



RECOWWE Seminar

« Understanding the Europeanisation of Domestic Welfare States »

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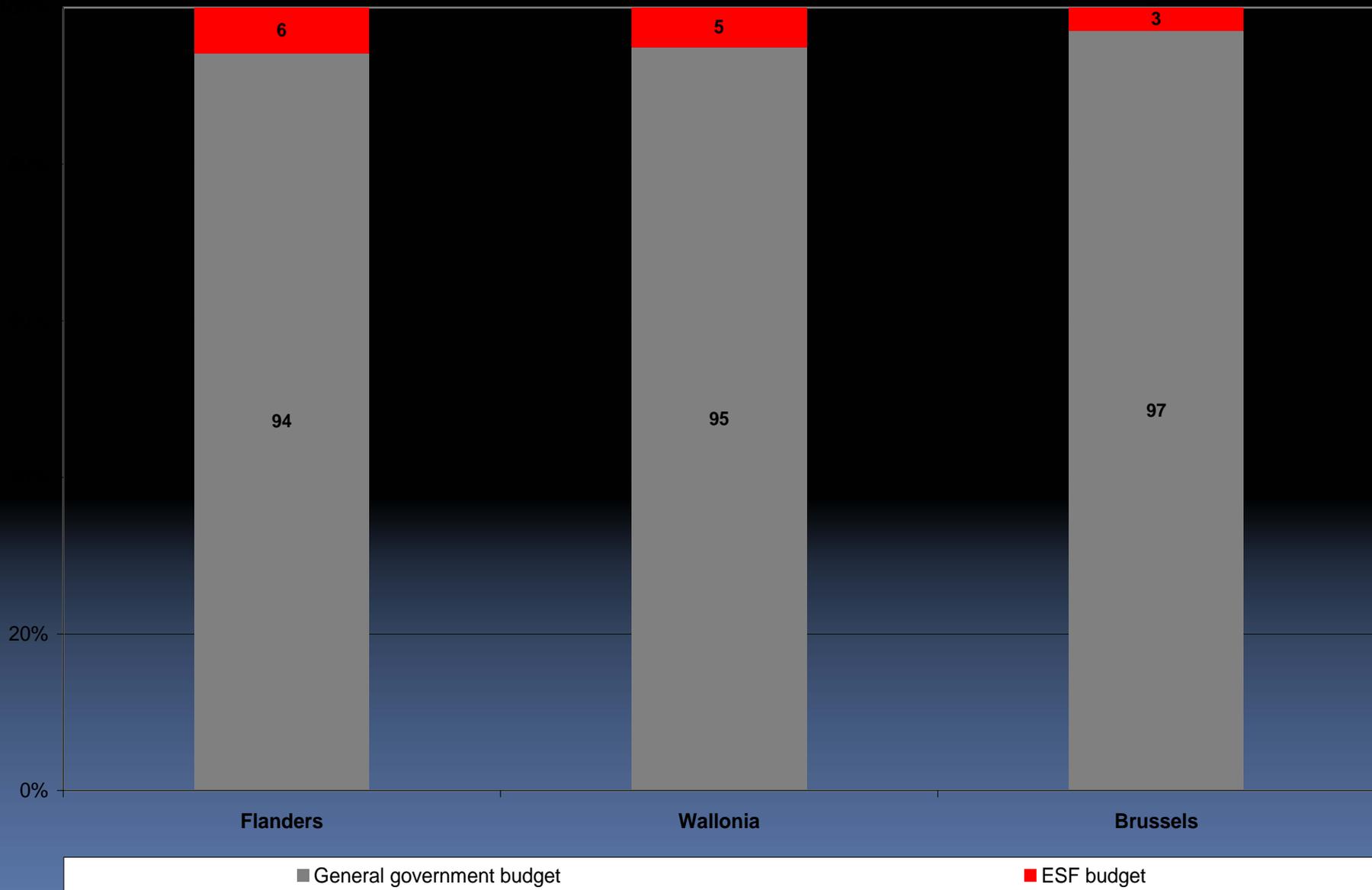
Research questions

1. What has been the significance (impact) of the ESF for activation policies in Belgium (since 1988)?
2. How has the Fund been able to influence domestic policymaking at local, regional and national policy levels?

The ESF as a driver of domestic activation policies?

- “Working with the European Social Fund has fundamentally changed people’s minds about the activation of people who are really far from the labour market. Before the European Social Fund came into play, these people were simply considered as “lost”” (Interview Pcsa3)
- How is this possible, taking into account the modest sums of money spent on activation policies through the European Social Fund?

Comparing the general government expenditure on active labour market measures with the ESF budget for active labour market measures in Belgium, by region (in %, 2006) (Source: FPS Employment, Labour and Social Dialogue, 2007; ESF Objective 3 Single Programming Documents of the regions, programming period 2000-2006.)



Impact of ESF on local and regional activation policies (1)

1. The ESF has been a crucial motor behind policy innovation on the procedural / methodological level
 - inspired the use of specific methods for labour market counselling, career guidance and vocational training (especially in the early stage of development)
 - “the ESF creates an additional policy space. Through working with projects, and not structural funding, you can develop new things, experiments, in the shadow of ministerial or government policies” (Interview Agency/F12).
 - Encouraged institutionalization of monitoring systems and evaluation tools

Impact of ESF on local and regional activation policies (2)

2. Altered the institutional configuration or the field of actors involved in the preparation and implementation of activation policies:
 - ESF has stimulated governments to collaborate both with each other and with external partners .
 - Greater involvement of non-state actors in employment policy
 - Use of public tendering procedures has raised the quality of employment and training services
 - Through the decentralised administration of the ESF, regional bodies assumed a greater role in the administration and implementation of the programme

Impact of ESF on local and regional activation policies (3)

3. Helped in changing the cognitive and normative 'framing' of employment policies towards preventive and active LMP's (throughout the 1990s):
 - Most tangible at local level where the arrival of ESF resources for the first time led to training programs for 'people who are far from the labour market'
 - Increased tailoring of Belgian labour market policies to the needs of specific target groups such as women, the handicapped .

Tracing mechanisms of change: 1. Usage or leverage

- Innovation and an increased focus on activation were not initiated by the ESF, but rather by policy entrepreneurs at the national, regional and local level, using the ESF to pursue their own agendas
- For instance, since Treaty of Rome, ESF's primary focus is on employment. Yet, a variety of actors at the regional, national and European level have been able to stretch the objectives of the ESF to use it, for more than two decades, for setting up projects aimed at social inclusion "*We and everybody else cheated and used it as a social inclusion strategy*" (INT EU3) .
- By making use of the ESF's long-term time horizons, actors at different levels strategically obtained a budgetary commitment to activation policies for a much longer period of time than they experienced before

Tracing mechanisms of change:

2. Conditioning financial support

- ESF closely coupled with the European Employment Strategy at the end of the 1990's. ESF money needs to be spent on EES priorities
- In the current EU employment governance setting, ESF's principal objective is to provide financial support for actions taken within the framework of the EES.
- This is not merely symbolic: non-compliance with EES objectives gives the Commission real powers to block unjustified ESF funding

Tracing mechanisms of change: 2. **Conditioning financial support**

- Results in relative concentration of spending efforts. Moreover, in the developmental period of activation policies (end of the 1980s), this rather small ESF budget had a big importance.
- Especially at local level, the relatively 'tiny' EU funding (seen as a percentage of GDP) constitutes a significant percentage – between 10% and 30% – of the activation budget of the participating Public Centres for Social Assistance
- additionality principle (requirement to spend EU funds in addition to any planned expenditures) gave ample space for innovating activation policies; some “playing around” was allowed because this money was sometimes considered as relatively “cheap”

Tracing mechanisms of change: 3. learning

- Examples from transnational as well as domestic learning between regions or local centers for public assistance
- Diffusion of policy ideas: involvement in the ESF contributed to a 'trickling down' to local policymakers of orientation towards activation

Some implications

- Even modest ESF funding can work as a driver of significant domestic policy shifts. Yet, Our analysis focused on Belgium, where the ESF represents a modest two percent of labour market expenditure.
- Actors are creatively appropriating European regulation and funding to pursue their own agenda's, and quietly incorporating it into the daily governance of social and employment issues
- Making ESF funding conditional on compliance with the political objectives of the EES gives a very strong incentive to local, regional and national actors to take the EES priorities seriously.
- This casts doubt on most analyses of the impact of 'soft' law, downplaying the importance of it, but overlooking the fact that it is coupled to hard money.
- Increasing integration between different EU instruments "which gives EU employment governance a regulatory strength and potential it did not previously possess" (C. Kilpatrick)

Some current challenges

- Crisis necessitates a substantial increase in the effectiveness and volume of labour market policies among Member States
- EU 2020 will require much more pro-active labour market policies from member states; public intervention in labour markets ought to be increased, for example by spending on training
- There should be some form of co-ordination in which the ESF will probably play an important role, in coordination with the EES, European labour law, European social dialogue and the European global adjustment fund

How has the ESF influenced regional activation policies in Belgium?

- Possibility to compare the differential regional impact : Belgian regions enjoy competences in employment policies that are more relevant to the ESF (i.e. job search assistance)
- Because ESF operates in partnership with different levels of governments and supplements domestic spending, it's difficult to assess the 'net-impact' of the ESF.
- To differentiate analytically between the role of domestic policy-making and EU policy, we use process tracing or 'causal reconstruction' which seeks to identify the different **mechanisms** through which the ESF produces different **outcomes** in the three Belgian regions
- Take into account the mediating influence of policy actors at different levels

Want to know more?

- **ETOS**
- **Verschraegen, Vanhercke, Verpoorten (2011), The European Social Fund and Domestic Activation Policies, *Journal of European Social Policy***
- **Shaping the future of the ESF - ESF & Europe 2020, 23rd & 24th June 2010 (www.esf.europa.eu)**