

Debates about the European Employment Strategy and the Greek and Irish employment policies

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Introduction

This paper develops a literature review of the flexicurity discourse as this has been developed in the European Union's debates and policies. The analysis of the European Employment Strategy and the flexicurity principles developed by the European Commission will be crucial factors for the development of this review. Furthermore, the chapter aims to review the literature concerning the relation between the European Employment debates and policies with the Greek and Irish ones. The objective of that review is to identify the affiliation of the Greek and Irish youth employment debates with the European ones and to investigate how the impact of the EES on the Greek and Irish employment policies has been conceptualized by the literature. Also, this chapter develops a critical review of the literature of the Greek and Irish political economies and institutional settings. This review contributes to developing a series of research hypothesis about the independent variables responsible for explaining the current Greek and Irish youth employment discourses and policies and the similarities and differences between them. The rest of the chapter is organized as follows.

The first section of that paper includes a review of the European Employment Strategy, tracing briefly its principal characteristics and political dimensions. The second section includes a literature review of the relation between the national and the European levels, taking Greece and Ireland as case studies. This review attempts to demonstrate the historical development of the relation of the European with the Greek and Irish employment policies and to identify how and to what extent the later have been influenced by the European Employment Strategy. The third section concerns the identification of those national characteristics which account for the differences and similarities between the Greek and Irish youth employment debates. This review has a twofold aim: 1) to identify how the Greek and Irish social actors and institutions can contribute to an understanding of

the Greek and Irish youth employment debates and the differences and similarities between Greece and Ireland and their relation with the EU 2) to build a series of research hypotheses concerning the relation between the Irish and Greek youth employment debates and policies.

1.1 Historical development of the European Employment Strategy

According to the employment recommendations developed by the European Union since the introduction of EES, there are four main pillars which have to be introduced in the employment systems of the European countries. The first is the flexibilization of the labour market through the promotion of flexible and adaptable contractual arrangements and the promotion of part-time, agency and temporary work. The second includes the replacement of the traditional job security with that of the employment security where the labour market transitions of employees and their life-long learning ensure their ability to remain in the labour market even though not in the same job. Third, the European recommendations promote an equal opportunities agenda through which the equal treatment between women and men and the abolition of any kind of discrimination will be accommodated. Fourth, the involvement and agreement of the social partners in the planning and implementation of the employment policies is an integral part of the European employment policies.

From its introduction the EES has placed considerable emphasis on reducing the unemployment rates of specific groups of the population which are traditionally severely hit by high unemployment. As it was specified in the Luxembourg Summit, combating the long-term unemployment and the youth unemployment are essential objectives of the EES. Specifically, according to the Luxembourg Summit guidelines the activation of young people before they reach six months in unemployment and their participation in work practise and training programmes are measures which can contribute to reducing youth unemployment (Eurofound, 2011). By the same token the 2003 Employment guidelines place their emphasis on the necessity for activating young unemployed through training, work practise and job research assistance before they reach six months in unemployment (Council Decision on Guidelines for member states, 2003, p: 18).

The issue of youth unemployment was urgently addressed in the 2005-2008 Guidelines for the employment policies where the reduction of youth unemployment was considered necessary considering the range of youth unemployment rates in European Union countries. Interestingly enough, the 2005-2008 guidelines accentuates the importance of quality of jobs, working conditions, employment security, life-long learning and career prospects for the improvement of the employment prospects of young workers (Council Decision on Guidelines for member states, 2005,

p: 24). Significant text for the identification of the European employment policies in relation to youth employment is the Common Principles for Flexicurity. According to this document, the strict labour market protection has generated the creation of a dual and segmented labour market (divided into insiders-quite protected workers and outsiders-less protected) which in their turn have brought about considerable problems for the second group in which young workers are a significant part (Towards Common Principles of Flexicurity, 2007, p: 6). The resolution of this problem can be achieved by the relaxation of the EPL which will offer stepping stones jobs for young people and gradually contribute to their permanent entrance into the labour market (Towards Common Principles of Flexicurity, 2007, p: 9).

The 2008-2010 Employment Guidelines recognize the high unemployment rates among young workers and call for urgent action to deal with it (Council Decision on Guidelines for member states, 2008, p: 50). The actions recommended by the Guidelines include the reduction in the school leaving rates, the investment in human capital and the increase in the participation of workforce in life-long learning programs (Council Decision on Guidelines for member states, 2008, p: 53). Finally, the European guidelines for 2010 focus on the youth unemployment and call for the state and the social partners to initiate actions and schemes such as job experience, or further education and training opportunities, including apprenticeships, for improving the situation of young workers (Council Decision on Guidelines for member states, 2010, p: 50). S

Therefore, the European employment policies for young people as these have been specified and analyzed in the abovementioned European documents and recommendations have three main dimensions. First, the activation of the young unemployed from the very early stages and the prevention of them being trapped into long-term unemployment have figured prominently in the European Employment Guidelines. Second, investing in life-long learning, human development and skills development has been always present in the European Employment Guidelines with regards to the suggested policy measures for resolving youth unemployment. Third, the relaxation of the Employment Legislation and the social assistance for youth are considered significant steps for facilitating the transitions of young people into the labour market and ensuring their financial support during the period of those transitions.

2.1 European Union and national policies: a small introduction to the Europeanization thesis

The influence of the EES on the national employment policies has been debated in the academic literature since the introduction of the EES in 1997. The Europeanization hypothesis has constituted an important pillar of this debate as many commentators have extensively discussed whether the

EES has led to the convergence of the national employment policies or if national employment policies remain diverse and country-specific (Heidenreich, G Bischoff; 2008, De la Porte and Nanz, 2004).

Although the Europeanization hypothesis is significant for understanding the links between the national and the European levels, its definition is equally important for reasons of analytical clarity. Marginson and Sisson (2004) have made a distinction between Europeanization as end point and Europeanization as a tendency. The present research opts for the Europeanization as tendency thesis due to the analytical advantages of this position. Specifically, as Marginson and Sisson argue the Europeanization as a tendency takes into account the developments in all the levels (European, national, sectoral) and exists alongside other tendencies such as Americanization and re-nationalization (Marginson and Sisson, 2004, p: 11-12). In that respect the Europeanization of the national debates and policies is not equal with a complete convergence of the national policies with the European principles but it is rather considered as a tendency of the national debates and policies to shift due to the European influence.

There are three main tendencies in the academic accounts considering the relation between the EES and the national employment systems and policies. The first highlights the influence of the EES and Open Method of Coordination (OMC) on the national employment policy orientation and thinking through the processes of mutual learning and policy processes established by the OMC (Zeitlin, 2005). The second stream supports the idea that the EES has not had any significant impact on the modification of the national employment policies and that the diversity of the national employment and social models is still the norm in the European Union (Mailand, 2008). The third stream instead of taking sides with the divergence or convergence thesis, argues that the complexity of the interrelations between European and national structures has generated a multi-level governance system where the processes of convergence and divergence play out at the same time (Marginson and Sisson, 2002, p: 688).

2.2 Greece and the European Employment Strategy

The European recommendations to Greece have stressed the importance of implementing labour market reforms with particular emphasis on the modernization of work organization, the balance between security and flexibility and the cooperation between the social partners (Council Recommendations, 2001, p: 11). Furthermore, the European recommendations underlined the significance of promoting life-long learning and educational and vocational education for the advancement of the skills needed in the labour market (Council Recommendations, 2001, p: 11).

Also, the European recommendations highlight the need for combating long-term unemployment and increasing the flexibility of the labour market through reforms in the labour markets and social systems (Council Recommendations, 2003, p: 7). The following measures have been suggested as proper policy tools for reducing unemployment and elevating the employment performance of the Greek economy. Welfare State: reduce the social security contributions in order to increase the incentive to hire labour, rationalize the social security systems through pension reforms and active ageing and implement preventive, individualized and activating social welfare policies and improve child care facilities(Council Recommendations 2003, p: 8; Council Recommendations, 2007, p: 16-17). Employment Policies: Promote the adaptability of workers and enterprises and improve part-time employment, reform the public employment services in order to facilitate the integration of youth and women in the labour market, develop a life-long learning strategy, introduce gender equality policies. Employment Relations: Promote the relaxation of the employment protection legislation, develop temporary work agencies to increase the diversity of work arrangements. This short presentation identified two dominant tendencies in the European recommendation to Greece. First, the European Recommendations have focused on the need for implementing labour market and social welfare reforms as means for reducing unemployment and improving the employment prospects of the weakest groups (women, young, immigrants). Second, though the European Union has recognized some positive steps towards the implementation of the EES, (Council Recommendations, 2009, p: 15) the European recommendations to Greece have constantly highlighted the slow implementation of policies for increasing the flexibility in the labour markets, the modernization of social contributions systems and the participation of woman in the labour market (Council Recommendations, 2003; Council Recommendations, 2004).

The concern of the European Union about the high youth unemployment among Greek workers has been expressed in various European documents revealing the scale of the problem and its persistence over a long period of time. The need for a reform of the employment services and the implementation of a more individualized, preventative and activation-oriented labour market policy which will prevent the long-term youth unemployment and facilitate their faster integration into the labour market have been consistent aspects of the European Recommendation to Greece (Council Recommendations, 2003, p: 8). In addition, the European Recommendations to Greece places the reduction of early school leaving and the educational and training reforms as major policy measures for tackling youth unemployment. According to the reasoning of the European Recommendations to Greece the educational and life-long learning reforms will contribute to closing the gap between labour market needs and education and facilitating 'a smooth transition into employment particularly for young' (Council Recommendations, 2007; Council Recommendations, 2009, p: 25).

2.3 European Employment Strategy and Ireland

The focus of the European Recommendations to Ireland has been mainly placed on the need for improving the lifelong-learning and training, reducing the gender inequalities and implementing active labour market policies. The recommendations to Ireland indicate that the EU emphasizes on increasing labour force participation rates, lifelong learning, especially in-company training; and regional disparities (O'Connell, 2002). The strengthening of the equal treatment between men and women (Council of the European Union, 2003), the application of a preventative employment strategy for the reduction of the inactivity rates and the implementation of a strategy for lifelong-learning (Council of the European Union, 2007) are permanent features of all the European Recommendations to Ireland. The following measures have been suggested as appropriated means for addressing the Irish labour market problems as these have been identified by the European Union. Welfare State: Review of unemployment benefits for older workers and people with a migrant background), review and reform of benefits and tax system to reduce poverty traps and provide incentive to work, reduce barriers to employment, encourage more flexible working and better work practices and increase the supply and affordability of childcare facilities (Council Recommendations, 2004, p: 13). Employment Policies: Develop policies and enhance capacity and incentives for older workers, improve quality of education and training systems, develop the policy framework for the labour market and social integration of migrants and introduce flexible working arrangements (Council Recommendations, 2004, 13-14). Employment Relations: Promote equal opportunities between men and women, strengthen efforts to reduce the gap in employment rates and payment between women and men and identify and combat all forms of labour market discrimination. From a close reading of the European Recommendations to Ireland two conclusions can be drawn: 1) identification of the gender equality, activation policies-life-long learning and child facilities as areas where the focus of the Irish employment policies should be placed on 2) Recognition of the developments that the Irish employment policies have achieved in the following areas: progress in terms of employment and productivity performances since 1997, social partnership, investment in human capital, measures to address early school leaving and enhance skills development (long-term national skills strategy in 2007).

The EES youth employment recommendations to Ireland in line with the broad Employment Recommendations have mainly placed their focus on the necessity for introducing life-long learning strategies, tackling early school leaving and increasing the participation in training programmes

(Council Recommendations, 2007, p: 19). The transition from passive to active policies and the preventative dimension of the welfare state policies are important aspects of the European Recommendations to Ireland for young people. The European Recommendations call for more life-long learning strategies and training programs for young workers as means for increasing their integration into the labour market and reducing the inactivity rates among young people (Council of the European Union, 2004, p: 13). The specificity of the above recommendations has been manifested in the Employment Guidelines which call for reduction in the welfare benefits duration and enforcement of young persons to take on a job or training after six month in the unemployment register.

3.1 Varieties of Capitalism: Greece and Ireland

After the analysis of the European Employment Strategy and the relation between the later and the Greek and Irish employment policies, this section focuses on the comparative rationale of this research. The section's main objective is to construct research hypothesis which will substantiate the basic question of that research; whether the national characteristics affect the ideological and political dimensions of youth employment and how can this be manifested by the comparison of two supposedly different national contexts.

The variety of capitalism approach has been extensively used in the academic literature as theoretical framework for understanding the social and economic differences across countries. The VoC places its emphasis on the institutional arrangements and configurations in order to explain the development and direction of the political economy of different states. These institutional arrangements include the different national economic institutions such as the financial system, the vocational training and the industrial relations system which offer different opportunities for the development of companies and national economies (Allen, 2004, p: 91). The writers supporting the variety of capitalism approach claim that the strength of institutional arrangements lies in their capacity to facilitate a long-term productive efficiency relied on the coordination and cooperation between the main social actors. According to the variety of capitalism approach, the political economies of national states can be categorized as either coordinated market economies (CMEs) or liberal market economies (LMEs). The CMEs are characterized by the coordination of the economy, the existence of strong cooperative relations between employers and employees and the reliance of firms on non-market relationships to resolve their coordination problems (Bosch, Rubery, Lehndorff, 2007: p: 257). The CMEs are characterised by institutional complementarities which reinforce a

strategic cooperation between capital and labour, making them both responsible for the success of this economic and social model (Hall and Soskice, 2001).

On the other hand LMEs are mainly dependent on pursuing short-term profits and opportunities and thus facilitate a radical innovation, including the deregulation of labour markets and the weakening of employee's rights and involvement. Furthermore, LMEs are reliant on market mechanisms for solving their coordination problems. The rationale behind this distinction lies in the fact that the supporters of the variety of capitalism approach place importance on how the institutional arrangements affect the national political economies and their distinctive elements.

The VoC approach as it was firstly elaborated by Hall and Soskice didn't include Greece in the cluster of countries categorized either as LMEs or CMEs. However, further research has been conducted on the modelling of the Greek political economy in the lines of the Voc approach. A summary of this research indicates that the Greek political economy has been conceptualized as state capitalist model (SCM) characterized by state-mediation of almost all the economic and social activities (Schmidt 2002), as a Southern European Capitalism characterized by the extensive regulatory role of the state and increased institutional complementarities directed towards welfare and education (Amable, 2003), and it had also been categorized as Mixed Market economies (MMEs) characterized by organizational stability and institutional complementarities but less coordinated and much fragmented than the CMEs (Molina and Rhodes (2005). The above-mentioned different classifications of the Greek political economy have some similarities and differences. In particular, the SCM as categorized by Schmidt is not a distinct model of capitalist economy but rather a model which adopts more the CMEs elements but is less coordinated and more reliant on the role of the state for coordinating its economic activities. However, the relevance and explanatory power of the SCM has been questioned by Molina and Rhodes who categorize Greece as a MME. Specifically the classification of Greece as MME is based on the assumption that the family plays an important role in the provision of social assistance due to the absence of state mediation and welfare provisions.

Featherstone (2008) argues that the VoC approach utilized in the Greek case indicates the possibilities and limitations that the internal structure of collective representation and the rational economic self-interests of the key actors place on the Greek reform agenda. According to his analysis the Greek case exemplifies the constraints imposed on the reform policies by rational interests generated through institutional complementarities traditionally and historically rooted in the Greek social and employment system. Featherstone's conviction that the domestic discourses of the key political actors are defined by their privileged position and the fear of losing those privileges is a key explanatory variable of his analysis for the high difficulty in bringing about reforms in the Greek

system. In addition the VoC theoretical framework expects to find patterns of social actors' interests due to institutional complementarities. One example illustrated by Featherstone is that the limited welfare provision in Greece is the reason that the social actors have been traditionally embraced a job security discourse. The elaboration on the youth employment debates and the position of the key social partners on those debates will show whether there is defiance against labour market flexibility and welfare reforms by trade unions in fear of losing the privileges of particular groups of the population, namely, public sector workers and whether the representatives of businesses have been reluctant to support reforms for fear of losing their 'comparative institutional advantages that stem from the high level of regulation (Featherstone, 2008, p: 27).

According to many academic counts Ireland has been classified as a typical LME country where the market mechanisms play the predominant role in coordinating the economic and social relationships of the system (Hall and Gingerich, 2004, p: 453). Although Ireland has not been as strong LME country as the USA or United Kingdom, however its classification as LMEs has been widely accepted (Hall and Soscice, 2003, p: 244). Hence, the dominant social and employment characteristics of the LMEs, have been broadly attributed to Ireland. According to academic accounts Ireland seems to include a competition and flexibility system whose intensity facilitates the incorporation of radical innovation in the Irish training and innovation systems (Crouch 2005). Research by Hardiman has showed that the Irish training and skills formation policy verifies the generic postulates and expectations of the VoC theory as the general skills development and the complementary usage of conditional and targeted welfare policies are both in line with the LMEs usual trajectory (Hardiman, 2009, p: 23).

If we take seriously the VoC assumptions about the employment and social complementarities of the Greek and Irish systems, the following research hypothesis can be made. The Greek and Irish youth employment debates will have considerable differences: The Greek institutional complementarities will support the protection and security of employees as Featherstone's proposition assumes and the Irish complementarities due to their liberal tradition will allow for a more pro-flexibility and deregulation youth employment discourse. Thus, if the Greek social partners differ in their discourses from their Irish counterparts due to the Greek institutional complementarities such as the traditionally coordinated and protectionist system of employment and social relations, then the possibility of the VoC to explain the national differences will be taken seriously.

3.2 Welfare State typology: Tradition of welfare policies

Apart from the VoC approach, the welfare regimes scholarship has a prominent place in the comparative analysis literature. According to that scholarship, the welfare systems are the institutional manifestations of path-dependency which is usually conceptualized through the lenses of historical institutionalism (Pierson, 2001). The beginning of the welfare state typologies started off in 1990 with the publication of the three worlds of Welfare state by Esping- Andersen (Esping-Andersen, p: 1990). The significance of that book lies in the stimulation of a long and productive debate concerning the different institutional arrangements through which the welfare and employment systems are organized in different countries. The initial categorization of the European welfare states into a threefold typology (Christian, Social-Democratic and Liberal welfare states) derives from the Esping-Andersen himself. However, the difficulty of that model to grasp the divergence of the Southern European welfare states from the initial typology has led many authors to consider the extension of the typology by categorizing the Southern European countries in a single category, the so-called 'Mediterranean welfare states' (Ferrera 1996). Greece has long ago been considered as a case which fits well with the Mediterranean ideal-type of welfare state as it substantiates all the qualities attributed to that model (Matsaganis 2000). Among those qualities the following have been usually related with the Mediterranean type: highly-fragmented system of income maintenance, high labour market regulation, low degree of social provision, selective distribution of benefits and privileges (clientelism), and strong role of the family in the provision of support.

On the other hand many academic accounts have classified Ireland as typical example of the Liberal or Anglo-Saxon type of welfare state (Esping-Anderson, 1990; Leibfried, 1992; Bonoli, 1997). The liberal welfare states are historically characterized by low de-commodification, the primacy of the market, minimum social benefits, little redistribution of incomes, private provision of social needs (social insurance plans) and strict entitlement criteria (recipients are usually means tested and stigmatised) (Eikemo & Bambra, 2008; Arts & Gelissen, 2002). One of the central ideas of the liberal regime which has prevailed in Ireland is that the state's intervention in the market distorts the proper operation of the market mechanisms and thus has to be avoided (Gallie and Paugam, 2000, p: 6). Additionally the Irish Welfare state in line with the logic of the liberal welfare state regime has applied a means-tested and individually oriented welfare policy in order to eradicate any financial 'disincentives' of youth unemployed to remain on benefits. These means-tested policies have been accompanied by high spending in active labour market policies which are considered primary pillar of the Irish youth employment policies (Gallie and Paugam, 2000, p: 6-8).

The review of the welfare state literature indicates that the Greek and Irish welfare systems have been classified into different cluster of countries due to the differences between their social protection systems. The question which rises is whether the different welfare state characteristics of Greece and Ireland will cause differences in their youth employment debates and policies. In order to grasp the possibility of the welfare state characteristics causing differences in the youth employment debates, the following research hypotheses will be formulated: The Greek welfare state features such as the lack of activation policies and youth unemployment compensation and the reliance on the family will support the adoption of a social security system based on insurance and family-oriented youth employment discourse by the social actors whereas the Irish activation policies, means-tested social support and individualistic orientation will generate a discourse concentrated on liberalization, flexibility and means-tested universal benefits.

3.3 Political Ideologies and Political System

One issue which has been broadly discussed in the academic and political debates is whether the political and economic reforms can be more easily implemented in some countries than others (Featherstone, 2008). This issue is relevant to our research due to the policy reforms which are implemented in many European countries, including Greece and Ireland. The political environment within which these reforms take place and the political responses from the main social actors is expected to influence the reform attempts and the debates of the political and social actors. The most important issue though is how these political responses are affected and where the explanation of those responses can be found. The current research assumes two factors as crucial for the direction and outcome of the national debates: the political party system and the degree of conflict or compromise between the social partners. According to some assumptions made in the literature, the Greek and the Irish political systems and political ideologies diverge considerably, making explicable why Greek and Irish responses to the governments measures have been so different (O'Regan, 2010). The above reasoning is based on the idea that the Irish political system has been relied on the social partnership approach which brought about a relatively peaceful coexistence and agreement between Irish trade unions and employers organizations (Antoniades, 2007). On the other hand the Greek political system didn't ever encompass the principles of the social partnership approach and it has a more ideologically divided political system. This difference is well depicted in the fact that whereas Ireland has government coalition tradition, in the Greek case political parties maintain strong political antagonism and ideological divisions even if those express electoral needs and not always real differences.

If we are to translate the above assumption in the youth employment debates, it could be argued that the Greek social partners find less common ground for agreement than their Irish counterparts. Even though the actual direction and content of those debates will be part of future research, it can be pointed out that the differences between the Irish and Greek youth employment debates can be an indicator of the different political environment under which employment reforms in both countries take place. According to the central idea of this argument the ideological division of the political system allows the class interests to be expressed and organized through political parties and trade unions (O'Regan, 2010). Thus, the differences between the social partners are expected to be less sharp in Ireland than in Greece and the degree of consensus more apparent in the Irish youth employment debates than in the Greek ones. The Irish social partnership is supposed to absorb the different class interests and incorporate them into a discourse of dialogue and mutual gain. Therefore the following research hypothesis can be formulated: The youth employment discourses in Greece will entail a more 'conflict' and 'ideological variety' discourse reflecting the political culture of the Greek political system whereas the Irish employment discourse will be predominately consensus reflecting the social partnership approach and the consensus political system dominant in Ireland.

3.4 European Employment and Social Policies and Greece: Issues of implementation

The implementation and relevance of the abovementioned European recommendations has been rigorously debated in the academic literature. The first position (The Europeanization of Greek policies) has been advocated by Ioakimidis who contends that a range of Greek social and economic policies have hinged upon the European Union influence. In particular Ioakimidis argues that in policy for vocational training, policy for research and technology and structural policy are all incorporated into the Greek context as a result of the transfer of policy competencies from European Union to Greece (Ioakimidis, 2000, p: 8 &13). In the same line, Venieris (2003) argues that the incorporation of a series of labour market reforms (flexibility of working-time, private employment offices, vocational education and training measures) into the 1998 National Plan for employment was inspired by the EES guidelines (Venieris, 2003, p: 139). Furthermore, according to Heidenreich and Bischoff the Greek labour market reforms have been in line with the EES guidelines for more flexible, inclusive, equality-oriented (gender mainstreaming) and individualized labour market structures (Heidenreich and Bischoff, 2008, p: 517-518).

The second position has identified the interplay of the convergence and divergence processes, recognizing that a clear-cut tendency is not dominant in the Greek employment policies. As

Sotiropoulos (2004) argues the Greek employment and social reforms have showed a contradictory tendency with regards to their relation with the European employment policies. According to his analysis, there has been observed a Europeanization of labour market, vocational training, and regional and, to some extent, social-assistance policies. On the other hand, in pensions, health and family policies the policy outcome of European-inspired policies is limited due to resistance generated by specific interests (Sotiropoulos, 2004, p: 280). However, despite the partial Europeanization of the Greek social policies, the author observes that the cognitive impact of the EU on the Greek employment debates (social partners) and the utilization of EU-policy tools and institutions are clear indicators of the Europeanization process underwent in the Greek national context (Sotiropoulos, 2004, p: 282).

Sakellariopoulos (2007) argues that the impact of the EES on the Greek employment policies has been evident by the inclusion of flexibility and active labour market policies in the National Action Plan but the actual implementation of flexibility policies has not been achieved due to pressures from interests groups (Sakellariopoulos, 2007, p: 8). The author concludes that the impact of the OMC has been ambiguous as some European-inspired policies (labour market reform in 2000-2001) have been rejected while at the same time some social partners and civil society groups have embraced the European social agenda (Sakellariopoulos, 2007, p: 17-18). Tsarouhas (2008) analyzed the impact of the EES Social partnership agenda and found no evidence of Europeanization of the Greek industrial relation as a result of the EES. The author argues that the impotent role of the Greek social partners in the formulation and implementation of National Action Plans is an indication of the organizational inability and weak institutional structure (historical absence of mechanisms of conflict-resolution) within which the function of the Greek social partners take place (Tsarouhas, 2008, p: 359 & 362). Rubery (2002) analyzed the implementation of the Equal Opportunities and Gender Mainstreaming Pillar of the EES on the member states employment policies. She found that in Greece the impact of those pillars on the country's employment policies was significant as the weak commitment to gender equality prior to EES was partly overcome by the introduction of national strategies for equality (inclusion of the gender mainstreaming guideline) and the setting-up of inter-ministerial committees for equality issues (Rubery, 2002, p: 504 & 510). Johnson (2003) argues that the EES has affected the Greek labour market policies as the introduction of a series of new policies and institutional mechanisms such as activation policies, social partnership and health and safety issues have been directly imported by the EES guidelines. However, the author points out specific policy areas such as benefit levels (relatively low in Greece), employment services, (especially for women and the unemployed) and minimum wages are still underdeveloped and less affected by the EES (Johnson, 2003, p: 15).

Even though the above literature review perceived a variation on the assessments concerning the implementation of the EES and other European inspired social policies to Greece, the view that the European policies should be used as a guide for the Greek social and employment reforms is the common ground of both the above tendencies in the academic literature. However, the above positive evaluation of the EES has been challenged by other academic accounts which stress the irrelevance of the EES to the Greek labour and social problems and the negative impact of those policies on specific groups of the population.

Seferiades (2003) argues that the EES' relevance to the Greek labour market problems is insignificant as the European guidelines fail to grasp the complexity of the Greek labour market. In particular, he argues that the labour market rigidity and the high welfare benefits which are usually offered as European explanations of the high Greek unemployment are inconsistent with the experience of the Greek economy after the second world-war. Specifically, according to his analysis the existence of the high informal sector and the flexibility in the labour market through temporary and part-time jobs with the parallel existence of very low compensation rates for unemployment don't fit well with the European recommendations. Furthermore, despite the European Union rhetoric for the need for further flexibilization of the Greek labour markets, Seferiades argues that although the Greek social and employment system consists of flexible forms of employment and low levels of unemployment compensation, there is still high unemployment and low employment growth (Seferiades, 2003, p: 196).

In the same line with Seferiades, Papadopoulos argues that the Greek social and employment system is an example which deviates significantly from the EES prevalent rationale, rendering the European employment discourse quite irrelevant or unlikely to seriously deal with the Greek employment problems (Papadopoulos, 2006, p: 9). In particular he claims that the low unemployment compensation rate, the absence of safety net after the insurance benefit runs out and the very short period of entitlement for young people, unemployed women and first-time job seekers, are elements of the Greek social benefit system which don't justify the European Union' reasoning according to which activation policies and detachment from welfare benefits will trigger labour market demand (Papadopoulos, 2006, p: 9-10).

The abovementioned debate between the contrasting positions offers useful insights into the influence of the EES on the Greek policies and the variables explaining this relation. The review illustrates that the majority of researchers agree upon the significance of the EES on the Greek employment policies, but there is a variety of assessments concerning the degree and intensity of this impact. The academic research has identified the weak institutional structure and the resistance of interests groups as the primary obstacles to the implementation of the EES in Greece.

3.5 European Employment Strategy and Ireland: Issues of Implementation

The academic accounts concerning the relationship between the Irish employment policies with the European recommendations can be categorized in a similar manner to that of the Greek case. Therefore two main positions stand out in the literature: First, the position that the Irish employment policies have been converging with the European employment guidelines. Second, a strand of the literature supports that the interplay between convergence and divergence is the prevailing element of the Irish-European relationship.

The first position has been supported by O'Connell *et. al* (2002) who argue that the European Employment Strategy and the Open method of Coordination have influenced the Irish employment policies. Specifically their research indicates that the 2002 National Employment Policies have included many central themes of the EES (O'Connell *et. al*, 2002, p: 108-109). The authors argue that the main policy objectives of the National Employment Action Plan such as employment growth, increase labour supply, promote life-long learning, increase employability and adaptability and fight social exclusion are all pronounced objectives of the European Growth Strategy, the so-called Lisbon Strategy (O'Connell *et. al*, 2002, p: 106) Their evidence shows that the Preventative Strategy (Guideline 1) the Lifelong Learning Strategy (Guideline 4) and the Gender Mainstreaming Strategy (Guideline 16) are the policy areas where the impact of the EES has been more profound (O'Connell *et. al*, 2002, p: 109). Specifically, the implication of the EES for the Irish employment policies has been more influential in developing a national strategy for young people and keeping the issue of gender equality in high priority. Even though, the above research identified the areas that the Irish employment policies converge with the European Employment policies, the authors observed that the European employment policy was not the driving force behind the development of most policies as the later were part of a national development strategy developed and planned long before the EES (O'Connell *et. al*, 2002, p: 110).

O' Donnell and Moss (2003) conducted research on the relation between the National Employment Policies and the OMC. Their evidence depicts the European Employment Strategy as an important impetus behind the Irish national employment policies (O' Donnell & Moss, 2003). In particular, the three areas where the impact of the EES has been considered as the most profound are: the preventative strategy and activation policies, the gender equality in the labour market and the life-long learning agenda. However, the authors highlight that the EES and OMC were not incorporated into the social partnership processes as the role of the social partners in the planning and implementing of the EES was at least secondary. Rubery (2003) analyzed and compared the impact

of the gender mainstreaming guidelines on the employment policies of the European countries and found out that in Ireland the gender mainstreaming approach has been incorporated into the National Employment Development Plan, indicating the commitment of Irish policies to gender equality as this was specified by the EES. O' Connor (2009) discusses the precarious employment in Ireland in relation to the EES and argues that although the Irish employment policies had initially failed to regulate temporary and part-time work, in recent years the introduction of rules concerning part-time and fixed-term contracts indicate the convergence of the Irish policies with the EU (O' Connor, 2009, p: 23).

On the other hand, Kluge and Schmidt (2002) analyzed the commitment of the European countries to activation programs and they found that Ireland reduced the compensation payments for unemployed and largely dropped the spending on labour market training which constitute main priorities of the EES guidelines (Kluge & Schmidt, 2002, p: 419). In their quantitative research on the social assistance benefits, Caminada, Goudswaard and Vliet concluded that the net replacement rates of the social assistance benefits have significantly decreased in many European countries, among which in Ireland. Mufflels (*et al.* 2002) found that the Irish employment regime is characterized by low employment protection, active labour market policies and high levels of flexibility in the labour market (external flexibility), the combination of which constitute basic ingredients of the European flexicurity approach.

The debate on the relation between the EES and the Irish employment policies indicates that most of the academic research accepts the influence of the EES on the Irish employment policies. One of the main assumptions made by that literature is that the Irish employment policies had already incorporated the basic guidelines of the EES not because of the influence of the later but primarily because of domestic reasons. However, many researchers have found evidence which validates the proposition that Ireland's employment policies have been considerably affected by the European guidelines. On the other hand some critical voices called into question the positive relation between EES and Ireland, arguing that basic EES guidelines have not been put forward by Ireland.

Conclusion

As it was stated in the beginning of this paper, writing a review of the literature on the European and Irish and Greek employment policies will facilitate the conceptualization of the main trends and directions of the European employment discourse and its interrelations with the national ones, in this case Greek and Irish. This objective was materialized through the analysis of the content and direction of the EES and its relation with the Greek and Irish policies. The conclusion drawn from this

analysis is that a clear-cut verdict about the ideological direction of the EES is problematic as the EES contains a peculiar mix of neoliberal and social Europe policies. In relation to the link between the European and the Irish and Greek employment policies, it could be argued that the European Recommendations have focused on different aspects of the Greek and Irish employment, addressing different problems and suggesting different solutions. Furthermore, the review of the relevant literature indicates that the EU has placed a considerable impact on the national debates causing a cognitive convergence with the European employment policies and debates. But, the literature has also shown that Greece and Ireland have displayed different degrees of compliance with the EES, posing the question of which factors are responsible for this variation.

Though, some initial assessments have been put forward by the literature, a detailed analysis of that topic and a comparative analysis between Ireland and Greece are still missing. Due to this gap, this paper has proposed to analyze the differences between the Greek and Irish youth employment debates and policies and to identify whether and if so why youth employment policies and debates differ between these countries. This work was proposed to be carried out by formulating relevant research hypotheses based on the theoretical and analytical framework of three approaches: Welfare State, VoC and Political Part System. These hypotheses operationalize the comparative and theoretical concerns of the research by addressing the possible variables which explain the different youth employment policies and the different levels of implementation of the EES between the two countries. The research hypotheses utilize the different institutional structures between Greece and Ireland in order to empirically verify whether those institutional and political-economic differences account for the youth employment policies and discourses. The basic assumption made in the research hypotheses is that the Irish and Greek youth employment discourses will be different due to the welfare, family, employment and interest representation traditions in these countries. In particular, the research hypotheses envision that the liberal tradition of the Irish welfare state and political economy in combination with the social partnership tradition will stimulate a more liberal and 'consensus oriented' youth employment discourse, whereas the more social protection oriented and 'less consensus dominated' Greek institutional environment will give rise to a less neoliberal and more social protection and security discourse. Thus, the role of specific institutions (family, political parties, political ideas, interest representation, employment and welfare state tradition) are to be captured by the proposed research hypotheses and measured against the empirical results collected at the field work. These results will verify or falsify our research hypotheses and indicate whether the different institutional settings and political economies of Greece and Ireland determine the direction of their youth employment discourses or if youth employment discourses and policies are similar and thus the institutional differences are irrelevant or insignificant.

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