty, which extended it to gender equality and non-discrimination, and the Treaty of Nice, which included social exclusion provisions, we witnessed the extension of QMV in social policy areas, although usually still on employment-related issues. The Lisbon Treaty of 2007 finally expanded the QMV to a number of wider policy areas that had previously required unanimity under the Nice Treaty, including the coordination of national social security systems (Leibfried, 2015: 268-270).

Initially European social policy addressed the mobility of employees within the European Community, especially matters related to regulating the transferability of social security benefits for workers (Falkner, 1998; Leibfried, 2015). From as early as 1957, the European Social Fund (ESF) supported cross-national recognition of employees' qualifications in order to foster mobility within Europe. At the beginning of the 1970s, a “Social Action Programme” was launched by the European Commission to harmonise working conditions and co-determination rights throughout the European Community. The internal market programme of the Single European Act (1986) resulted in activity around the harmonisation of areas concerning the common market and, in some areas, such as occupational health and safety, mentioned above, majority voting was introduced. The non-binding Charter of Fundamental Social Rights of Workers (1989) named 47 goals which set the agenda for the following years and resulted in a number of directives concerning working conditions, maternity protection, collective redundancies, employment services, working hours, youth employment protection, part-time jobs, and the posting of workers (Falkner, Treib, Hartlapp, & Leiber, 2005: 41-55).

The Social Protocol of the Maastricht Treaty (1992) established further (still labour-focused) social goals on the European agenda, even though the United Kingdom did not join until 1998. The Maastricht Social Protocol allows member states to harness EU bodies for a common social policy. Yet similar policy domains were subject to differential voting rules. Majority voting had already been established in the field of workers' health and safety, and this voting method was extended to the areas of working conditions, informing and consulting employees, equal opportunity for men and women and the integration of men and women into the labour market. In other areas, such as protection against dismissal, co-determination, employment of foreigners, unanimity is required. An explicit renunciation of regulations applies to the areas of pay, the freedom of association and industrial action law (Streeck, 1994).

The Treaty of Amsterdam (1997) expanded the scope of the social policy objectives in TEU Article 136, which now refers to the European Social Charter and the Community Charter of the Fundamental Social Rights of Workers. Of particular importance were the articles on employment and anti-discrimination. This phase saw the expansion of labour standards, anti-discrimination protection and a strengthening of the social dialogue in several directives and regulations. In contrast to national transfer programmes, EU social policy was still primarily of a regulatory nature (Majone, 1993) and complemented the free movement of labour as one of the four fundamental freedoms of the European Union. Even more important were the rulings of the European Court of Justice which expanded the application of European secondary law (Leibfried, 2015; Schmidt, 2018; Sindbjerg Martinsen, 2015). The European Employment Strategy introduced the soft-law mechanism which, after the Lisbon Summit in 2000, became the “Open Method of Coordination” (OMC) for the first time. The OMC is used in areas where the European Union lacks legislative competence but regards coordination between member states as necessary (Daly, 2008; La Porte & Pochet, 2003; Radaelli, 2003; Zeitlin, Pochet, & Magnusson, 2012). It has long been the Commission's chosen method for persuading member states to do something for which the EU does not actually have a mandate. This form of soft law consists of moderated exchange, the definition of common objectives, rather than common legislation, and was established for working on social inclusion in 2000, old-age security (2001), and health and long-term care (2004). In this context, the OMC became a symbol of “neo-voluntarism” (Streeck, 1995), a mode of European governance which relies on selective and voluntary coordination by member states in areas where no “official” decision can be reached.

With monetary union (and related budget restrictions), the Lisbon Agenda (2000) and a strengthening of the OMC’s soft-law coordination mechanisms, the new century brought a number of new challenges and novel policy instruments. The initial step beyond the focus on employment was taken with the Lisbon Strategy, which was adopted by the European Council in Lisbon in March 2000. This strategy stated that the EU’s goal was to become “the most competitive and dynamic knowledge-based economy in the world” within 10 years, i.e. by 2010. With the key concepts of “cohesion” and “inclusion”, the Social Europe agenda gained ground. Interestingly, those aspects of the Social Europe that rose to prominence were not areas that focused primarily on supporting and mitigating labour mobility but rather those that decisively address the situation of people excluded from the European labour market. In other words, the fight against poverty and the situation of children and young people became more important. Furthermore, the Lisbon Strategy also reaffirmed the EU’s commitment to the OMC. The 2000 Council meeting in Nice resulted in marginal expansions to Article 137 of the TEC. Most importantly, it adopted the European Charter of Fundamental Rights, later included in primary law in the Treaty of Lisbon (2007/2009).

The Lisbon Treaty of 2007, which was implemented in 2009, extended the competences of the EU not so much in substance as in a strengthened European approach to social policy goal-setting. Article 3 (3) of the TEU declares that the EU seeks to achieve “a highly competitive social market economy, aiming at full employment and social progress, and a high level of protection”. It further states the Union shall “combat social exclusion and discrimination, and shall promote social justice and protection, equality between women and men, solidarity between generations and protection of the rights of the child”. This focus on “social progress” adds a proactive component to existing European social policy, flanking labour mobility and protection against discrimination. What “social progress” means becomes clear when it is combined with another element of Lisbon, “the pursuit of economic, social and territorial cohesion”. Accordingly, the key concepts of this new phase emerge as (individual) inclusion and (territorial) cohesion. With the integration of the Charter of Fundamental Rights in Article 6 of the TEU, a number of social rights became binding. Also new was the cross-sectional clause in Article 9 of the Treaty on the Functioning of the European Union (TFEU), which stipulates that these social policy objectives must be taken into account in the development of all individual policies. However, no political action programme was associated with the developments mentioned above, and critics spoke of “constitutional minimalism” in relation to social policy (Platzer, 2009). This critical stance is further supported by the self-restriction to largely internal market flanking measures in the (old) Article 153 of the TFEU. The extension of objectives has therefore not been accompanied by an extension of competences. The crisis of 2007-2008 contributed its own part by leaving the ambitious goals without any hard facts to back them up.

Following the economic crisis of 2007-2008, EU policies became increasingly ambiguous and contradictory. On the one hand, those states hit particularly hard by the crisis were forced to adopt austerity measures resulting in significant cuts to their national welfare systems (Leruth, Chung, & Taylor-Gooby, 2017). This dismantling process in the so-called “crisis states” raised awareness of growing inequalities and new cleavages across the European Union. On the other hand, the demands for a Social Europe became louder and pushed the Commission into adopting a proactive policy which aimed to deal with the severest consequences of the crisis. In particular, growing youth unemployment in southern European member states raised awareness of a need to accompany the Euro-crisis with positive action (Zeitlin & Vanhercke, 2017). Some of the measures were symbolic, such as the inclusion of fundamental rights in European primary law in 2010 or the growing sermon of social investment and (territorial) cohesion. With “Social Investment” an additional new paradigm entered the discourses on social policy in Europe. It was triggered by EU actors and academics but has not found an echo in all member states (Esping-Andersen, 2002; Hemerijck, 2017). One gets the impression that Europe is divided between the better-off states, which are primarily concerned with debates on social investment, whereas the southern states, still suffering from the crisis, are still coping with the austerity measures and are therefore less inclined to “invest” in the future. From this perspective, European integration, despite the introduction of new measures – some hard but mostly soft-law instruments – has not yet fostered convergence towards a common social model.

With “Europe 2020” (Armstrong, 2012; Daly, 2012), the follow-up approach to the Lisbon Strategy, the OMC continued in 2010 and, amongst other objectives, two key social policy-related objectives were formulated to be reached in 2020. These were the two quantifiable objectives related to the employment rate

((1) the employment rate of people aged between 20 and 64 should rise above 75 per cent) and poverty ((2) the number of people at risk of poverty in the EU should fall by 20 million in a decade). However, these objectives went further than existing European approaches, especially the one relating to tackling poverty, which is one of the post-crisis measures that contradicts the scientific diagnoses of a European social policy stalemate (Jessoula & Madama, 2018). Europe 2020 was closely tied to the Stability and Growth Pact and the governance instrument of the European Semester (see paragraph 3). The poverty initiative was not the only proposal that expanded the social agenda after 2010. The European Semester included increasing references to social policy issues (Clauwaert, 2018; Copeland & Daly, 2018; Dawson, 2018; Zeitlin & Vanhercke, 2017). In addition, the European Structural Fund (ESF) focused on more social issues as being open to funding (Fargion & Profeti, 2016). The ESF has traditionally been another mainly labour market-related instrument intended, among other things, to secure and develop labour mobility. But, for the first time, the ESF included the aim of reducing poverty in its 2014-2020 programming period. More specifically, it stated that 20 per cent of the funds were to be used for social inclusion and poverty reduction.

To sum up, it seems that European social policy has gained a new momentum since around 2010. Among the reasons for this has been the proactive involvement of the Juncker Commission (2014-2019), triggered on the one hand by Juncker himself and, on the other, by the composition of the Commission, where there has been a considerable increase in the number of social democratic commissioners (Graziano & Hartlapp, 2018). This shift has led to a series of soft-law initiatives, such as the social investment package of 2013, the Youth Guarantee and, finally, the “European Pillar of Social Rights” (2017). With the formal inclusion of the “Social Pillar” in the European Semester in 2018, a new hybrid fusion combining austerity measures with fundamental social rights has emerged. This contribution explores the substance of this approach. However, upon initial observation, it seems that this inflated rhetoric is not backed by legislative actions. Most notably, new initiatives for regulations by European secondary law have actually declined over the last decade (Degryse & Pochet, 2018; Graziano & Hartlapp, 2018). Instead of “hard” secondary law, non-binding declarations and soft-law mechanisms have recently dominated European social policy governance. Whether this is merely symbolic politics or substantive in nature will be explored in the following sections.

3 The European Pillar of Social Rights and the European Semester as a regulatory framework and soft law governance mechanisms

The European Pillar of Social Rights was a key initiative of the Juncker Commission. Discussions about the Social Pillar date back to Juncker’s State of the Union address in 2015 and involved a wide-ranging phase of public consultation and intensive debate in the European Parliament (Vesan & Corti, 2019). At the 2017 Social Summit in Gothenburg, the Social Pillar was finally presented alongside a document that further expands the EU social policy programme in terms of both density (more issue areas) and intensity (more far-reaching provisions). The Social Pillar is an inter-institutional proclamation made by the European Parliament, the European Commission and the European Council. At the same time, it is classified as a recommendation according to Article 292 of the TFEU. It consists of a list of 20 “principles” organised in three chapters. While the first and second chapters can be classified as traditional EU social policy (“equal opportunities and access to the labour market” and “fair working conditions”), some parts of the third chapter, surprisingly, go beyond the typical reach of EU competences, comprising issues such as “social protection, health-care and long-term care”. Issues which, so far, have been dealt with by means of the OMC. The diction of most of the principles is that of social rights, which distinguishes the Pillar from other initiatives at that time and resembles that of older documents such as the Charter of Fundamental Rights (2000) which eventually made its way into EU primary law in the Lisbon Treaty. Currently, the Social Pillar’s legal status is not binding and it explicitly denies any expansion of European competences in social affairs (Dawson, 2018).

The sparse literature on the Social Pillar is divided in its evaluations. On one hand the Social Pillar is seen as representing progress towards a more social Europe, while on the other it is seen as a mere symbolic proclamation which lacks the means to trigger any substantial progress.

Table 1: Principles of the “Social Pillar” and Social Scoreboard indicators

Chapter	Equal opportunities and access to the labour market	Fair working conditions	Social protection and inclusion
Principles and rights	<ol style="list-style-type: none"> 1. Education, training and life-long learning 2. Gender equality 3. Equal opportunities 4. Active support to employment 	<ol style="list-style-type: none"> 5. Secure and adaptable employment 6. Wages 7. Information about employment conditions and protection in case of dismissals 8. Social dialogue and involvement of workers 9. Work-life balance 10. Healthy, safe and well-adapted work environment and data protection 	<ol style="list-style-type: none"> 11. Childcare and support to children 12. Social protection 13. Unemployment benefits 14. Minimum income 15. Old age income and pensions 16. Health care 17. Inclusion of people with disabilities 18. Long-term care 19. Housing and assistance for the homeless 20. Access to essential services
Social Scoreboard indicators	<ol style="list-style-type: none"> 1. Early leavers from education and training 2. Gender employment gap 3. Income inequality 4. People at risk of poverty or social exclusion 5. Young people not in employment, education or training 	<ol style="list-style-type: none"> 6. Employment rate 7. Unemployment rate 8. Real gross household disposable income 	<ol style="list-style-type: none"> 9. Impact of social transfers on poverty reduction 10. Children aged less than 3 years in formal childcare 11. Self-reported unmet need for medical care. 12. Individuals’ level of digital skills

Source: [European Parliament, European Council, & European Commission, 2017](#).

The Social Pillar is accompanied by an evidence base that also functions as a governance tool: the Social Scoreboard. This tool monitors performance across EU countries through a dozen indicators related to the Social Pillar. Of the original 14 indicators, the European Commission only uses 12 in its reporting (which are used in this article), as the member states pressed for the other two to be omitted. It is collected by the European Commission and can be retrieved via <https://composite-indicators.jrc.ec.europa.eu/social-scoreboard>. However, not all 20 principles and rights set out in the Social Pillar are encapsulated by these indicators. There are also obvious weaknesses in some of the indicators (ETUI, 2017), such as the “gender employment gap” which might measure an increase in female employment as a decline in male employment (ETUI, 2017: 6), and the Scoreboard overlaps other reporting and monitoring systems, e.g. the Employment Performance Monitor and the social indicators of the Europe 2020 strategy. Moving on from this initial discussion, the critical question concerning the focus of this paper emerges: how are the high regulatory aims of the Social Pillar that do not encompass information provided by the Social Scoreboard adopted and accepted by the member states. Of course, the Social Pillar provides an ideational resource, allowing national actors such as NGOs to appeal to it when arguing for or against domestic policy developments. Likewise,

the Brussels NGO scene has welcomed the Social Pillar as a means to further their arguments. The Social Scoreboard can support such tasks through cross-national benchmarking, as well as the classic soft-law mechanism of “naming and shaming”.

The most important move to strengthen the impact of the Social Pillar and the Social Scoreboard has been their integration into the European Semester process. The European Semester was initiated as an instrument for coordinating and monitoring the economic and fiscal policies of EU member states. It was introduced into the framework of the Europe 2020 Strategy, following the economic crisis of 2007-2009 and the European debt crisis after 2009, in order to avoid excessive national debt by ensuring national budgetary discipline, to prevent macroeconomic imbalances and to promote growth and employment through structural reforms in the member states (Becker, 2019; Verdun & Zeitlin, 2017; Zeitlin & Vanhercke, 2017). The European Semester is organized as an annual cycle based on a fixed timeline of steps to coordinate economic and fiscal policy within the EU. This includes the annual publication of key documents by the European Commission, such as the Annual Growth Survey (AGS), the country reports for each member state and the country specific recommendations (CSRs). As part of the European Semester, the European Commission reviews the member states’ draft budget plans, the National Reform Programmes and the Stability or Convergence Programmes. Through bilateral meetings with member states, the Commission attempts to work towards achieving the goals of the Stability and Growth Pact and the Europe 2020 targets and provides EU governments with CSRs for the next 12-18 months. Compared to the horizontal OMC (a pure soft-law mechanism), the Semester has some “harder” elements (especially for member states that regularly fail to meet the fiscal rules) but it remains a more or less “hybrid” type of governance (Bekker, 2017).

Over time, the narrow focus on stability and growth has expanded beyond fiscal and economic recommendations towards a growing focus on social policy issues (Clauwaert, 2018; Copeland & Daly, 2018; Dawson, 2018; Zeitlin & Vanhercke, 2017) and also other issues such as administrative policies. In addition, the Juncker Commission (2014-2019) streamlined the process, reducing the overall number of recommendations and their breadth (European Commission, 2015). In 2017/2018, the Social Pillar was included in this process (Dawson, 2018; Hacker, 2019). Until now, it has been unclear how this integration would change the content and direction of the CSRs. An initial assessment of this development by means of a detailed analysis of the CSRs in four member states (Hacker, 2019) concluded that the Commission uses the Social Pillar in developing its CSRs, but a clear link between the data of the Social Scoreboard and the recommendations was not really observable (Hacker, 2019: 50).

4 An empirical assessment of country specific recommendations for Spain and Germany

The aim of this section is to evaluate the relevance, dynamics, and impact of the new governance architecture introduced in the previous section. Accordingly, two questions will be empirically addressed in the following discussion. The first question relates to the interaction between the Social Pillar and the European Semester: Do the country specific recommendations (CSRs) follow a functional logic and reflect the issue areas identified as most urgent in the Social Scoreboard ratings? The second question refers to the effectiveness of the new governance architecture: How do the member states react to the recommendations? Are they used selectively according to national opportunity structures or do they invoke a programmatic re-orientation?

These questions are examined in relation to Spain and Germany, two quite distinct cases. Spain was heavily hit by the economic crisis of 2007-2008 and this is especially reflected in the unemployment trend we find there, particularly in relation to youth unemployment. By contrast, Germany was seen to be muddling through the crisis. It might even be seen as having profited from the crisis, as the devaluation of the Euro boosted the export-oriented German economy. Given this background, we might expect Spain to get more critical Social Scoreboard ratings, and consequently more CSRs overall, especially as regards social issues.

In the first empirical step, I will examine the Social Scoreboard ratings for both countries in order to identify the dominant functional pressures of reform. As expected from prior knowledge of both cases, Spain’s ratings with regard to equal opportunities, access to the labour market and fair working conditions all decreased following the crisis (see Table 2 below). Moreover, even by 2016 (the most recent year for which complete data is currently available) the Spanish situation had not improved in most of the areas captured by the

Scoreboard. Nevertheless, Spain is rated highly positive as regards the accessibility of its social and health services. Germany, on the other hand, has improved in several areas since 2005. The strongest German deficits seem to be related to the issues of income equality, where the ratings have declined steeply since 2005, and effective poverty reduction.

Table 2: Social Scoreboard ratings for Spain and Germany

	Spain			Germany		
Year	2005	2010	2016	2005	2010	2016
Equal opportunities and access to the labour market						
1. Early leavers from education and training	5	5	5	4	3	2
2. Gender employment gap	5	4	4	3	2	2
3. Income inequality	4	5	5	1	3	3
4. People at risk of poverty or social exclusion	3	4	4	2	2	2
5. Young people not in employment, education or training	4	5	4	3	2	1
Fair working conditions						
6. Employment rate	4	5	5	3	1	1
7. Unemployment rate	4	5	5	4	2	1
8. Real gross household income	2	4	3	4	2	1
Social protection and inclusion						
9. Impact of social transfers on poverty reduction	5	4	5	2	3	3
10. Children aged less than 3 years in formal childcare	2	2	1	4	3	2
11. Self-reported unmet need for medical care.	-	1	1	-	2	1
12. Individuals' level of digital skills	-	-	3	-	-	1
Summed ratings	38	44	45	30	25	20

Ratings: 1 – higher performance 2 – upper middle 3 – middle 4 – lower middle 5 – lower performance.

Source: <https://composite-indicators.jrc.ec.europa.eu/social-scoreboard/profile>; last access: 09/05/2019.

If we assume that the European Semester captures and reflects these developments in a functional and consequentialist way, we should assume, first, that Spain ought to obtain more CSRs than Germany on social policy issues and, second, that Spain's CSRs should focus on employment and youth unemployment, whereas the German ratings should reflect the sharpened social inequality and the effectiveness of poverty reduction schemes.

Therefore all recommendations received since the start of the first European Semester in 2010 are analysed in terms of their content and complemented by the Commission's assessment of the progress made on CSR compliance, as reported to the European Parliament. To evaluate these recommendations, the CSRs for Spain and Germany are analysed in two steps. First, the overall number of recommendations is scrutinised over time, noting whether they have any social policy content or not. Second, we examine the social policy-related recommendations for their specific content. This step allows us to address two questions: First, has the European Semester changed its focus on social policies over time, as most literature suggests? And second, do the CSRs reflect the evidence base provided by the Social Scoreboard?

Table 3: Social policy-related country specific recommendations for Spain and Germany (2011-2019) and evaluation of progress by the European Commission

	Spain			Germany		
	CSRs (all/social)	Content Social	Progress	CSRs (all/social)	Content Social	Progress
2011/2012	7/3	“Adopt the proposed pension reform”	Full Progress	4/1	“Improving equitable access to education and training”[...] improve work incentives for persons with low income” [...] remove fiscal disincentives for second earners. Increase the number of full-time childcare facilities”	Partial progress
		“Comprehensive reform of the collective bargaining system”	Partial progress			
		Assess impacts of labour market reforms	Partial progress			
2012/2013	8/4	Ensure that the retirement age is rising in line with life expectancy	Some progress	4/1	“Activation and integration measures, in particular for the long-term unemployed” “Raise the educational achievement of disadvantaged groups” “Phase out the fiscal disincentives for second earners, and increase the availability of full-time childcare facilities and all-day schools”	Limited progress
		Improve active labour market policy	Partial progress			
		Implement the Youth Action Plan, [...]reinforce efforts to reduce early school-leaving	Partial progress			
		Improve the employability of vulnerable groups, combined with effective child and family support services	Partial progress			
2013/2014	9/4	Increase the cost-effectiveness of the health-care sector, while maintaining accessibility for vulnerable groups, for example by reducing hospital pharmaceutical spending, strengthening coordination across types of care increasing the effective retirement age	Some progress	4/2	“Better integration of care delivery and a stronger focus on prevention and rehabilitation and independent living”	Some progress
		Labour market reform	Some progress		“Activation and integration measures, especially for the long-term unemployed” “Improve incentives to work and the employability of workers, in particular for second earners and low-skilled” “Increase the availability of full-time childcare facilities”	Limited progress
		“Youth unemployment set out in the Youth Entrepreneurship and Employment Strategy 2013-2016”	Some progress			
		“Reduce the number of people at risk of poverty and/or social exclusion by reinforcing active labour market policies”	Some progress			

2014/2015	8/3	“Reduce labour market segmentation to favour sustainable, quality jobs labour market reform”	Some progress	4/2	“Reform of public pension system by (i) changing the financing of new non-insurance/extraneous benefits”	Limited progress
		“Youth Entrepreneurship and Employment Strategy”	Some progress		“Activation and integration measures in the labour market, especially for the long-term unemployed”	Limited progress
		“National Action Plan on Social Inclusion: Strengthen administrative capacity and coordination”	Limited progress		“Reduce fiscal disincentives to work, in particular for second earners availability of full-time childcare facilities”	
2015/2016	4/1	“Increase the quality and effectiveness of job search assistance and counselling, including as part of tackling youth unemployment”	Some progress	3/1	“Increase incentives for later retirement”	Limited progress
2016/2017	4/2	“Improve labour market integration”	Some progress	3/1	“Increase incentives for later retirement and reduce disincentives to work for second earners”	Limited progress
		“Improve the labour market relevance of tertiary education”	Limited progress			
2017/2018	3/1	“Coordination between regional employment services, social services and employers improve family support, including access to quality childcare”	Limited progress	2/1	“Reduce disincentives to work for second earners and facilitate transitions to standard employment”	Limited progress
2018/2019	3/1	“Improve capacity of employment and social services Improve family support and increase the effectiveness of income guarantee schemes Reduce early school leaving”	Limited progress	2/1	“Reduce disincentives to work more hours, including the high tax wedge, in particular for low-wage and second earners”	Limited progress
2019/2020	4/1	“Ensure that employment and social services have the capacity to provide effective support”	-	2/1	“Reduce disincentives to work more hours, including the high tax wedge, in particular for low-wage and second earners. Improve educational outcomes and skills levels of disadvantaged groups”	-
Sum	54/20 (37%)			28/11 (40%)		

Source: European Parliament - DG IPOL - Economic Governance Support Unit (EGOV): EGOV calculations based on the Commission’s assessments of CSR implementation, version: 10/09/2018, v1.1.

The above analysis of the CSRs for Spain and Germany sets out several important observations. First, there are recurring themes from year to year. In Spain, the difficult situation regarding the labour market runs through all the years being studied (2011-2019). The earlier years of the European Semester had a particular focus on youth unemployment, in the later years the focus is more on labour administration. In

Germany, disincentives for employment, especially those for second earners and older workers, run through the recommendations. Second, particular themes show up in certain years, like health and care in 2013 or the pension system in 2014 (Germany) and collective bargaining in 2012 (Spain), and then disappear in the following years without being mirrored in the assessment of progress. Third, these emphases are closely linked to the deficiencies reported in the Social Scoreboard. Nevertheless, some obvious problems with reading across from the Scoreboard and the CSRs remain, even after the formal inclusion of the Social Pillar into the European Semester. One such example is poverty reduction following social security intervention in Germany, which is a recurring problem in the Scoreboard for Germany, yet it remains neglected in the CSRs. Fourth, there is absolutely no effect of the formal integration of the Social Pillar visible in the CSRs for 2018 and 2019. The CSRs of those years just replicate the ongoing issues from previous years. Fifth, there seems to be a slight Maslow-effect dynamic: when basic economic needs are fulfilled, as in Germany, social policy issues gain in relative importance, as can be interpreted by the slightly higher quota of social policy-related recommendations than in Spain. The last point concerns the compliance of states as there seem to be obvious deficits in the case of both Germany and Spain, especially in the latter years of the semester. As such, it seems that when direct pressure from European institutions is lacking, soft-law mechanisms will only work if the proposals are congruent with the political will in the member states. In other cases, such as the (almost yearly) criticism of joint income taxation for married couples (*Ehegattensplitting*) in Germany, recommendations just bounce back, as they remain popular for the majority of the public, in this case the domestic conservative clientele of the ruling Christian Democrats (CDU/CSU).

5 Conclusion

The European project is currently entangled in a multiple crisis behind which disintegration looms as an obvious yet unspoken threat. With populism challenging the legitimacy of the European institutions, economic crisis subverting the material basis of welfare states, and declining solidarity within and between the member states, the future of European social policy remains fragile. The reinvigoration of a Social Europe through the European Pillar of Social Rights remains merely symbolic, for the moment. As has been demonstrated here through the assessment of the country specific recommendations (CSRs) for Germany and Spain, it is obvious that the Commission is still reluctant to proffer far-reaching recommendations and the responsiveness of both the member states discussed here is equally questionable.

Nevertheless, if we compare the status of the Social Pillar with the institutionalisation of the Charter of Fundamental Rights, we see that the integration of non-binding declarations into European primary law still has a long way to go. As was the case with the Charter of Fundamental Rights, the Social Pillar may function as an anchor point for European actors, especially organised interests, NGOs and individual citizens, to press demands for further social convergence within the EU. Such a move may be supported by improving the Social Scoreboard, by integrating the complete Social Pillar and avoiding methodological flaws and redundancies. However, the European Semester mechanism was streamlined in 2015 and it simply does not allow many issues to enter the agenda. As such, the danger of the present practice is a Groundhog Day-like experience, where the same issues are reiterated each year. This obstinacy may influence actors in the long run, but it may well result in the whole process being ignored.

As we have seen in the cases of Spain and Germany, European welfare states are still fundamentally distinctive and face multifarious challenges. A real push towards harmonisation and convergence is only likely if the Social Pillar is stronger and better integrated in other, less symbolic EU policies, especially the Structural Funds and regulatory policies. This would strengthen the visibility of the Social Pillar and the European Semester for actors operating on the ground, so that the Social Pillar is not only a focal consideration for the Brussels NGO scene, but also those working on social policy across the EU-28.

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