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# Flexicurity in the European Semester: still a relevant policy concept?

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#### **ABSTRACT**

Before the crisis, flexicurity was a leading European Union (EU) policy concept, which aimed to balance labor-market flexibility and security. The recent focus on austerity measures to reduce public deficits might be thought to have reduced attention to the 'security' component of flexicurity. Accordingly, a 'farewell to flexicurity' has been claimed to have occurred. This paper challenges that claim and explores the role of flexicurity within the European Semester. It analyses the European Semester's policy goals between 2007 and 2016, as well as the country-specific recommendations (CSRs) to member states between 2009 and 2015. The analysis shows that the EU flexicurity concept has been revitalized, while its definition changed to encompass more social concerns. Even at the peak of the crisis, CSRs continued to devote attention to elements of both flexibility and security, although the precise details differed across countries and have changed over time.

KEYWORDS European Semester; European social model; EU socio-economic governance; flexicurity

#### Flexicurity in a European context

The flexicurity concept has been a key orientation for the European Commission's social policy agenda for the past two decades. However, lately, a 'farewell to flexicurity' has been claimed to have occurred, not only in national policies, but also at the EU level (compare Barbier 2015; Bolton *et al.* 2016; Hastings and Heyes 2016; Heyes 2013). This paper answers the question whether and how the flexicurity concept still plays a role within the European Semester's co-ordination activities. It establishes to what extent the term flexicurity and its key elements is still used within the European Semester. In order to judge how flexicurity plays a role, the paper builds on the different conceptualisations of the European Social Model (ESM) (Jepsen and Serrano Pascual 2005). The ESM's basic idea of interacting social and economic goals

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(Hemerijck 2002) resembles the double goal flexicurity tries to serve: offering both labor-market flexibility and labor-market security to all types of workers (Wilthagen and Tros 2004). Moreover, debates on flexicurity reflect issues that recall the four ways in which the ESM is construed: as an entity, an ideal model, a European project and a political project (Jepsen and Serrano Pacual 2005). The ESM as an entity, meaning the common institutions, values or forms of regulations, may resemble some of the elements of original academic notion of flexicurity, including providing security to employees, preserving social cohesion in European societies and valuing social dialogue (Wilthagen and Tros 2004). Moreover, along the lines of the second conceptualization of the ESM, flexicurity found its ideal types in the Danish and Dutch models, which had attracted attention due to their high employment rates (Madsen 2008; Wilthagen and Tros 2004). After 2006, the term 'flexicurity' became prominent in EU policy debates. The EU's initial search to combine flexibility and security was set in the context of maintaining the ESM whilst responding to fundamental challenges such as globalization, technological innovation and the ageing of society (Bekker 2012; European Commission 1997; Tsarouhas and Ladi 2013). This resembles the third way of understanding the ESM: as a dynamic and evolving European project, reacting to exogenous developments. Indeed, including wider welfare state challenges such as changes in family structures and gender balances at the labor market and changing political landscapes (Hemerijck 2012), flexicurity attempts to find ways to deal with 'new' labor market risks, including offering security to new types of workers: part-timers and flex workers who may face risks of social exclusion in and outside the labor market.

The EU flexicurity concept, as adopted by the Council (2007), received a good deal of criticism, mainly from academic and trade union circles (Mailand 2010). These criticisms not only dealt with the norms constituting flexicurity and its (in)ability to lead to balanced practices, but also with (hidden) political agendas. This latter resembles the fourth conceptualization of the ESM as a politically constructed project: flexicurity as a concept fed by political proposals for joint EU solutions (Jepsen and Serrano Pascual 2005: 243). One of the criticisms of flexicurity was that its broad definition made the concept rather ambiguous (Burroni and Keune 2011). Also, its promise of a balanced perspective on flexibility and security was contentious, most notably in cases where the concept was used to justify specific policy reforms (Keune and Jepsen 2007; Veille and Bovin 2008; Viebrock and Clasen 2009). In addition, the flexicurity concept had not yet matured into an elaborated theory and therefore lacked a solid foundation to convert ideas into balanced practices and to measure progress appropriately (Auer 2010; Bredgaard et al. 2008; Burroni and Keune 2011; Keune and Serrano 2014). Subsequent academic studies paid more attention to these aspects, proposing indicators to measure the components of flexicurity (Chung

2012; Muffels and Wilthagen 2013; Viebrock and Clasen 2009). National reforms were assessed in terms of how far they pursued a balanced approach to flexibility and security, while also incorporating the effects of the crisis (Andersen 2012; Gwiazda 2011; Heyes 2011; Madsen 2013). National-level developments were generally judged as moves towards greater flexibility whilst forgetting the 'security' part (Lopez et al. 2014). For example, national reforms flexibilized the rules on fixed-term contracts, extending the maximum period during which an individual can be employed on a fixedterm contract by the same employer (in CZ, EL, PT, RO, ES), 1 increased the maximum number of renewals of fixed-term contracts (NL, PL) or combined both changes (SK) (for an overview see Clauwaert and Schömann 2012). Moreover, many countries reduced social expenditure, for instance by cutting spending on unemployment benefits and pensions (Hermann 2014). The assumed demise of the flexicurity model has been linked to the EU's crisis focus on austerity measures, which lowered the fiscal space of countries to guarantee suitable social security (Barbier 2015; Heyes 2013). Moreover, EUlevel attention has been viewed as being biased towards structural reforms that favor flexibility over security (Hermann 2014; Woolfson and Sommers 2016). Some predict that the EU will continue to try to exit the crisis by stimulating flexibility policies at the expense of employee security (Tsarouhas and Ladi 2013). Findings about one-sided structural reforms may not only point at a weak normative anchor of a balanced flexicurity concept. They may also point at rather uniform, constant and one-sided policy messages. Current claims of the demise of the EU flexicurity model have not taken systematically into account more recent developments in socio-economic governance within the European Semester. A longitudinal perspective is however relevant to assess whether there has been a 'socialization' of the European Semester or a certain resilience of the values and regulations constituting the ESM (Barnard 2014; Zeitlin and Vanhercke THIS ISSUE).

#### Methodology

The paper explores EU-level developments around flexicurity, taking a longitudinal approach. First, it looks at changes in the pre and post-crisis definitions of flexicurity. Secondly, it analyses the presence of flexicurity in the CSRs of 2009, 2011, 2013 and 2015. The methodology of qualitative content analysis and close reading has been used to extract flexicurity elements from the CSRs. Relevant phrases and text segments have been tagged, using a priori coding (Taylor and Gibbs 2010; White and March 2006). The four flexicurity elements adopted by the EU in 2007 and furthered in 2016 have formed the basis for selecting the appropriate text segments that identify either flexicurity, or one of its elements. These elements are flexible and reliable contractual arrangements, comprehensive lifelong learning strategies, effective active

labor market policies (ALMP), and modern, adequate and sustainable social protection systems. Thus, whenever a CSR included a term such as 'ALMP', or referred to the government or the public employment services to bring back (groups of) unemployed to the labor market, this has been tagged as a flexicurity element. Likewise, the element of contractual arrangements includes job quality, labor market transitions and segmentation issues, while the social security ingredient includes sustainable pensions, childcare and social transfers. Flexicurity elements have been taken into account, following the notion that countries have different starting points when it concerns flexicurity (Muffels and Wilthagen 2013). This means that the absence of a CSR on one of the flexicurity elements does not automatically imply that the EU takes an unbalanced approach. For example, a country with a well-established lifelong-learning system (LLL) is unlikely to get a CSR on this. Section 4 further explains these considerations. As the data do not contain information about existing national policies, the study cannot draw a conclusion on whether CSRs might support national-level flexicurity outcomes. However, the study can illustrate which flexicurity elements are part of the recommendations, whether these favor certain messages over others and whether these messages are stable over time.

In a semi-quantitative approach, segments of the textual data have been converted into numerical counts so as to expose trends. The text segments are thus converted into variables that can be counted and employed as quantitative data sets (Johnson et al. 2010). All CSRs addressed to member states in the three European Semesters of 2011, 2013 and 2015, were included in the analysis, as well as the 2009 CSRs, which were part of the Lisbon Strategy (2000–2010). When counting the number of references to flexicurity elements, it is relevant to note that a single CSR often addresses several different policies, for instance combining issues of lifelong learning, unemployment and social exclusion. Therefore, the observed number of flexicurity elements is larger than the number of CSRs that have been addressed to a particular country in a given year. Although this semi-quantitative approach allows distillation of trends, the method at times loses precision. In the process of converting the close-reading findings into semi-quantitative calculations, a number of choices had to be made. A first choice is based on the fact that most CSRs only address part of a flexicurity element. Especially the flexicurity elements 'contractual arrangements' and 'social security' consist of many different items. Whereas some of these items have been included in CSRs, there are fewer cases in which all items belonging to social security or contractual arrangements have been addressed. For instance, partial CSRs on contractual arrangements may suggest combating the negative consequences of labor market segmentation, without mentioning job quality. A CSR that partially addresses a flexicurity element is coded as a CSR addressing this particular flexicurity element. Moreover, pension reforms are included as a flexicurity

element, but only if they refer to the sustainability of the pension system. This interpretation follows the line of recent reasoning by the Council (2015a), relating such reforms to the sustainability of social protection over the life course and for instance minding intergenerational solidarity (see section 3). If the CSRs did not clearly mention sustainability, then the Commission's background documents, such as the Country Reports, were consulted in order to establish whether or not the proposed pension reforms should support sustainability. If this was not the case, it was not counted as supporting flexicurity. Excluded are CSRs addressing initial education (education for children, teenagers and students) and CSRs referring to health care. A second methodological choice relates to the fact that parts of each flexicurity element may be addressed in several CSRs. For instance, parts of social security may be addressed in CSR 1 referring to the pension system and CSR 3 addressing childcare. These scattered observations have been grouped together as addressing social security and are thus counted only once. Moreover, the number of countries receiving CSRs varies per year. In 2009 there were member states without a CSR, or with CSRs that did not refer to flexicurity elements. In later years the so-called program countries stopped receiving CSRs. Instead, these countries, for example Greece and Portugal, got more forceful policy prescriptions via Memoranda of Understanding as a condition for receiving financial assistance. Most of these countries returned to the Semester's co-ordination activities once they exited the program and consequently started receiving CSRs again.

The first part of the analysis shows the number of times flexicurity elements have been addressed in each of the four years. In a second stage, the analysis incorporates a more dynamic view, showing whether or not specific flexicurity elements have received decreasing or increasing attention. CSRs reflect the degree of tailored policy advice to countries on how to improve their policy efforts and thus offer the opportunity to mind the specific national situation and challenges when judging the 'survival' of the flexicurity concept within the European Semester. Because countries have different flexicurity starting points, it cannot be assumed that CSRs should be the same for each member state. For the dynamic analysis, the year 2009 serves as a benchmark. Around 2009 there was still ample attention to flexicurity, including in the CSRs. The benchmark year helps to hypothesize the likelihood that flexicurity elements will be part of surveillance in later years. An example hypothesis is that if ALMP is part of a CSR in 2009, then this item will reappear in the CSRs of subsequent years. Possible dynamics in data have been coded as follows:

- Stable or equal level of attention if a CSR in 2009 is drafted again in subsequent years (yes in 2009/yes in later years).
- Reduced attention if a CSR in 2009 is not repeated in later years (yes/no).

- Increased attention if there was no CSR in 2009, but if there was a CSR in later years (no/yes).
- No attention in case of the absence of a CSR in 2009 and an absence in later years (no/no).

Such hypotheses have a rather static approach, suggesting that messages to member states are constant over time. Taking a longitudinal and dynamic approach enables the detection of pluriform and changing messages. However, due to data limitations, it is not possible to explain why such dynamics occur. The assumption is that all policy priorities are included in the CSRs, perhaps reducing the complexity of the actual co-ordination system as found elsewhere (Zeitlin and Vanhercke THIS ISSUE). If a 2009 CSR is not repeated in later years, this could first of all be explained by a national reform that has made EU-level attention obsolete. However, CSRs do not contain information on national reforms. Studies linking CSRs to national reforms have established that such reforms sometimes explain the disappearance of topics in subsequent CSRs (Bekker 2016). A second explanation is that the EU still finds an issue relevant, but chooses to prioritize other topics, for instance because new challenges have emerged (see section 4). Prior research demonstrated that the disappearance of a topic from the CSRs does not necessarily mean that the particular national policy challenge has been resolved (Bekker 2016). Therefore, findings based on CSRs alone need to be interpreted carefully. In spite of the data limitations, this paper makes a valuable contribution by demonstrating dynamics in policy messages, based on all member states that were part of the four coordination cycles explored, illustrating changes in the balance between social and economic goals and variety across member states.

#### Towards a post-crisis EU flexicurity policy concept

The origins of the flexicurity concept may be traced back to the early 1990s and gradually advanced through EU-level discussions during the 2000s (Barbier 2015). The Council codified the ideas emerging from these discussions into the 2007 common principles of flexicurity (see Online Appendix table 1). In essence, Principle 1 emphasizes that flexicurity is not the end goal, but rather a means to reach the goals of the European Employment Strategy (EES), which was part of the Lisbon Strategy at that time. Principle 2 defines flexicurity as the deliberate combination of four ingredients, some of which appeal to certain norms and institutions constituting the ESM, such as providing social security. Likewise, flexicurity Principle 6 on gender equality and Principle 7 on social dialogue refer to norms and institutions that might relate to parts of the ESM. Flexicurity received a great deal of criticism, however, especially on its ability to really develop a strong social

dimension. Particularly the ingredient of contractual arrangements provoked heated arguments about employment protection legislation (EPL) (Bekker 2012). It reflected worries that flexicurity would ultimately be about more flexibility without paying much attention to developing security as well. Flexicurity Principle 3 refers to the tailor-made approach of social and employment policy co-ordination, which suggests that countries should not necessarily implement uniform policies. This also means that CSRs should vary across countries.

Soon after the adoption of the flexicurity common principles, the economic and financial crisis began impacting the EU's socio-economic debate. Around the same time the Lisbon Strategy was replaced by the Europe 2020 Strategy. The flexicurity concept remained part of the new EU's ambitions and was among others included in the new Integrated Guidelines of Europe 2020. Employment guideline 7 on increasing labor market participation and reducing structural unemployment calls on member states to integrate the flexicurity principles into their labor market policies, so as to increase labor market participation, combat segmentation and inactivity, lower gender inequality and reduce structural unemployment. Furthermore, flexicurity formed part of the EU's flagship initiative to create new skills for new jobs. Also, in 2008 flexicurity missions were organized to five member states, and a subsequent report of the findings emphasized its key role in promoting jobs and growth in times of economic downturn. The term was moreover used in a Commission evaluation assessing whether flexicurity could survive the crisis (European Commission 2013). Nevertheless, the concept seemed to fade into the background while economic and fiscal issues gained priority (Barbier 2015). This development left little room for the 'security' part of flexicurity (Hastings and Heyes 2016), at least in the early years of the European Semester. A similar conclusion was drawn by the Commission, which observed that during the crisis, more flexibility at the national level was hardly compensated by more security (European Commission 2013). In this respect, the weight of flexicurity Principle 8 on sustainable public budgets might have been larger during the crisis, than those referring to the social dimension.

The latest EU policy documents show that the crisis years have not led to a permanent disappearance of the flexicurity concept. On the contrary, flexicurity seems to have undergone a kind of revival. Its recurrence coincides with a (re)fit of the concept to new societal challenges and political preferences to deal with these challenges, resembling the third and fourth conceptualization of the ESM. In 2015 the term was carefully re-introduced in the Five Presidents' Report. The concern for how to maintain the ESM given Europe's socio-economic challenges was a reason for reintroducing flexicurity on the policy agenda. The Five Presidents' Report called for a common standard for labor markets, which should be developed as part of the completion of the

Economic and Monetary Union (EMU). This proposal involved elements which are quite similar to the 'old' flexicurity ingredients, expanding the latter by including among others a fifth ingredient on open markets and supportive labor taxation. The subsequent Commission Communication on steps towards completing the EMU confirmed this idea (European Commission 2015a). The Annual Growth Survey 2016 provided more details on the renewed concept (European Commission 2015b). It explained that flexicurity reforms should simultaneously address reducing labor market segmentation, supporting adequate wage developments, ensuring well-designed income support systems, introducing policies to ease transitions to new jobs, and equipping jobseekers with the right skills and better match them with vacancies. Moreover, as was also stressed in the 'old' flexicurity Principle 7, the social partners should be included in the design of reforms. These concerns have been followed up in the recent CSRs for the Eurozone countries. The Commission's argument for reviving flexicurity was that countries with flexicurity policies have resisted the crisis better in terms of safeguarding employment and fairness (European Commission 2015c). Flexicurity is also mentioned in relation to the Commission's 2016 public consultation on the European Pillar of Social Rights.

This paper takes the 2016 Euro Area recommendations as a starting point for exploring the CSRs. These call on member states to implement reforms that combine:

- (I) flexible and reliable labor contracts that promote job quality and smooth labor market transitions and avoid a two-tier labor market:
- (II) comprehensive lifelong learning strategies;
- (III) effective policies to help the unemployed re-enter the labor market,
- (IV) adequate and sustainable social protection systems that contribute effectively and efficiently throughout the life cycle both to social inclusion and labor market integration:
- (V) open and competitive product and services markets. Reduce the tax wedge on labor, particularly on low-earners, in a budgetary-neutral way to foster job creation (European Commission 2015c: 9).

Flexicurity elements 1 and 4, addressing contractual arrangements and social protection systems, have changed significantly, compared to the old flexicurity ingredients. Overall, the amendments seem to improve the attention to the social aspects of flexicurity, at times even acknowledging the need to lower flexibility. The new flexicurity element on contractual arrangements includes the fight against labor market segmentation. This issue was also mentioned as an aim of the old flexicurity Principle 4, yet has now been inserted in the first flexicurity element itself, thus gaining a more prominent position. This prominence fits progressive concerns about labor market segmentation, including in the flexicurity 'model' country, the Netherlands.

Some of the changes in the flexicurity definition were proposed by the Commission (see the Commission's proposal in Council 2015a). Other suggestions came from the Employment Committee (EMCO) and Social Policy Committee (SPC), in their contribution to the Employment, Social Policy, Health and Consumer Affairs Council (EPSCO) discussion (SPC and EMCO 2015). In the draft euro area CSR, the Commission already proposed to extend the old flexicurity element on flexible and reliable contractual arrangements by adding that these should promote labor market transitions and avoid twotier labor markets. The Council supported some of these changes, while adding new elements, whose rationale it set out in a comply-or-explain procedure. Regarding the first flexicurity element, the Council included the phrase 'promote job quality and smooth labor market transitions'. The Council (2015a: 3) stated that 'the main goal of labor market reforms is to promote quality jobs, contributing to a stronger inclusion and supporting economic growth', making it necessary to highlight the aspect of inclusiveness. On the third flexicurity ingredient, EMCO and SPC suggested to amend the part on helping the unemployed by adding 'and particularly the long-term unemployed' (SPC and EMCO 2015: 1-2). This suggestion, however, did not appear in the final version of the CSRs endorsed by the Council.

Regarding the fourth flexicurity element, the Commission proposed to change the original wording of 'modern, adequate and sustainable social protection systems' into 'modern social protection systems that support those in need and provide incentives for labour market integration'. EMCO and SPC suggested significant amendments to this formulation, proposing 'adequate and sustainable social protection systems that contribute effectively and efficiently throughout the lifecycle both to social inclusion and labor market integration' (SPC and EMCO 2015: 2). The Council adopted this revision, thus agreeing to add a lifecycle approach to social security. In its explanation, the Council (2015a) argued that it is inappropriate to limit social protection to those in need. Rather, the objective should be to have comprehensive social protection for all citizens. Moreover, social protection systems should ensure an adequate level of social protection for the population more broadly and perform a preventative function. The Council argued that men and women face various types of risks throughout the life course. Moreover, risks vary from one cycle of life to another, meaning that there is no age where risks are absent and where social protection is not needed. It also referred to the EPSCO Council conclusions of 9 March 2015, which endorsed key messages of the SPC (2015), emphasizing the need for a proper social dimension of the EU, in order to recover from the crisis. Reform strategies should

underpin inclusive economic growth by adequate and sustainable social protection systems. The amendments to the flexicurity elements followed from such considerations.

These 2015 EU policy documents demonstrate that the flexicurity concept is indeed subject to change, yet not necessarily towards more flexibility. Rather, the changing definition supports claims of a progressive 'socialization' of the European semester (Zeitlin and Vanhercke THIS ISSUE). The changes could thus be seen as more supportive of the norms constituting the ESM, while also the notion of the ESM as a European project plays a role: adapting the ESM to fit the needs of modern labor markets, for instance including a life cycle approach to the social security element of flexicurity. The guestion how CSRs have addressed flexicurity will be answered in the next section.

#### Flexibility and security in the CSRs

In 2009, 12 countries received a CSR using the term 'flexicurity'. For instance, the CSR to Germany recommended to

proceed with planned measures that enhance the efficiency and effectiveness of job placement services and promote the integration of the low-skilled and longterm unemployed into the labour market through a flexicurity approach which combines better access to qualifications with improved incentives to work. (European Commission 2009: 16)

The year 2009 was also the last in which the term flexicurity appeared in a CSR to a specific country. In 2016 flexicurity became part of the Euro area CSRs. Flexicurity elements were also addressed in 2009, mostly referring to LLL. This strong attention to lifelong learning has shifted in later years to social security and ALMP (Online Appendix, figure 1).

The fact that flexicurity elements have frequently been part of CSRs means that there has been consistent attention to each of the elements, although after 2009 the term itself was no longer used in the CSRs to specific countries. While the latter supports the thesis of the demise of the concept, its reappearance in the euro area CSRs of 2016 indicates a careful come-back. Also the CSRs' consistent attention to all four flexicurity elements, including at the peak of the crisis, suggests that flexicurity has survived at least partially. The greatest attention to all four flexicurity elements came in 2013. This peak relates to the increasing precision of the CSRs after 2009, as the Commission started including more and more policy areas and policy reforms into its CSRs. The subsequent lower attention to flexicurity elements in 2015 relates to the decision of the Juncker Commission to focus CSRs on key priorities only. It has limited the number of CSRs as well as narrowed down the number of policy areas per CSR (Zeitlin and Vanhercke THIS ISSUE). Overall, all four flexicurity elements have received relatively consistent attention over the years, with

social security clearly getting the most attention, whereas contractual arrangements have received the least attention.

Some countries only received recommendations on one or two flexicurity elements. In 2009, 2011, 2013 and 2015 together, there were 24 cases in which countries received CSRs that covered all four flexicurity elements. This pattern suggests that the separate reform recommendations at times covered a large part of the flexicurity concept, which could result in integrative or balanced reform approaches. Obviously, the validity of such conclusion depends on the specific content of the CSRs, which might not support the balanced 'spirit' of flexicurity. Therefore, in the Online Appendix figure 2 shows a more detailed content analysis. The Commission's definition of the four flexicurity elements contains both policy messages that support social goals and policy suggestions that support flexibility or economic values. For instance, the growing attention to social security does not necessarily mean more focus on developing social policies, but rather relates to the numerous recommendations to make pension systems more sustainable. This occurred 47 times during the years studied, often involving recommendations to increase the pension age. Obviously, such measures are debatable and sometimes seen as a way to dismantle the social security of older workers and pensioners. Thus, one could question to what extent their inclusion reflects a 'security' element of flexicurity. A counter-argument could be that a sustainable pension system improves intergenerational solidarity, which could then support the long-term security of younger generations. Again, only pension CSRs have been included in the calculations that aimed to make pension systems more sustainable. Apart from these 47 references to pension reforms, the social-security component includes 12 suggestions on improving child-care facilities and 21 on other forms of social security, including suggestions to improve social transfers. These latter recommendations support social-security facilities over the life course, for instance in a part of the second CSR to Estonia in 2015: 'Ensure high-quality social services and availability of child-care services at local level' (Council 2015b: 41). Thus, social security addresses the security component of flexicurity, at least partially, but at times also includes fiscal concerns.

Contractual arrangements are another broadly defined flexicurity element. This has begun to include job quality and good labor market transitions since 2015. One of the critiques of the flexicurity concept has been its drive for greater flexibility on the labor market, for instance advising governments to lower EPL. Figure 2 shows, however, that within the CSRs a wider range of contractual arrangement issues is addressed: labor law, the reduction of labormarket segmentation, including calls for improve transitions into stable jobs and fighting the shadow economy. The latter two suggestions may be viewed as supporting the social or protective aspect of labor law rather than stimulating flexibility. Amending labor law has been associated more

often with meeting employers' demands, and includes in this study suggestions to lower EPL, suggestions to make labor law more flexible so as to make better use of fixed-term contracts, as well as recommendations to install a new labor law package, monitor effects of recent labor law reforms and revise contractual arrangements. Breaking down the variable of contractual arrangements means that the number of observations goes up, as some countries have received more than one suggestion about contractual arrangements in a given year.

Overall, EPL changes received the most attention in 2009, after which it has been mentioned only three times in 2011 and in 2013, while only being part of one CSR in 2015. Reducing segmentation has received more stable attention over time, being mentioned four or three times in the years explored. Tackling undeclared work shows a more oscillating trend, being mentioned most often in 2013, whereas in 2015 it was still mentioned two times. Thus, while there was attention to greater flexibility, especially in the early crisis years, attention has also been paid to the social aspects of contractual arrangements. It indicates that the European Semester's balancing of social and economic goals is dynamic, meaning also that the European Semester is able to adapt to new challenges. Figures 1 and 2 (in the Online Appendix) indirectly also show that the European Semester still tailors its CSRs to specific country challenges. The next section presents the second-stage analysis, dealing with the trend of increasing or reducing attention to (elements of) flexicurity.

#### Dynamics: changing attention to flexibility and security

In 2009, 23 member states received CSRs, Four member states (Denmark, Finland, Luxembourg and Sweden) did not receive a CSR. Moreover, Ireland did receive CSRs, yet neither referring to flexicurity nor to one of its components. Overall 12 countries received a CSR with explicit reference to the flexicurity concept (BE, BG, CZ, FR, DE, EL, IT, LV, NL, PL, PT, SL). The most frequently mentioned flexicurity element was that of developing LLL. For each flexicurity aspect, the benchmark year 2009 hypothesizes whether or not a flexicurity element will be addressed in subsequent years. Data show that after 2009, there has been growing attention to the separate elements of flexicurity: there are 87 observations of increasing attention and 64 observations of stable attention (not in figure). There are only 43 cases of reduced attention to a specific flexicurity element in CSRs. These trends underline the adaptability of the European Semester goals and also demonstrate that countries do not necessarily receive the same policy messages each year. Consistent with findings in former sections, interest has grown in social security, especially in countries that did not receive a CSR on flexicurity in 2009. Getting reduced or increased attention to a given flexicurity element strongly depends on the country under scrutiny. Germany, Belgium and Spain, for

example, show guite different trends, ranging from a constant attention or the constant absence of attention to a certain topic in the CSRs to what comes across as a quite random inclusion of a topic, alternating from year to year. For example, whereas the CSRs for Belgium conform to the hypothesis for contractual arrangements (no CSRs in all years), lifelong learning was not mentioned in 2009 and 2011, but has become an item in the 2013 and 2015 CSRs. Conversely, ALMP has ceased to be an issue in Belgium in 2015. Social security develops along yet another trend, not being a CSR item in 2009, while receiving continuous attention in later years. For Germany, based on the 2009 CSRs, the expectation was that ALMP would be an issue for later CSRs, yet this has only been the case in 2013. Conversely, contractual arrangements were no issue in 2009 and 2011, yet have become part of a CSR in 2013 and 2015. For Spain, LLL only forms part of a CSR every once in a while, but shows no consistent pattern. It demonstrates that the European Semester contains many different dynamics, and that a linear reasoning of it containing uniform and constant policy messages is not supported by the data employed in this study.

#### **Conclusion**

This paper answers the question if and how the flexicurity concept still plays a role within the European Semester. The EU's crisis emphasis on austerity measures and structural reforms might be thought to have reduced attention to the 'security' component of flexicurity, thus leading to a demise of the concept. Looking at the goals of the Lisbon Strategy and the European Semester between 2007 and 2016, the conclusion is that whereas the flexicurity concept seemed to receive less attention through 2013, the term has been used more frequently in the 2015 EU policy documents. Comparing the CSRs of 2009, 2011, 2013 and 2015, the term flexicurity was explicitly used in the 2009 recommendations to specific countries and in the 2016 Euro area recommendations only. However, between 2011 and 2015, the CSRs address the four flexicurity elements separately. They do so rather frequently, also at the peak of the crisis. This finding suggests that the European Semester has paid constant attention to all flexicurity elements, whether securitysupporting or flexibility-supporting. A first answer to the research question is thus that flexicurity still plays a role within the European Semester. To judge how the concept played a role, the paper related the flexicurity concept to the four conceptualisations of the ESM. The first two conceptualisations take a relatively static approach, looking at certain norms that serve as a foundation of the ESM and its reflections in certain ideal-typical models. This is similar to some of flexicurity's elements, for instance those advocating the importance of social security, whereas the Danish and Dutch flexicurity models served as ideal types. However, the changing definition of the EU's

flexicurity concept as well as its deliberate positioning in the context of maintaining the ESM while responding to fundamental challenges might also resemble the conceptualisations of the ESM as a European project and as a political project (Jepsen and Serrano Pascual 2005). Compared to 2007, the EU definition of flexicurity has undergone some changes, giving more attention to the social aspects of flexicurity policies. For instance, contractual arrangements, which were a much contested aspect during the development of the EU's flexicurity concept around 2007, now include more consideration of the negative aspects of labor market segmentation and moreover support job quality and smooth labor market transitions. The social security element has been strengthened by adding a life-cycle approach and by paying attention to social inclusion.

Within the CSRs, we do see evolutions in the popularity of certain flexicurity elements. This pattern seems dependent on the country receiving the CSRs as well as on the year of scrutiny. One relevant change is the increasing number of flexicurity-related CSRs in 2011 and 2013, which corresponds to the overall expansion in the number of CSRs in those years. Conversely, in 2015 the number of CSRs decreased, and refocused on policy priorities. This change has led especially to reduced attention to contractual arrangements and lifelong learning. Social security in particular has received much greater attention since 2009, much but not all of which reflects CSRs on increasing the sustainability of pension systems. Other social security CSRs requested certain member states to improve social transfers or childcare facilities. CSRs on contractual arrangements at times include a flexibility-enhancing recommendation, especially in the first years of the crisis. However, security-enhancing suggestions also form part of the European Semester, including CSRs on reducing labor market segmentation and improving transitions into stable jobs. However, the evolution of the CSRs shows no clear overall pattern. In some years and in some countries the CSRs appear to have been more biased towards flexibility and austerity than in others. Identifying how the CSRs complement existing national policies, and whether these jointly lead to balanced flexicurity practices at the national level, lies beyond the scope of the data. However, based on key policy documents of the European Semester, combined with analyses of the CSRs, the analysis supports a dynamic view of flexicurity which should assist to cope with new social and economic challenges. Moreover, the changes in the definition of flexicurity might reflect to some extent the changing political preferences, for instance the installation of a new Commission that developed an agenda to better mind the social dimension.

Thus, it seems that the flexicurity concept is still part of the EU policy agenda, and claims of a demise of the concept should at least be nuanced. The concept has been redefined and pays greater attention to social concerns. Relating views on flexicurity to the different conceptualisations of the ESM,

flexicurity may be seen as part of a European project and perhaps even a political project; however, its redefinition feeds into norms and institutions as well. The new definition reemphasizes the relevance of certain social concerns that were already part of the old flexicurity definition, yet also brings new social concerns to the fore. The redefinition of flexicurity moreover illustrates the adaptability of the European Semester. Looking at the variety in CSRs across countries, the European Semester seems to combine this adaptability with a tailor-made approach to countries. In addition, a policy message to a country might change over time. Jointly, these assets open up space for the European Semester to continue to find an appropriate balance between social and economic goals.

#### Note

 BE = Belgium, BG = Bulgaria, CZ = Czech Republic, DE = Germany, EL = Greece, ES = Spain, FR = France, IT = Italy, LT = Lithuania, LV = Latvia, NL = Netherlands,PL = Poland, PT = Portugal, RO = Romania, SK = Slovakia, SL = Slovenia.

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