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Wage and Welfare

New Perspectives on Employment and Social Rights in Europe

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The European Union.
Reorganising Resources:
Employment, Pensions and the Wage

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Introduction¹

The natural approach to the question of how value is translated into financial resources and how these resources are institutionalised and distributed amongst the population, and thereby create specific social relations, would be to turn to a comparative study of national socio-economic systems. And yet, although the state still provides the reference framework for measuring the different resource flows produced by work, a key factor has changed the situation: the member states of the European Union (EU) have agreed to construct a new economic space that “absorbs” the old national socio-economic spaces by imposing compliance with an ever increasing battery of legal and political constraints. We are thus seeing the development of a European political system that is made up of Community institutions and national institutions with new roles and new loyalties and which, for the moment, still co-exist with each state’s old references and roles. There is consequently a pressing need for a comprehensive study of the interplay between national dynamics – and their remaining spheres of autonomy – and this new integrated political system. Much remains to be done in this area, in particular with regard to the relations between types of resources, rights, political systems, and the content of socio-political decision-making. But before tackling that task in our future studies, we would like first to examine here the EU’s specific modes of functioning, noting that, for the moment, they reflect political logics and representations that have

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shifted away from the model of representative and redistributive democracy of the post-1945 period.

The first part of this chapter will thus examine the political and legal foundations of the EU and how these have shaped the approach to the hierarchisation of values introduced through the law and the status of socio-political deliberation in this specific political space. A specific system of “structural” constraints weighs on the EU actors and implicitly obstructs a clear expression of the redistributive conflict. We have chosen to explain this system using its own terms before examining its influence on the distribution of wealth and more precisely, on social protection. The second part then addresses the question of the impact of the EU on the overall re-organisation of resource flows introduced by EMU (and the new “stability” requirements). Since research on this topic within the network is still in the early stages, we have not attempted a comprehensive analysis but will limit our discussion to three particular cases which serve to illustrate the major dynamics in this field: 1) EU employment policy, since it contributes to a far-reaching restructuration of the labour market and thus of the wage relation, is an essential point of entry to this analysis: Community discourse has placed the topic of job creation at the centre of a vast undertaking to reform the whole range of monetary transfer systems (wages, social contributions, savings, taxation); 2) a discussion of the EU approach to the organisation of the supplementary pensions “market” highlights the efforts deployed – from drafting an ad hoc directive to case law decisions confronting social protection with competition law – to legitimate and thus encourage the development of funded pension schemes via the wide dissemination of the three “pillars” schema; 3) the initiatives to coordinate collective bargaining at EU level raise the question of the actual or potential autonomy of union actors to protect wages or weigh on their orientation within EMU, given that collective bargaining still plays a key role in the distribution and redistribution of wage-related resources. Each case study illustrates a particular configuration of the relations between Community actors. In the sphere of employment, the Commission is in a position to propose a cognitive model that will influence the representations and positions adopted by the other actors. It shares this capacity with the Court of Justice in the case of supplementary pensions. Finally, the situation of EU-level unionism illustrates the difficul-

2 Different levels of analysis are applied to the Commission in the sections on employment and supplementary pensions. For the latter, the author (Gaël Coron) found it important to “disaggregate” the Commission and to approach this actor at the level of the Directorate-General. He wished to emphasise the fact that, even before the question of social protection had been raised as an overall issue at EU level, the most
ties facing political actors seeking to propose an alternative model, based for example on the defence of wages at transnational level.

I. The status of norms and socio-political deliberation in the EU

The European Union, which was founded by an agreement between states forged on the classical model of diplomatic negotiations, bases the legitimacy of its action on the Treaty of Rome (1957, revised in 1986, 1992, 1997 and 2000). Its forerunner the ECSC, which had been constructed in a context of democratic concessions linked to the “cold war”, had been endowed with a political character (notably the weight accorded to parliament and the unions). But this was toned down in favour of a technocratic conception of the management of the res publica when the EEC was created in 1958 (Gobin, 1997). For the EEC did not draw on the model of the national democratic state: its references were international organisations which are effectively run by diplomats and experts (that is, in both cases, “technicians”).

When the Treaty of Rome was negotiated, the idea that World War II was the result of the destabilising effect of the political passions of the masses (communism vs. fascism) was prevalent among various conservative clubs with influence in international circles. Their ideal was thus to replace the governing of people by an administration of things – that is, by the joint management of the member states through the harmonious development of trade. Trade was seen as a “technical” activity existing outside of ideological passions and “naturally” linking populations whose activities would develop all the more harmoniously if the EEC could function in symbiosis with economic experts. This technologically neo-liberal component of the Commission had already prepared the ground by imposing a metaphor (the three pillars) which promotes putting pension schemes on the market. In the section on employment on the other hand, Corinne Gobin did not find the break-down between pro-market departments (Ecofin) and social policy departments (ex-DG 5) necessary since the subordination of employment to economic policy guidelines is directly expressed in the Treaty. The social affairs branch has attempted to correct this orientation, but not only do their correctives remain minor in face of the dominant dynamic described in this section, but precisely due to this implicit hierarchisation of values, this branch has assimilated an alienated vision of the social sphere (seen as geared to improving production). For an interesting analysis of this confrontation between departments over the issue of retirement schemes, see Math (2001).

3 By this mean any form of act produced by the EU political authorities that is binding for one or all the member states (and their populations), whether this act be legally binding in the strict sense, or politically or morally binding.
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cratic dynamic has had an enduring impact in that it has depoliticised the processes involved in the production of norms. The tendency to present Community norms as technical instruments rather than political constructs has served to reduce the role played by institutional processes of deliberation and collective conflict in their production, thereby marginalising the parliament and collective bargaining.

A. Construction of the EU: a juridical order prevails over the socio-political

The EU space was created by and for experts, in particular market experts for the construction of the common market and experts on Community law. The specialists in this new sub-discipline of international law played a significant role in the building of the EU structure. Thanks to EU Court rulings, the two key characteristics at the basis of Community law – its direct effect and its primacy over national law – have fulfilled the ideal of the submission of political power to a juridical construction and have created the image of a community based on a legal order rather than on a political contract. This idealistic vision, however, obscures the fact that law is subject to its own internal conflicts between different conceptions and finalities, notably between social law and the dominant formal legal categories of civil and commercial law. That is, between what may be termed “social-historicised” law and “self-referring” law.

Max Weber (1986) constructed models for these two opposing visions, which he called “rational-material law” and “rational-formal law”. In the latter, the superior norms only confer the authorisation to create other norms, and law as it has been created by case law and legal doctrine is imagined to enjoy a wide measure of independence from political decisions and the social world. Weber argues that rational-formal law gained power along with the development of the capitalist economy, in a mutually enriching process (law supplying the instruments necessary to the circulation and accumulation of capital: cheques, bills of exchange, and such like). In rational-material law, norms are conceived as being subordinated to one another in terms of the societal hierarchy of values (political, ethical). While this law does not deny a certain measure of independence of legal thought, it is seen as being a receptor of social and political facts.

Weber, in his time, noted a trend towards the re-materialisation of law through the advances of labour law. However, in the past twenty years, the formal rationality of law has been reinforced, notably by the rising power of EU law. The theoretical basis of this EU law draws on
the work of Kelsen (1953), which has partially supplanted political theory and endows jurists with considerable power:

La tentative de Kelsen pour fonder une théorie pure du droit n’est que la limite ultra-conséquente de l’effort de tout le corps des juristes pour construire un corps de doctrine et de règles totalement indépendant des contraintes et des pressions sociales et trouvant en lui-même son propre fondement. (Bourdieu 1986)

Labour law disrupted this legal formalism in two ways. First, it compelled legal recognition of collective social phenomena: strikes do not constitute a breach of the employment contract; and collective agreements cannot be interpreted according to the rules of civil law. Second, it re-introduced a material principle in the hierarchisation of norms: this is what French law recognises as a social public order, in which an inferior law (in the Kelsinian sense) can “derogate” from a superior law if it is more favourable to the employee. This principle of a social public order is at the heart of the construction of the continental model of social protection based on the socialised wage.

The tense balance existing at national level between these two legal rationalities has been altered by the rising force of EU law and its primacy over national laws. As established in the case of Costa vs. ENEL, “The law stemming from the Treaty, an independent source of law, [can]not, because of its special and original nature, be overridden by domestic legal provisions, however framed, without being deprived of its character as Community law and without the legal basis of the Community itself being called into question”.

The European Court of Justice expressly applied this reasoning to the provisions of national constitutions: “The validity of a Community act or its effect within a member State cannot be affected by […] either

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4 Very briefly, Kelsen proposes a construction of law in which the validity of a norm depends solely on its compliance with the formal criteria and procedures necessary to its conception and adoption. This creates a pyramidal hierarchy of laws, the inferior laws submitting to the principles of the higher laws, the supreme law being the constitution. The EU, drawing on this Kelsinian model, has added another level to the top of the pyramid: Community law.

5 Kelsen’s attempt to found a pure theory of law is no more than the ultraconsequent limit of the efforts of the entire body of jurists to construct a corpus of doctrine and rules totally independent of social constraints and pressure and providing itself with its own basis.

6 Case of 15 July 1964: Costa vs. ENEL, 6/64.
the fundamental rights as formulated in that State’s constitution or the principles of a national constitutional structure”7.

The power of the EU today, as covered by the agreement of its members, is such that it can openly apply this rule of the supremacy of EU procedures over the constitutional functioning of the member states8. The next stage will be the drafting of a “European Constitution”: the political stakes here will concern the place and the status of a legal order capable of thwarting the hegemony of the market. For it should be noted that the predominant logic of Community law gives priority to competition law and the implementation of economic freedoms.

The European system is thus based on a legal formalism that organises and legitimates the market order and reduces the political to a role of merely accompanying this order. It is a system that varies according to circumstance: it is structured on a strong principle of a hierarchy of norms (for a norm that is favourable to or does not threaten the general dynamics of free competition) and on a principle of subsidiarity (when a Community law might interfere with such competition). This opens up a wide avenue for case law and thus to the weight of experts and to a balance of power imposed by employers and financial forces.

In a framework such as this, the place left to the emergence of European social law has always been extremely ambiguous, and all the more so since the implementation of the single market in 1985. This explains the fact that the Community corpus of legal rules in the social field remains so “thin”. The first social directives were only adopted in 1975, prompted by the post-1968 context of social protest and the beginning of the economic difficulties linked to the “recession”. Indeed, Community social law has often been motivated primarily by the concern to ensure equal conditions of competition between firms within the Common Market, even if this has sometimes resulted in the introduction of transnational rights favourable to employees.

The subordination of social law to neo-liberal values has been reinforced since the Single European Act of 1986: by the introduction of a notion of “minimum norms” for legislation in the social field (limited to the presentation of framework principles and often reduced to the smallest common denominator existing between the member states); and by a clear order of priority, for these rules must not hinder the expansion

7 Case of 17 December 1970: Internationale Handelsgesellschaft, 11/70.
8 See the Luxembourg European Council decision of November 1997 to make the “Employment” chapter of the Treaty of Amsterdam directly applicable, without waiting for this new Treaty to be ratified by the national parliaments.
of small and medium-sized companies (Single European Act, 1986) or the competitiveness of firms (Treaty of the European Union, 1992).

The ambiguous approach to the social field is also expressed in the quasi-systematic referral to national legal definitions of the concepts used in social directives, and the wide margin allowed for exemptions. The vagueness created induces – de facto – highly variable results with regard to national-level implementation depending on the balance of power between socio-professional organisations and on the role played by social legislation in the national tradition. Thus, while some directives have permitted improvements in certain employee rights, mainly in the UK (enhanced rights for part-time or fixed-term contract workers; regulation of working time), the general trend in the EU has been to restrict the impact of rights that could tilt the capital-labour conflict in favour of the world of work.

B. Governance, and the decline of socio-political confrontation

The current model of “governance” defines political power as a vast network uniting public and private bodies in a partnership around common values (free market, growth and employment, competitiveness of firms, social cohesion). This political model tends to reduce the separation between the three traditional powers (executive, legislative and judicial), as well as between private and public actors, and to drain opposition forces of their substance (it is difficult to both participate in a network and oppose it) (Gobin, 2002). The consensus required by the partnership mode also favours the replacement of legal texts by what are referred to as “soft laws” – specifically in the social field – that have a vague status and are not legally binding (Charvin, 2002).

The network model of decision-making serves to give “theoretical coherence” to a political system that is characterised by an extraordinary institutional dispersion for the production of norms:

– The Commission initiates the legislative process and has control over parliamentary amendments and the suggestions from the various consultative bodies whether the latter are directly part of the internal order provided for in the Treaty (Social and Economic Committee, Committee of the Regions) or not;
– Parliament has been co-legislator for the past ten years, and the revisions of the Treaty have given it increased powers (to propose amendments, or in the case of disagreement, to veto the final version of a decision emanating from the Council);
– The Council of Ministers adopts the common policy decisions that will be written up in final regulatory texts.
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- The European Council establishes the broad guidelines that set the frame for what will be possible.
- The Court of Justice gives flesh to the content of the laws via extensive jurisprudence.
- The COREPER\(^9\) prepares and *de facto* adopts the vast majority of decisions that are subsequently endorsed by the Council of Ministers.
- The European Central Bank defines the socio-economic guidelines necessary to maintaining the stability of the euro.
- Social representatives may sign framework collective agreements that can be moulded into directives.

While these mechanisms are fairly easily identifiable, a multitude of other actors also influence the preparation of decisions: through the countless ad hoc consultative and expert committees, the more informal consultative bodies (such as the Forum for Civil Dialogue), and the numerous behind-the-scenes contacts with private sector lobbies. Powers and responsibilities are blurred (who decides where and who is responsible for what), and the dividing line that had progressively been constructed at national level between private interests and the public interest has become fuzzy and uncertain.

The Commission’s White Paper on Governance (July 2001) calls for legally binding norms to be limited to the “strict minimum necessary”. This restraint on the legislative ambitions of the EU has been the rule in the social sphere since the 1993 Green Paper on social policy.

The Treaty of Amsterdam, it is true, broadened the scope of parliament by opening up the co-decision procedure to new social issues\(^10\). But, at the same time, it also instituted a Community work method, subsequently baptised the “open method of co-ordination” (OMC), that effectively reduces the role of parliament to that of consultant. This was denounced by the European Parliament:

\(^9\) The Permanent Representatives Committee, comprised of diplomatic delegations seconded by each member state.

\(^10\) However, the Parliament’s role in the co-decision procedure is being reduced: the Commission and the Council are pressing for the introduction of an accelerated adoption procedure for laws concerning financial services (some laws would be adopted by the Commission alone) (see European Council, 2001). The trend is thus to open the way for self-regulatory practices (by the financial actors alone) or co-regulation (Commission and financial actors) (see Lamfalussy, 2001).
[The Parliament] calls on the Commission and Council to ensure that the open coordination process incorporates democratic elements, so that the assessment and solutions are not confined to the thinking of technical experts working behind closed doors; points out that to solve these problems and respect European integration will mean involving Parliament and public opinion in such processes. (European Parliament, 2002: p. 9)

The method is based on the definition of common guidelines reached through an adjustment between the positions of the Commission, the Council and the member states; it uses a benchmarking procedure to assess national “good practice” and greatly increases the interpenetration between national-level and EU-level administrative work. A growing number of social policy issues are being withdrawn from the legislative process for management via the OMC. In addition to employment (Amsterdam) and social exclusion (Lisbon), this has been the case for pensions (Göteborg) and is to be extended to other fields such as education and training, the environment, and health care.

The extent to which European norms are legally binding can thus serve as an indicator of the system’s values. On the one hand, binding laws, which can be invoked before any national court of justice by anyone under European jurisdiction, settle infringements of competition law and oblige member states to comply with the principles of economic freedom. On the other hand, policies aimed at reducing poverty and unemployment or regulating the employment relation are channelled through administrative processes for safeguarding social cohesion, where collective social rights become less a matter of law than of “business ethics”.

The OMC destabilises democratic dynamics in more ways than one. In addition to marginalising the legislative role of European and national parliaments alike, it promotes the generalisation of benchmarking practices that could potentially lead to “de-historicised” societies with no political memory and thus no democratic expression of conflict. The result would be the adoption of a single mode of operation in the name of an “efficiency” measured in terms of the satisfactory functioning of the market and the maintenance of a minimum safety net for social cohesion. Furthermore, this method renders the decision-making process more opaque. The EU procedure of recommendations based on reports from member states introduces a cyclic administrative process. It becomes impossible to tell who recommends what to whom and who ultimately decides, since it is the heads of state and government in the European Council that adopt the guidelines they have set for themselves. The method also promotes the idea that consultation of a multitude of
actors (the OMC\textsuperscript{11} solicits an increasing mix of social and civil dialogue) can usefully replace the old, more confrontational methods of deliberation in which the parliament and the trade unions symbolically represented the people.

European-level trade union actors are thus placed in a dynamic of dialogue (based on consensus) rather than of bargaining (based on compromise) and their opportunities for expression have been segmented according to the categories of public action or EU law. This tends to depoliticise their action, which is now reduced to that of one of many interest or expert groups (Gobin, 2000). The EU order, based as it is on a Treaty that expressly excludes the recognition of the right to transnational union strikes from its sphere of competence, undermines the role of social conflict as a driving force for social change. “Economic and monetary union has helped to create a more cooperative industrial relations climate based on shared macro-economic objectives. The sharp drop in the number of labour disputes illustrates this change” (CEC, 2000: p. 2).

The European Monetary Union (EMU), which represents a veritable change in political regime (characterised by a kind of “constitutionalisation” of capitalism) has thus led to a profound restructuring of the meaning of political power, of the content of rights and the instruments founding, guaranteeing and implementing these rights, as well as of the relations between socio-political and socio-economic actors. “Yet, Economic and Monetary Union implies an important regime change that entails additional responsibilities for all major policy actors in making it a success” (CEC, 2001b: p. 5).

II. The EU: a new framework for the distribution of resources

With the Treaty of Maastricht, the question of the allocation of resources was directly attached to the problematic of competition and free trade: “The Member States and the Community shall act in accordance with the principle of an open market economy with free competition, favouring an efficient allocation of resources […]” (TEU, article 98).

The focus on controlling national budgetary policies (the core of the new common economic and monetary policy) allows the EU to indirectly tackle the member states’ overall system of resources. State

\textsuperscript{11} See de la Porte and Pochet (2002), for the first general work analysing the OMC, which they presented in a more favourable light. See also Pochet and Goetschy (2000) on the European Employment Strategy in particular.
budgets are funded by tax revenues and directly or indirectly have a close relationship with monetary transfer systems for social security benefits. State fiscal systems have already been submitted to indirect pressure since 1 July 1990 when the internal market was opened up to the free movement of capital (Council of the European Communities, 1988) despite the failure to reach a compromise on fiscal harmonisation. This has placed national systems in a situation of “competitive taxation”, particularly with regard to corporate tax rates.

The difficulty in reaching an agreement on Community legislation regarding the issue of resources would appear to leave member states a wide margin of control over this politically highly sensitive field. However, the absence of harmonisation allows the EU to intervene ever more strongly in this area, but indirectly, under the guise of monitoring the efficient management of the capital, goods and services market.

The change in regime brought about by EMU has involved the Union in a vast operation of redefining and adjusting national resource allocation systems in order to integrate them into a unified financial order dominated by market mechanisms. But the European political system cannot progress at the same rate in all the member states since each national system is structured around distinct national and transnational actors and has a specific institutional history.

We will now examine the effects of this restructuring of meaning in three key fields: employment policy, retirement pension policy, and the search for a common trade union policy around the definition of a “wage norm” or “wage standard”.

A. Social policy: supporting employment as the mainspring of competitiveness

During the last two decades of the 20th century, “job creation” emerged as a major focus in Western European government programmes and discourse. It came to be imposed as the key component of social policy, and progressively replaced the conflict and debate over the

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12 Taxation, social security and social protection are still classified as areas requiring unanimous vote in the Council. Legislating on pay is expressly excluded from the EU sphere of competence.

redistribution of wealth. With the 1997 European Employment Strategy (EES), the central focus on this theme at EU level has implied an overall reconfiguration of social policy around employment.

The need for a Community-level approach to employment has long been debated. It should be recalled that throughout the 1970s, Euro-Trade Unions attempted to promote the idea of a Keynesian model of political responsibility at Community level with regard to employment, but met with little success.

During the 1980s, with the neo-liberal plan for the Single European Market in 1985, two different conceptions of “job creation” were adopted by Community authorities. On the one hand, it was seen as the near-spontaneous consequence of the development of the European internal market. This led to the 1988 “Cecchini report”14 which announced the automatic creation of 5 million jobs. On the other hand, job creation was advocated as a medium for establishing a pact between the social actors and the public authorities in order to gain support for the new European project. The idea was developed in 1985 by Jaques Delors as part of the social dialogue process, but a general political agreement on the question was not reached at the time. However, the preparatory work undertaken to this end by the Commission opened the way for the idea that came to the fore during the 1990s that an EU employment policy could be developed.

1. Employment: economic policy or social policy?

The European Commission progressively developed an employment policy via its annual employment reports starting in 1989. The first four reports (1989-1992) served to establish the “concepts” (such as “target populations”, “ageing of the population”, “source of jobs”, “active measures”, “employment rate”, “social exclusion”, “long-term unemployment”), and to present what were perceived as the “problems” and their “solutions”. This laid the foundations for a “theorising” of the question of employment in the White Paper on Growth, Competitiveness and Employment presented by Delors in 1993 (CEC, 1993). The paper included an employment programme which was first “tested” by the member states in a “multilateral surveillance” process decided on by the European Council in Essen in December 1994, and then transformed into a common interest policy by the Treaty of Amsterdam and the 1997 Luxembourg Summit for Employment.

14 Experts’ report under the direction of P. Cecchini, senior official, Internal Market and Industrial Affairs DG.
In what has become the dominant system of thinking, employment is viewed above all as a “factor of production” for the competitiveness of firms, and the population between 15 and 64 years of age as human capital to be mobilised. The notion of “employment rate” has replaced former references to the unemployment rate and the working population. The idea is to follow the examples of Japan and the US and significantly increase the number of people in the labour market by transforming all the “hidden and invisible unemployed” – that is, the non-workers – into workers. As a result, the reform of resource transfer systems became geared to providing employment incentives not only for the unemployed but also for the non-working population.

The overall objectives defined at the Lisbon summit were to raise the employment rate from 62% to 70% by 2010. An intermediary goal, of 67% by 2005, was set in Stockholm, as well as two specific goals: to increase the female employment rate from 52% to 57% by 2005 and then to 60%; and to increase the “participation rate” of workers aged 55 to 64 to 50% by 2010 by curtailing support for early retirement and implementing partial retirement arrangements. The European summit in Barcelona added the objective of raising the effective average retirement age by 5 years for 2010.

The view of employment as the mainspring of competitiveness has given rise to two important shifts in meaning:

- Employment policy has become labour market policy and thus, in fine, a policy to adapt labour to the market; this explains the strong linkages appearing in European policy documents between employment policy, the pursuit of wage restraint, increasing wage disparities, and greater flexibility of working conditions and working time.

- With employment as the focus of the EU social agenda, all the other components of social policy have been geared to supporting employment, and have thus also become “factors of production”.

In response to the demands from the unions and certain political actors to give EMU more social “balance”, the EU adopted a smokescreen solution which presented the social and economic spheres as “complementary” rather than “contradictory”. But, in fact, the social sphere was totally transformed, primarily into a means to maintain the “broad macroeconomic balance” and secondarily, into a “factor of social cohesion”, that is, a safety net to avoid what are considered to be dangerous social tensions. This balance was also supposed to be achieved through a policy promoting the quality of work by establishing a set of...
"indicators on quality in work" that were approved by the Laeken European Council (December 2001). In the end, the process boiled down to reviewing some thirty fairly traditional statistics, some of which have a rather strange relationship to the notion of "quality in work". In themselves, they have little meaning if they are not part of an overall policy to define a direction for employment that would clearly diverge from the current neo-liberal trend. But, as the European Commission declared, "Strengthening the quality dimension does not imply any new processes, or even a radically new approach to policy, at European level".

A lexicometric analysis of the French version of the Broad Economic Policy Guidelines (BEPGs) (1993-2001) reveals the extent to which travail and emploi have been transformed into economic management tools: marché, emploi, travail and croissance, in that order, top the list of the most frequently used terms, travail being attached to marché and emploi to croissance in the majority of cases.

Historically, the 19th century saw the "invention of the social sphere" (Donzelot, 1984): social and political struggles for democracy led to the introduction of statutory social rights which permitted the progressive decommodification of employment relations. Conversely, the "absorption" of the social into the economic sphere has direct repercussions on the content of social rights and on their position as the basis of society.

Have we not reached a turning point where the very notion of "social rights" has been completely transformed? We seem to have moved from a political form of organisation where certain instruments were developed as a basis for ensuring rights (such as social security systems), to a system in which these same instruments seem essentially to be geared to serving market policies and would only subsidiarily form a basis for rights; these rights, furthermore, are being "de-universalised" to adapt to diversified markets.

The activation of social expenditure on employment advocated at EU level has, in certain national contexts, led to benefit entitlement becom-

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15 Such as statistics on “working days lost in industrial disputes”, the “proportion of workers with a financial interest/participation in the firms where they are employed”, or the “proportion of workers with basic or higher levels of digital literacy”.


17 The results of the lexicometric analysis of the English-language version were not available at the time of going to press. The study of this and other languages is in progress. For a presentation of lexicometry, see Lebart and Salem (1994).
ing conditional (unemployment or minimum income benefits provided in exchange for mandatory training or labour market “integration”).

Moreover, the concern of the EU to redefine fundamental rights (as in the Charter of Fundamental Rights) by distancing itself from existing international texts (such as the European Convention on Human Rights or The Social Charter of the Council of Europe) can also be seen as an indication of the will to “adjust” these rights to logic of the single market (see de Bodt, 2001, Gobin, 2003)\textsuperscript{18}.

2. Employment: mobilising resources for a competitive economy

Once employment was established as the key feature on the EU “social” agenda, it became the system of reference for all the other elements of social policy. Educational and training policies, as well as social protection, had to become part of “employment systems”:

[…] it is important to bring as much empirical evidence to bear in order to improve understanding of the way labour markets function and how employment systems – more broadly defined to encompass influences such as education and training and social protection – operate to create jobs and provide work and income for people. (CEC, 1994: p. 8)

The definition of social protection as a component of employment systems has enhanced the legitimacy of the EU to deal with the relationship between different resource flows – but as an element of economic policy, and not as a political question of “how to redistribute wealth”.

In the Commission’s view, financing social security benefits through compulsory social contributions and/or taxation is unfavourable to competitiveness and thus to employment since it weighs on the “cost” of labour:

A distinguishing feature of the European economies is the high level of social protection provided through the State or State-supported systems. The financing of extensive social welfare systems has become an increasing matter of concern as regards the possible consequence for competitiveness and the process of job creation. (CEC, 1994: p. 16)

\textsuperscript{18} For example, certain fundamental rights gained through the wage conflict, such as “equal pay for equal work” or the explicit right to a replacement income for unemployed or retired workers, do not appear in the EU Charter. For a more general analysis of the status of the declaration of rights in modern societies, see Fauré (1997).
In line with this viewpoint, the recommendations addressed by the EU to the member states seek to ensure that available public resources (taxation and social contributions) will be used as “incentives” to support competitive systems of employment. The objective is thus to reform the overall body of transfer systems in that direction.

It may be noted that in the wording of the EU texts, the notion of taxation encompasses all the systems of mandatory contributions financing social protection, regardless of their nature. Thus social contributions and taxation are systematically linked together. The lexicometric analysis of the French version of the Broad Economic Policy Guidelines (BEPGs, 1993-2001) shows that cotisations is associated with taxation 10 of the 12 times it appears. The frequent use of the phrase systèmes de prélèvements et de prestations should also be emphasised: the linking of social benefits with “deductions” turns them into a simple accounting factor that can be adjusted, and their definition as a right fades away.

The boundaries between the notions of tax-funded subsidies, social security benefits and wages become porous, and this permits to combine them or to substitute one for the other:

Improving the prospects of labour market entry for the least competitive by restructuring national government income support schemes in ways which enable income from work to be topped up with income from social security by developing integrated taxation and income support systems with appropriate safeguards. (CEC, 1993: chapter 8.8.c)

This non-determination between categories of resources facilitates the disconnection between work and direct remuneration by the employer. The good old saying “all work deserves a wage” is being replaced by “all work deserves something”.

Since 1993, the general proposal has been for an overall reduction of taxation on labour and of social contributions. This reduction is to be greater in the case of “low skill” workers. In addition, a distinction is being made between “national solidarity” expenditure (family benefits, old-age, severe illness, long-term unemployment) for which social

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19 These recommendations have been included since 1993 in the BEPGs “paving the way” for EMU, and since 1998, in the guidelines for employment that must be compatible with the content of the BEPGs.

20 The last reform of the European Social Fund is also part of the plan to promote the new European Employment Strategy, see the EC Regulation 1784/1999, 12 July 1999.

21 In the 1993 White Paper, the Commission estimated that 40% of Community GDP was “channelled” through statutory charges, compared to 30% for Japan and the US.
contributions could be replaced by taxation, and “contributory” benefits (retirement pensions) for which: “[…] it is for each Member State to determine the respective proportions of compulsory and voluntary contributions to be paid under insurance schemes or savings arrangements” (CEC, 1993: chapter 9.3.b).

Conditionalities such as accepting and/or finding a job, are increasingly attached to benefits, and this has involved a revision of their duration, their rules of application and conditions of entitlement (CEC, 2001b).

Nonetheless, these changes are deemed insufficient, and it has been deplored that “There has been little progress in reforming tax-benefit systems to make work pay” (CEC, 2000: p. 13). In other words, the EU has announced that the bulk of the reforms of transfer systems is yet to come.

**B. Pensions: developing a funded second pillar**

1. The Commission’s enduring goal

The Commission’s Directorate General for the Internal Market (MARKT DG, formerly DG 15) has, since the 1990s, repeatedly expressed the desire to see the introduction of regulations designed for the pension funds industry that manages occupational pension schemes in a small number of the member states. This concern stems from their wish to round off the single capital market, which cannot effectively be considered as such until it includes the capital managed by these funds. One of the Commission’s goals is thus to favour the expansion of this sector by limiting the restrictions on pension investments and thereby creating the opportunity for increased investment returns (freedom to acquire more foreign assets, more shares, and such like).

Despite their numerous semantic precautions, the proposals envisaged were not limited to organising the free movement of capital between the funds and the managers of their reserves. They touched on the politically more sensitive issue of the freedom to provide services, that is, the possibility for a pension fund to offer its services to residents of another member state in the name of free competition between pension institutions. This, however, necessarily means envisaging the possibility of a conflict between Community competition law and national provisions for compulsory affiliation to a pension scheme (whether set by law or by collective agreement). And that is a domain in which the Commis-
sion also has to take account of the conceptual framework set by the Court of Justice.22

In the case of basic pension schemes, the Court of Justice ruling in the Pistre and Poucet case23 explicitly rejected the possibility of challenging the “monopoly” involved in compulsory affiliation to a social security fund. The Court ruled that the funds managing basic pension schemes for the self-employed were not private companies and thus were not subject to Community competition regulations.

Case law on the supplementary schemes is far more difficult to grasp. Nonetheless, it appears after the 1999 Albany International case ruling24 that if a collective agreement provides for compulsory affiliation to a pension fund which “pursues a social objective”, this is consistent with Community law inasmuch as the hindrance of competition is necessary to achieving the goal of solidarity.

The initial proposals were thus significantly modified as case law evolved. The Council’s reactions also compelled the Commission to scale down its plans. A preliminary document drafted in 1990 (9 October) had envisaged guaranteeing three major freedoms:

1. The freedom for fund managers to select the asset manager of their choice;

2. Freedom of investment of pension fund assets, in order to limit restrictions such as the currency matching requirement which requires a certain proportion of the assets providing interest to be in the same currency as that paid to the beneficiary.

3. The freedom to join a pension fund in another country. That is, the possibility for an employee or an employer to choose a pension fund in another member state, first for migrant workers and then for employees of multinationals. (Although the Commission has always claimed that this would not call into question national provisions for compulsory affiliation, it is difficult to lend credence to this assertion).

However, the first directive proposal of 1991 (CEC, 1991) was more limited in scope. It only included the first two freedoms since the Commission anticipated meeting with opposition on the third. The insurance

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22 The Commission is however able to present its views before the Court via the submissions of its legal department during each of the proceedings. Their arguments are then frequently taken up by the court (Sweet et Caporaso, 1998).

23 ECJ, 17 February 1993, Poucet and Pistre, C-159/91 and C-160/91.

companies’ representatives were displeased with the proposal because it did not include a section on liabilities (the obligations imposed on pension institutions and their investment policies). They claimed to be more qualified to play a role in the future private pension system on the grounds that they offered more substantial financial guarantees.

This first attempt to pass legislation was thwarted by the Council in 1993 due to opposition from several countries. France in particular wanted to avoid unfair competition for her national insurance companies, to maintain a high currency matching rate in order to sustain the French franc, and to protect compulsory affiliation to the pay-as-you-go supplementary schemes (AGIRC and ARRCO) over the long-term.

This failure prompted the Commission to present the text in the form of a Communication including strong binding components. But a joint case brought by France and Spain led the Court of Justice to annul the act on the grounds that the Commission had over-stepped its functions.

The Commission then launched a broad consultation of the member states and economic actors (following the 1997 Green Paper on supplementary pensions) before presenting further proposals.

A new directive proposal, which was more likely to achieve consensus, was presented in October 2000, and resulted in the Council adopting a common position in May 2002. Certain structural factors, such as the introduction of the euro, had served in the interim to reduce the antagonisms at the origin of the previous failures. Above all, the insurance companies had realised that they should seize the opportunity to position themselves on the occupational pension market that was in the process of being Europeanised, and their representatives succeeded in imposing their point of view during the parliamentary debates. The financial institutions managing occupational pension plans are now no longer under obligation to restrict their activities to this field exclusively. A private insurance company need only draw up a separate balance sheet for the assets and liabilities concerning the management of an occupational pension plan in order to enter the market. In exchange for this, the pension funds obtained a compromise that tended to restrict prudential requirements.

The unions and other European actors defending a social vision of occupational pensions (favouring defined-benefit schemes and their bipartite management) had limited institutional access to the debate, since the defenders of the directive argued that it was of a strictly economic nature focused on extending the free movement of capital.
2. Defining social security and the three pillars of wisdom

It has not been an easy matter for the Commission to promote the market for funded supplementary pension plans. The major problem has been how to advocate the need for a single market and define it when many countries do not even have such a market, and the vast majority of assets are held by Dutch, Danish or British institutions. The goal of achieving a single market has necessitated establishing the conceptual tools that will legitimate it and lend credence to the idea that advanced-funding is the natural way to finance employment-linked schemes. To put it clearly, defining the role of private initiatives entails giving a restrictive definition of pay-as-you-go systems. But the succession of EU documents addressing the field in relation to diverse social policy issues has made it difficult to establish a single definition of social security or social protection. This role has thus been played by the Court of Justice, whose rulings have delimited the field of application of the texts concerned25 – and thereby, the respective spheres of the market and of social protection.

The Commission’s solution to these difficulties was to follow the example of the World Bank, and to promote a single analytical framework that restructures the question of the future financing of pensions and corresponds to its goals to reduce the role of pay-as-you-go and expand that of funded schemes (Bonnoli and Pallier, 2000; Math, 2001). This framework – the segmentation of social protection into three pillars – was disseminated in the majority of the Commission’s documents: expert reports, Committee on Economic Policy reports (drafted by the Economic and Financial DG), the directive proposals described above, and the conclusions filed before the Court of Justice26.

The 1990 draft document expresses this position fairly clearly. First, it is asserted that pensions can be financed through three different sources (the three pillars): social security schemes, employment-related supplementary schemes, and personal retirement plans. While acknowledging the difficulties in using these distinctions, the Commission argued that they exist “in theory” all over Europe, and could thus serve as a basis for defining the field of application of the future text:

25 The documents concern, in particular, the coordination of social security schemes, governed by Regulation 1408/71; the application of the principle of equal pay for men and women since the benefits linked to an employment relation are considered as part of the pay packet; and the question of the delimitation of competition law.

26 Sweet and Caporoso (1998) have shown how important these documents are for “predicting” the subsequent rulings of the Court of Justice.
Keeping these precautions in mind, the present document will deal with the second pillar and in particular, financial institutions other than private insurance firms which provide private employment-linked retirement benefits to individuals or groups, even if these pension schemes partially or fully replace benefits which would otherwise be provided by social security bodies. (CEC, 1990)

The case of France – where the pay-as-you-go supplementary pension schemes AGIRC and ARRCO play an important role – is of particular interest, for it highlights the semantic shift that has taken place. For the Commission not only defines the pillars on the basis of type of scheme. It also asserts their “natural” modes of financing, claiming that the second pillar, defined by its link to the employment relation, is generally managed by funded systems. The pillar-based distinction thus becomes as normative as it is descriptive:

Pay-as-you-go systems imply compulsory affiliation and a social contract between the contributors (between the active population and the beneficiaries). Practically all the social security systems in the Community are financed in this way. Recourse to this system for private pensions is essentially limited to France […]. The compulsory nature of affiliation is a major obstacle to achieving the third objective (cross-border affiliation). However, it remains crucial for the long-term stability of a pay-as-you-go scheme and it would be unreasonable to require the suppression of this obligation. It is thus proposed to exclude pay-as-you-go schemes from the field of application of the proposal. In fact, these schemes will be considered more as an extension of the social security system than as a component of the second pillar (occupational pensions). (CEC, 1990)

During the 1990s, this categorisation progressively came to be accepted by the French supplementary schemes, which are now almost unanimously considered as belonging to the first pillar. However, their inclusion in this category was achieved not only by recourse to binding legal norms, but also through an interplay between strategy anticipation, cognitive connections and personal career-building

**C. Wage policy: an issue for trade unions at European level?**

The co-ordination of collective bargaining over wages is an issue that is not addressed in Community documents. These, moreover, rarely use the term “wage policy”: the preferred phrase is “wage development”. This is not a neutral expression, and its use shows that wage restraint has come to be accepted by all the European actors.
1. Is the ETUC the guardian of wage restraint?

In its monthly bulletins, the European Central Bank informs the “social partners” of the level of wage development that will be tolerated for the maintenance of monetary stability (Dufresne, 2000b). Furthermore, the Bank has insisted that “careful monitoring of wage development and the availability of reliable data at frequent intervals is essential”27. Recommendations to reduce the wage bill have a long history at Community level (the Ortoli Commission aligned with UNICE positions as early as 1975). Thus, the Commission recently noted with pleasure that “although the situation in the labour market is improving and the unemployment rate is decreasing, wage growth has remained moderate in recent years and should continue to do so for the next two years” (CEC, 2001c). It selectively used two structural arguments to justify this position on wage restraint in 2001: labour market flexibility and reductions in social security contributions. In addition, the Commission called upon the social actors to adopt what it calls “responsible” strategies and to increase their co-operation in order to ensure the continuation of this trend.

The Commission thus envisaged social dialogue as a means to achieve a convergence of interests between the “social partners”, and one of the important roles of this process is to ensure wage restraint. As a result, social dialogue has little substance: both the European Trade Union Conference (ETUC) and the European Industry Federations (EIFs) appear to be dependent on the Commission’s agenda, and their presence to essentially serve to promote Community policies. Two further – major – institutional obstacles to the Europeanisation of collective bargaining should also be noted. First, the Social Agreement signed in Maastricht, which has been included in the Treaty since Amsterdam, explicitly excludes wages from EC legislative competence. And second, trade union co-ordination initiatives have been handicapped by the lack of an interlocutor on the employers’ side: the employers’ representatives, however well-organised (and this is not always the case at sectoral level) have, to date, refused to negotiate or even to discuss the subject of wages.

2. Is the autonomy of the ETUC the key to achieving a co-ordinated wage policy?

Does this conception of wage restraint allow for a rethink of the role of wages in the euro zone economy? And if so, what scope would the trade unions have for action within the European institutional complex? It can be observed today that trade-union initiatives are being developed outside of the tight institutional network of the EU. It is possible that the more the unions allow themselves to adopt a position other than that of wage restraint, the greater their chances of asserting their independence.

The ETUC is thus faced with transnational initiatives at both cross-sectoral and sectoral levels (the latter will not be examined here, see Dufresne, 2000a, 2000b, 2001 and 2002). This raises the question of how these different initiatives interconnect and who will be responsible for what.

a) Cross-industry orchestration and sectoral responsibility

At its 9th Congress in Helsinki in 1999, the ETUC adopted a resolution explaining its role “to impulse the co-ordination necessary to guarantee the overall coherence of the demands of the European trade union movement and to support in every way possible the European Industry Federations in their initiatives” (ETUC, 1999a). Although certain national confederations are seeking to regain power through the ETUC Collective Bargaining Co-ordinating Committee (CBCC), it is in fact the European Industry Federations that have “primary responsibility for European co-ordination of collective bargaining”. That is why it is deemed necessary “to devise appropriate policies and structures in each federation” and “to strengthen and/or establish social dialogue in every sector of the economy” (ETUC, 1999b). However, it is still too soon to have a clear picture of the roles the ETUC and the other union organisations will adopt in the co-ordination process.

b) Cross-border activity: An alternative, or a step on the way to Community action?

In addition to the industrial (sectoral and cross-sectoral) interconnections at EU level, the co-ordination dynamic also needs to take into consideration the interplay between the Community, national and cross-border levels.

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28 The ETUC agreed to wage restraint after having accepted the principle of EMU.
The cross-border Doorn Initiative\textsuperscript{29} and the various sectoral co-operation agreements are all in essence transnational. However, a number of trade unions (especially from southern countries) expressed their disapproval of the regional nature of the Doorn initiative, on the grounds that it could risk fragmenting and weakening the union movement and the ETUC. The third meeting of the Doorn Group was thus opened up to ETUC representatives, and members repeatedly asserted that their Group represented “a step towards European co-operation on collective bargaining”. Nonetheless, cross-border co-operation – a novel and dynamic development – appears more realistic in the immediate term, given the smaller number of participants and their geographical – and often cultural – proximity (which explains their sometimes long-standing historical ties). It is not yet known whether the Doorn Group will open up to other countries or whether other regional initiatives will be organised along the same lines. But, “if such cross-border agreements continue to be signed, the question will be how to co-ordinate them with Community initiatives” (Delbar and Walthéry, 2000). What would be the role of the ETUC or EIFs in these three- or four- country processes? There could conceivably be some competition between a Community trade union structure (set up by European actors) and a transnational structure (with direct inter-union co-operation bypassing Europe) – which is why the EIFs and the ETUC often seek to head these co-operation agreements. This raises the important question of the possible forms of Europeanisation and the legitimacy of the European players.

3. Content of wage co-ordination: what is meant by wages?

In a political and economic environment marked by strong wage restrictions (which have lasted for over twenty-five years), the various wage co-ordination initiatives are all working on developing a joint position on wages that could be translated into a “wage norm” or “standard”. Is this a rationalisation of constraints and/or the will to regain greater autonomy in order to renew pressure with regard to wages, or at least to avoid unions accepting competitive wage dumping in order to protect “national” employment? Although the attempts to establish a wage norm have not yet produced a result that can be used in national

\textsuperscript{29} After the Belgian government adopted its ‘law on competitiveness’ in 1996, the two major unions (the CSC and the FGTB) were obliged to systematically compare Belgian wage levels with those of their country’s three main trading partners (Germany, France and the Netherlands). They thus took the initiative, in 1997, of bringing together their German and Dutch counterparts, along with their main sectoral unions. They agreed to meet annually and to establish a contact group which was subsequently dubbed the “Doorn Group”.

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negotiations, the meetings of the various co-ordinating bodies have enabled trade unions to consolidate their strategies and to provide a partial response to the emergence of new questions concerning the notion of pay.

a. “Extended” wages: Bargaining on qualitative aspects

The aim of the wage norm is to defend employees’ purchasing power against inflation, or even boost it where possible by means of a “fair” distribution of productivity gains between capital and labour. It nonetheless leaves national federations fully autonomous as regards the utilisation of the available distribution margin. Part of this margin can thus be allocated to employment, reductions in working time, training, early retirement, or any other forms of solidarity, depending on the country. Trade-offs between wage progression and what are presented as other “more qualitative” aspects of employment are thus beginning to appear in collective agreements. As Jean Lapeyre, Deputy Secretary of the ETUC explains, “if a European social model existed, qualitative aspects could be a factor in correcting the curves, as compared with the American curves” (CBCC, 1999).

The focus on “qualitative aspects”, however, not only raises technical problems because of quantification difficulties. It also raises political problems, since it clouds the fundamental issue of who should pay for social rights. Calling collective social rights that are rooted in work and the wage “qualitative aspects” can be dangerous: it could depoliticise the question of the content and status of these rights, which could then easily be turned into negotiable “aspects” tied to the local labour market situation (which is what the Commission is pressing the unions to do); and this would serve to further “de-universalise” collective social rights.

b. “Diluted” wages: New forms of pay

The notion of the wage is not only being extended to qualitative aspects, it is also being “diluted”. Rather than focussing on the wage in the strict sense of the term, pay bargaining is constantly being diluted in discussions on new, additional and increasingly individualised forms of income; these range from profit-sharing to other types of bonuses such as stock-options and top-up pensions (Van het Kaar and Grünel, 2001). The definition of the wage has thus become fuzzy. This issue, like the more traditional question of the articulation between collective bargaining and social protection, taxation and minimum wage, is now at the forefront of trade union thinking. This redefinition of wages and their limits are part and parcel of the ongoing co-ordination process.
4. From technical obstacles to political will?

These union initiatives all serve to exchange information on which to base appraisal of the outcomes of individual national bargaining rounds. The norm is thus used only as an *ex-post* monitoring tool. It has been explained that for the moment, this is why “there is no evidence of an effective move towards co-ordinating actual bargaining topics” (Dufour and Hege, 1999); all that is involved is exchanging information and lists of claims. But is there not a way to turn the wage norm into an *ex-ante* tool for raising claims and defending employees’ rights at national level?

Structure (social actors), substance (wage formation) and objectives (socio-political agendas) are intrinsically linked in the history of national wage policies. Sociological analysis makes it possible to comprehend the micro-economic “wage relation”, the creation of a balance of power between the actors who determine wages. At European level, on the other hand, there is currently a tendency to define substance before structure, that is, to define a technical and macro-economic “wage norm” without having constructed a sufficiently solid multi-level trade union player to defend them. That is why the development of a co-ordinated collective bargaining policy is accompanied by the establishment of Community institutions that serve as forums for mutual observation by the trade union organisations involved in the process and in a phase of learning about their different systems. The question is, what structures will be capable (in terms of political clout) of defending a plan to redistribute wealth in order to prevent the macro-economic wage relation (restraint enforced by the economic sphere since the beginning of the 1980s) from continuing to weaken wage relations in each of the member states?

In the continental states in particular, wages are determined and defined in a political process at national level (whether sectoral or cross-sectoral). Could one imagine deliberations on a different scale? If so, what form of policy-making community would need to be constructed at European level, predicated on the right to a wage, rather than on “putting employment first”, which is the *leitmotiv* of Community jargon?

**Conclusion**

The primary aim of this chapter has been to show that the political system of the EU has come to play a predominant role in the current redefinitions affecting the entire range of national systems for the collection and transfer of resources. Thanks to the Community policy on budgetary control introduced in the Treaty of Maastricht and re-iterated
with force in the 1997 Stability and Growth Pact, the EU has progressively become a single political system – formed by Community and member state apparatuses – that gives impetus to policies leading to the far-reaching reform of national systems of distribution of resources. Employment serves as the vector for the transfer of the logics of financial accumulation – as the priority logic – towards all the fields related to social protection.

The European Commission and the Court of Justice are key actors in the elaboration of these reforms. These institutions have defined a cognitive framework in which the economic sphere is approached via the entry points of competition policies and the consolidation of the internal market: this includes completing the capital market, which in turn shapes the treatment of social questions. EMU is thus the tool for achieving a “change of regime” which, thanks to a network metaphor serving to merge “political society” and “civil society” and to blur the boundary between private interests and the collective interest, is leading to a revision of the role assigned to socio-political institutions.

Our future research will look more closely at the interplay between national and Community systems and the room for manoeuvre that remains thanks to the principle of subsidiarity, the verdict of national elections, and the weight of national socio-political and institutional histories. Keeping in mind, of course, that the progress towards a single system of free trade will always allow for an adaptation to marginal variations.

Our second aim, as a corrective to this preliminary overall approach, was to show that despite the strong system of constraints produced through the political system of the EU, the multiplication of institutionalised actors coupled with the multiplication of procedures for producing EU norms allows the institutional actors a certain – albeit limited – margin of freedom. For instance, the Court of Justice, through rulings that establish a distinction between the sphere of competition law and the sphere of social protection, offers a finer reading than that produced by the Commission (although to what extent can this effectively protect social law, given the hegemony of free market logics?).

Another example is offered by Euro-Trade Unionism. The decision-making framework of the system of Community constraints (which includes the social dialogue procedures) does not permit the union actor to weigh on the choice of political direction. At sectoral level in particular, social dialogue more often than not serves to produce joint demands addressed to the EU – which can be likened to a particular form of lobbying – rather than reciprocal commitments between the social interlocutors within their direct fields of responsibility (such as working
time, health/security, or training). However, the Europeanisation of both political and economic relations resulting from EMU has made it crucial for the social movements to occupy the transnational spaces existing between the national and supranational levels and which are not directly subjected to political constraints. It is within this space that the unions are attempting to develop a more offensive strategy (are we seeing a rediscovery of autonomous internationalism?).

Ultimately, one of the keys to the successful development of cooperation between trade unions will be the confidence that each of the national organisations has in its transnational or supranational authority (Secretariat of the Doorn Group, EIF or ETUC). It is the creation of a strong inter-union fabric that will convince national organisations to partially relinquish their sovereignty in favour of a European mandate for supranational or transnational bodies. This would then lend strength to the idea of a joint programme pursued by European trade unionism as a whole, and perhaps make it possible to move beyond mere declarations of principle that are rarely applied.

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