

ILERA European Congress 2019: Perspectives of Employment Relations in Europe

*Submission for Track 1: Social Europe – Equality and Poverty*

**Title:** Is the European Semester Really Being Socialised? Rethinking the European Union's New Economic Governance Regime and Labour Politics

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**Abstract:** One of the key responses from the European Union (EU) to the global financial and sovereign debt crises has been to overhaul its economic governance regime. The former Commission President, Jose Manuel Barroso, went even as far as to label the shift to the EU's New Economic Governance (NEG) regime a 'silent revolution'. In this paper, we propose a new approach for the analysis of NEG and examine the question whether we are really witnessing a progressive socialisation of its policy content, as an emerging literature claims.

We do this through three key steps. The first step is to offer a new way of thinking about the institutional structure of the NEG regime, especially the so-called European Semester, which, thus far, has primarily reflected the EU's own understanding of it across various academic literatures. The second step is to propose a methodological innovation in how to evaluate the policy orientations and prescriptions stemming from the NEG regime. Whereas most studies about the EU's Country Specific Recommendations (CSRs) treat each prescription as equal, as if they exist in an institutional vacuum, we instead take into account the varying degrees of constraint that are attributable to NEG prescriptions as they relate to the broader institutional structure they are embedded within. Hence, the more precise and enforceable a NEG prescription is the more significant it becomes. Furthermore, our analysis also accounts for the location member states find themselves in across the uneven but deeply integrated European political economy, as otherwise similar NEG policy prescriptions can take on very different meanings from differentiated positions within this structured environment.

This allows us, in a third step, to apply our conceptual and methodological innovations to a contextualised analysis of close to 100 NEG document issued between 2010-2018 for the Eurozone as a whole, Germany, Italy, Ireland and Romania, i.e. for different locations of the EU's uneven but deeply integrated political economy. Focusing on policy areas affecting labour politics, including wages, labour markets and collective bargaining, our findings demonstrate that there has not been a progressive socialisation of the Semester. Instead, a pro-business policy paradigm is still dominant over any social(ising) considerations, despite the more positive assessment of the NEG made by EU social policy think tanks, such as the *Observatoire Social European*, or the European Trade Union Confederation. We therefore conclude our paper with some reflections that problematise these dissonances and discuss possible future (research) orientations on the EU's NEG regime and labour politics.