

**Explicating the nexus between transnational and national policies:  
how actors link EU activation policies and domestic reforms in  
Germany and the Netherlands**

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## Abstract

*The analysis of how and why European welfare states change is no longer limited to explanations that relate to the domestic politics of social policy reform. Rather, a growing body of literature suggests that transnational influences, usually conceived as international actors and their policy ideas, interact with domestic policy processes to produce such reform. In this paper, we seek to contribute to the debate on how the two levels interact by focusing on how reform-minded domestic actors use the EU level social policy to achieve domestic reform. Our main argument is that domestic key policy-makers (ministers), faced with problems that threaten the viability of countries' social policy programmes, use the EU-level social policy as a legitimizing device to generate and/or eventually adopt reforms that are politically contested at home. In other words, we hypothesize that policy-makers make strategic use of EU-level policies in order to bring about controversial change in welfare state policies. In order to evaluate this claim empirically, we conduct a comparative case study of activation-related reforms in the German and Dutch unemployment insurance schemes that took place after the launch of the European Employment Strategy (EES). Our analysis is based on original interview data gained with German and Dutch politicians and civil servants as well as secondary analyses. By identifying domestic actors as a crucial nexus between domestic and EU-level policies, we contribute to the theorizing on how transnational policy matters in national contexts.*

## **1. Introduction**

In the late 1990s, against a backdrop of stagnating economic growth and high unemployment, EU member states agreed to launch the European Employment Strategy (EES). Based on the new Employment title of the 1997 Amsterdam Treaty, the EES requires member states to draw up annual National Action Plans (NAPs) on employment following a set of common guidelines decided by the Council.<sup>1</sup> A crucial part of this ambition was to modernize the old 'passive' employment and social policy systems into curative and active systems. To reach this aim, the EES laid down rather specific targets under the comprehensive approach towards unemployment.<sup>2</sup> Member states should gradually achieve the average of their three most advanced peers and a percentage of at least 20 per cent. This so-called comprehensive approach should help to transform Europe's first class social protection systems from safety nets, which defended acquired skills and social status, into springboards for new skills and new jobs (Larsson, 2000).

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<sup>1</sup> These action plans (currently called National Reform Programmes) are the basis for an iterative process of monitoring, benchmarking, and peer pressure. As the EES is no legally binding instrument and has no legal sanctions, in the event the European Commission sees room for improvement in national policies, it may draft a recommendation, a measure resembling merely a political sanction..

<sup>2</sup> Unemployed persons who are under the age of 25 should be offered a new start through a job, (re-) training, work practice, or another employability measure within the first six months of their unemployment, as opposed to twelve months for those who are over 25 (laid down in Guidelines 1 and 2, later integrated in Guideline 1). Moreover, member states were stimulated to fix a target for the number of persons benefiting from active measures to improve their employability (Guideline 3, later Guideline 2). To promote member state compliance to these goals, the European Social Fund (ESF) provides financial support to the actions undertaken in pursuance of the EES and the annual guidelines on employment

After roughly ten years of operation, it has mostly been the effectiveness of the EES (and related OMC processes) that has been the subject of animated academic debate. Opponents of this ‘soft’ form of EU governance claim that it proves to be ‘weak’ and ‘ineffective’ due to its unbinding nature, which has led some to predict its funeral to be imminent (Rhodes, 2006: 31-32). Indeed, there remains a lack of convincing empirical evidence showing a clear impact on member states’ labour market policies. On the other hand, there are increasing calls to be more nuanced its impact. Some scholars stress that it cannot affect domestic policies in the same way as binding law can since the implementation of non-binding instruments does not mirror processes of compliance with binding rules (Santana-Lopez, 2007). Beyond this more conventional debate, we are interested in looking into the dynamics of reform after the adoption of the EES, i.e. which mechanisms link ‘soft’ forms of governance, such as the EES, and member states’ social policies. This implies that rather than considering policy outcomes, i.e. to what extent member states’ policies converge, we must pay attention to processes of domestic policy making and how these have been affected by the operation of the EES. As welfare state scholars have recently pointed out, mature welfare states have seen the rise of a transnational dimension of social policy-making. That dimension includes both truly international organizations (IO’s) such as the OECD and the ILO, and hybrid organizations like the EU, with its particular mix of supranational and intergovernmental elements. The latter means that, in principle, EU social policy is more open for the influence of preferences and ideas of governments than is true for IO’s. This is why we think it makes sense to analyze how the EES, as an important element of the EU social dimension, and part of the greater transnational dimension, creates intersections with national policy-making processes.

In this context, we propose in this paper to zoom in on key politicians in order to better understand where the nexus of this intersection lies. While the EES can serve as a potential source of inspiration for policy ideas, these ideas have to be taken up and put into practice through domestic policy-making processes. In turn, this presupposes the presence of certain actors to put the ideas into action. Based on this realization, the paper will address the intersection between the two levels by focusing on the role of key policy makers as ‘shapers and takers’ of policies (Börzel, 2003). This leads to the argument that domestic key policy-makers make legitimizing references to EU-level social policy ideas to generate and/or adopt reforms that are politically contested. These policy-makers thus make strategic use of EU-level policies in order to bring about controversial change in welfare state policies. We expect to find such ‘communicative action’ of reform-minded politicians, inspired by EU- level (EES) ideas, both at the agenda-setting (proposing and formulating policies) and the decision-making stage (justifying the need for reforms inspired by the EES and convincing opponents of reform plans). This reflects our view that the relations between the national level and EU social policy should not only be seen exclusively as *bottom up* (analyzing member state’s participation in the creation of European

policies), nor it should be viewed solely as *top-down* (analyzing how member states have responded to the effect of the European social policy on domestic institutions, policies, and political processes). It is more realistic to see and investigate relations in terms of a ‘reciprocal relationship’ (Andersen and Liefferink, 1997: 10) between the domestic and the European level.

To illustrate our argument, we focus on German and Dutch policy-makers and how they have make use of EU-level social policy in their argumentation to get reforms adopted. To this end, we present a comparative case study of activation reforms in the German and Dutch unemployment insurance schemes adopted after the launch of the European Employment Strategy (EES). Our analysis is based on interview data gained in conversations with German and Dutch politicians and civil servants as well as secondary analyses. The structure of the paper is as follows. Section 2 presents our theoretical rationale behind looking at key politicians in pinpointing the nexus between national and transnational welfare policies, also briefly paying attention to the mode of governance represented by the EES. Section 3 includes the two case studies on activation reforms in Germany and the Netherlands and the role of policy makers. In the conclusion, we try to contribute to the discussion on the mechanisms of transnational social and welfare state change by identifying some factors which facilitate the transfer of nationally held ideas to the EU-level or the use of EU-level ideas in national context of reform.

## **2. Why focus on National Key Politicians? The Nexus between Transnational Policies, Europeanization and National Policies**

For decades, the dominant view of the European integration process implied a ‘bottom up’ perspective proposing that member state governments are the principal agents driving European integration and policymaking (as depicted by intergovernmentalist approaches, see e.g., Taylor, 1991, Moravcsik, 1991, Moravcsik, 1998). Alternatively, other domestic actors such as business associations, trade unions, or regions pushed for further integration to promote their economic or political interests (as expected in theories on neofunctionalism and multilevel governance, see e.g., Sandholtz and Stone Sweet, 1998, Hooghe and Marks, 2001). Both were concerned with conceptualizing and explaining how member states affected processes and outcomes of European integration. In the 1990s, the focus shifted towards the opposite, namely how the member states respond to the impact of European integration, often termed as ‘Europeanization’. These theories on supranationalism (e.g., Weiler, 1981) presume that the EU governing institutions are a polity resembling the model of democratic welfare states (Leal-Arcas, 2006) and that member states merely respond to the pressures trickling down from the EU level. Later, this ‘top-down’ perspective has also been found ill-suited to explain EU

governance (Scharpf, 2001). Currently, we see a relative consensus amongst European integration scholars about the relationship between the EU and its member states: it should not be seen as a one-way street and it may vary across policy fields and over time. Member states are not merely passive takers of, for instance, EU prescriptions of social policy; rather they can affect these prescriptions and objective an earlier stage. Thus, Europeanization could be seen as a ‘two-level game’ (Putnam, 1988), where a systematic relationship emerges between domestic and European politics with national governments functioning as the core intermediators between the two. Moreover, the ‘two-level game’ approach provides a link between the ‘shaping’ or decision-making and the ‘taking’ (implementation) phase of the European policy process. Moreover, it makes us attentive to the role of actors in this process, who are, in the end, the ones who actually propose, justify and adopt policies.

We assume that key politicians in national states are an important analytical focus for explaining how transnational social policies affect domestic social policies, as they potentially play an important role in Europeanization processes of welfare states. Why is this so? First, there are good arguments to pay closer attention to actors with important policy-making competences. The literature on the role of ideas in policy-making, and more specifically, on discourse and framing-related explanations of policy reforms (Schmidt, 2000, Radaelli, 2000) claims that policy ideas are not epiphenomenal but do influence policy adoption in their own right. To locate elements of such discourse and its key policy ideas, we need to consider who conveys them: typically, it is actors with sufficient authority and competence. In this context, the argumentation of domestic key politicians, as a form of communicative action in getting national reforms adopted, has been pointed out. In the past, key politicians, in particular cabinet ministers, have been shown to successfully justify welfare state reforms by pointing to the cognitive (problem-solving capacity of a reform) and normative (relating to current norms and values in a given polity on a policy issue) relevance of underlying policy ideas (Stiller, 2007).

Second, there is reason to believe that the EES gives particular opportunities to domestic politicians to push their policy agendas – either by influencing the cyclical EES process or by trying to legitimize domestic reform plans. To start with (and connected to the previous point), the policy ideas conveyed by national politicians may be inspired by the cognitive prescriptions found in EU-level policy instruments such as the EES’s guidelines. Therefore, their use by domestic politicians may be an indicator of the impact of Europeanization of domestic policy-making (see for the dual logic of such an impact Börzel and Risse 2003). Previous research indicates that actors made explicit reference to the EU in order to overcome domestic opposition to reform, for instance, in Italian pension reforms (Stiller, 2006) or in Southern and Eastern European countries (Kvist and Saari, 2007).

More generally, the EES offers a ‘new’ mode of governance that differs from the EU community method with its highly institutionalized, rigid prescriptions and the binding character of its legislation. Using a mode of governance typology with emphasis on the policy dimension of governance (Treib et al., 2007: 14), the EES could be classified as either a ‘targeting’ (combining a non-binding or soft policy instrument and rigid implementation), or, even more likely, as a ‘voluntarism’ mode of governance (combining a non-binding instrument with flexible implementation). The implication for domestic actors is that it offers them plenty of room to legislate reforms that may satisfy their preferences and strategic objectives as long as they are commensurate with the general objectives of the EES. Additionally, since the EES is a process with periodic revisions of objectives, it offers domestic politicians room for participating and influencing them (possibly in strategic cooperation with colleagues from other member states) to push their preferences. In sum, the EES may be a cognitive and strategic resource for these actors.

Connecting these expectations to the dual (‘bottom-up’ and ‘top-down’) conception of Europeanization referred to earlier, we formulate our expectations as follows:

- 1) National key politicians transfer policy ideas held at the domestic level to the EU level.*
- 2) National key politicians make use of EU-level ideas for initiating and/or facilitating the adoption of national reforms (justification, strategic use).*

Obviously, pinpointing those actions is not an easy task. Evidence of the upward transfer of ideas can at best be partial as other factors may influence the adoption and further evolution of the cognitive dimension (for instance, its objectives and benchmarks) of the EES. Similarly, evidence for the downloading of ideas, i.e. the use of EU-level argumentation for justifying domestic reforms is difficult to find: key politicians may use ideas contained in EES guidelines without making explicit reference to their origin or hold these ideas even before the EES was adopted. Furthermore, research uploading of ideas into the EU, i.e. the use of the EU-level to bring about change at the national level, one can speak of ‘an administrative merger of EU and national level’ (see also van Keulen, 2006), through which it becomes unclear which actors and institutions (at different levels and in different phases of policymaking) are, in the end, responsible for which policy outcomes. In the subsequent case studies, we still try to detect as much evidence as possible and possibly resort to sources of indirect evidence.

### **3. Empirical study**

The case studies presented here deal with domestic activation reforms in Germany and the Netherlands. For our purposes, we consider them to be ‘similar systems’ with conservative welfare state arrangements and corporatist institutions that influence policy-making. This is not to deny important political-institutional differences (e.g. Germany being a federal state versus the Netherlands as centralized state). More importantly, both countries have conducted reforms of unemployment policies towards more activation after the EES was adopted. The main question we ask in both cases is if and how the EES has influenced national actors and policy-making via the nexus of domestic key politicians. In doing so, we evaluate the expectations formulated above on key actors’ transfer to (uploading) and/or use of ideas (downloading) on activating reforms. Are these patterns comparable in both countries or do they differ? It is important to note that these two cases constitute little more than a preliminary exploration of our expectations but should lead to the formulating of working hypotheses. The analyses begin with a brief description of the domestic context of reforms, their content and then identify the expected key politicians. Next, they analyze the process of transferring or uploading ideas, presenting evidence of key actors’ communicative action or indirect evidence from other actors. This is followed by an analysis of how these actors used EU-level ideas for their strategic purposes. Each case study ends by comparing the findings with our prior expectations, discussing briefly why there is a mismatch of the two, if applicable.

The data comprises original interview data gained in conversations with Dutch politicians, trade unionists, and civil servants both at a national and EU level and with German observers of the ‘Hartz IV’ reform process. For the Dutch case, the total of 19 interviews were conducted in the framework of studies (2001-2002 and 2007) evaluating the effect of EES for the Dutch employment policies (see also Zijl et al., 2002, van Gerven, 2008a). For the German case, 15 respondents from political parties, ministries, trade unions and labour market policy experts were interviewed between 2005 and 2006. Furthermore, we used secondary literature sources and governmental documents where appropriate.

#### **3.1. Man fighting against the windmills: Dutch activation policies and Ad Melkert**

##### *The Dutch domestic context and the content of the reforms*

Similar to its continental neighbours, Dutch social security has been characterized by a strong institutional preference for earnings replacement and the protection of (male) wage workers (Esping-Andersen, 1990). Up to the beginning of the 1990s, the

Netherlands was also regarded to be one of the European countries in drastic need of recalibration to change the inclusive, but passive system of social protection (Palier and Martin, 2008). Indeed, apart from the requirements to register at the Employment Office and to accept a job or training option if offered, the *Unemployment Benefit Act* (WW, 1949, Stb. 432) contains very few provisions related to activation.<sup>3</sup> The Dutch labour market was, however, increasingly haunted by a low labour market participation rate (especially of women and older workers) and rising number of benefit recipients. In the aftermath of the two oil crises in the 1970s, the number of people depending on income transfers (from all programs) doubled from 1.6 million to 3.2 million between 1970 and 1985 (Visser and Hemerijck, 1997: 128). Regardless of the policy measures taken to reduce social expenditure in the 1980s (cutting benefit rates, tightening benefit rules etc., see more van Gerven, 2008b), the number of unemployed skyrocketed from 65,000 in 1980 to over 410,000 in 1994, while the number of people receiving disability benefit reached almost one million in the early 1990s (UWV, 2005: 14, Table 2.1). Cures for this ‘Dutch disease’ were searched, for instance, in activation measures directed to the young and long-term unemployed. Already before the launch of the EES, the *Guaranteed Work for Youth Act* (JWG, Stb. 1991, 250) was launched to provide temporary part-time jobs or training places for the young (up to 23 years of age) during the first six months of unemployment. The JWG thus closely resembled the activation for the young set out later in the EES guideline (1) in 1997. In 1997, when the EES was launched, another law was passed for the young and long-term unemployed, the *Act on the Insertion of Job Seekers* (WIW Stb. 1997, 760).<sup>4</sup> Activation of the young was thus desired by the political elites (governing coalition and parliament), and actively pursued prior to the introduction of the comprehensive approach in the EES.

With respect to activation of adult workers, the Netherlands was less advanced. Since 1994, the Dutch Public Employment Services (PES) had applied a diagnosis instrument for job seekers, a kind of graduated ruler that measured the distance of jobseekers from the labour market (van der Meer and Visser, 2004: 49), but the majority of existing activation measures (training schemes, job mediation, subsidized jobs and work experience places) were aimed at the long-term unemployed. For the ‘normal’ unemployed adult, very little guidance was offered, apart from the registration as jobseeker and maintaining vacancies. With regards to the later EES

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<sup>3</sup> In 1980, the *Unemployment Benefit Act* (WW, 1949, Stb. 432) provided generous insurance benefits (80 per cent of previous daily wages) to employees for 130 days, after which the *Unemployment Provision Act* (WWV, Stb. 1964, 485) took over benefit provision for another two years (yet at a slightly lower rate, 75 per cent of previous daily wages).

<sup>4</sup> WIW replaced the JWG and other acts and job creation measures (e.g. the *Banenpool* programme and ‘Melkert Jobs’) and it stipulated that every young person who signed on at the employment office and claimed benefits was offered an integration programme that included training and work experience in the framework of WIW. If the training or work experience programme did not lead to a job within 12 months, the young person was offered employment at the legal minimum wage; in theory, this was a 32-hour-a-week job in the public, non-profit or private sector.



Guideline 2, the ‘comprehensive approach’ providing a new start in the form of training, retraining, work practice, a job or another employability measure within twelve months for adults (over age of 25) did thus not exist at the time in the Netherlands.

*The expected key politician: Ad Melkert*

After defeating Prime Minister Lubbers’ third cabinet of Christian Democrats and Social Democrats (1989-1994) at the polls, Prime Minister Wim Kok’s new ‘purple’ coalition of Social Democrats and two liberal parties entered office in 1994.<sup>5</sup> The core of its social and economic policies and the main goal of its Minister of Social Affairs and Employment, Ad Melkert (1994-1998) was to increase the level of labour market participation. Although Dutch governments had been rather keen on activation in general since the 1980s, the Dutch political environment in the mid 1990s was much against extending activation to adult workers. The coalition parties (Social Democrats and Liberals), the Netherlands Bureau of Economic Policy Research (CPB) and the Ministries of Economic Affairs (EZ) and Social Affairs and Employment (SZW) were all strictly against it as it was regarded as too expensive (*interviews EU2, NL8 and NL9*).<sup>6</sup> The economic climate of the mid 1990s was also against measures raising social expenditure: the economy was in a dip and unemployment was high in the early 1990s. Moreover, the prevailing philosophy at the Ministry of Finance was that the scarce resources should go to young people and to the most difficult cases of the long-term unemployed (Visser, 2004: 18). The Minister of Social Affairs and Employment (1994-1998), Ad Melkert, had nevertheless a vision to extend activation and he kept on pushing his ideas despite the opposition faced by the governing coalition, and by his own civil servants. According to one of our respondents at the European level (*interview EU2*),

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<sup>5</sup> To cure the ‘Dutch disease’, Prime Minister Lubbers’ third cabinet had introduced in 1991 a controversial welfare reform package that intended to reduce the level of protection, lower the entitlements to sickness and disability benefits, and close off other labour market exit routes. Although there was widespread agreement that the changes were necessary, their implementation turned out to be politically risky: the Lubbers administration was defeated in the 1994 elections.

<sup>6</sup> Next to political actors, also social partners (especially trade unions) traditionally participate in the governance of the Dutch employment and employment services. However, in the quest of the introduction of a more comprehensive approach, they remained rather silent. An explanation for this could be that since the influential parliamentary enquiry by Buurmeijer (declaring the inefficiency of tripartite governance of social security and employment services) in 1993, the social partners gradually lost their self-administrative role in unemployment insurance and public employment services. An exception to this was the participation of the social partners in the flexibilisation of the Dutch labour market. Minister Melkert initiated this discussion in 1996, but after facing opposition from the ministries of Economic and Finance, he delegated the task of laying down the ground rules for social partners. Within the Foundation of Labour, (a consultation and advisory body of employers’ and workers’ organization at the central level) an agreement on ‘Flexibility and Security’ was reached in 1996 (Wilthagen and Tros, 2004). Remarkably, this consultation document passed through the parliament without alteration and the Flexibility and Security Act entered into force on 1<sup>st</sup> January 1999.

*Melkert was 'a man with a clear vision in the sense that he had a goal and the motivation and he could articulate his ideas'.*

*Uploaded ideas: strategic use of EU during the agenda setting phase*

Melkert wanted to change Dutch social policy from a hammock to a springboard (*interview NLA*). Together with his fellow countryman Hans Borstlap, who at the time of preparations for the Amsterdam Treaty conveniently chaired the European Labour Market Committee (the predecessor of the EMCO), Melkert wanted to introduce the comprehensive approach through the European path. In the words of one of our respondents (*interview NLI*)

*The Dutch supporters of active social policy and Melkert personally advocated that employment policy should be coordinated at the EU level. Melkert saw the added value of social Europe: activation was needed and more convergence among the member states was a welcomed aim.*

However, the respondents did not believe Melkert fought for this issue in order merely to improve the European social model and common good. Rather, the matter was more pragmatic (and strategic): after encountering opposition to his plans at home, Melkert turned to Brussels (*interviews EU2 and NL7*). He thus used European pressure for domestic purposes, lobbying vigorously to include the comprehensive approach in the EES, and consequently, to realize it in the Netherlands. One of our respondents (*interview EU2*) recalled that

*Melkert worked actively with the other Member States during 1997 as he knew that he would need their support to realize his ideas (...) to realize the comprehensive approach at home (...) this was something one might be able to achieve through the Commission .*

Melkert's intention to use the European path in his quest to reform activation, however, met opposition from his Liberal coalition partners, who held the two cabinet posts of Finance and Economic affairs. Behind these hesitations was the fear that it would add pressure to increase European funds and they criticized the EES as overly bureaucratic. Instead, these ministries favoured the Broad Economic Policy Guidelines and ECOFIN's (Economic and Finance) guardianship of the Stability and Growth Pact (see also Noaksson and Jacobsson, 2003). They also turned rather to OECD's than the EU's cognitive views in matters of labour market and employment

regulation (*interview NL4, NL6, NL7*)<sup>7</sup>. However, due to the fragmented nature of the Dutch political system (see e.g., van Keulen, 2006), Dutch ministries possess rather strong departmental autonomy within the administration. This gives them much leeway to pursue their goals, and facilitates the promotion of novel ideas and innovations, also at the European level. Arguably, this made it possible for Melkert to push so forcefully to achieve ‘his’ goals, despite the disagreement with the other ministries.<sup>8</sup>

Melkert had an excellent window of opportunity to promote his goals during the Dutch presidency in the first half of 1997. The Intergovernmental Conference on Social Policy and Economic performance (January 1997) can be seen as an important moment for the Dutch to argue for their vision of social policy as a productive factor. That is to say, social policy contributes to economic performance rather than prohibiting it, as is commonly argued in the economic sphere. At this conference, top EU social policy makers met with representatives of trade unions and employers’ organisations as well as with top academics in the field of the welfare state. The outcome of this conference was a strengthening of convictions of economic value of social policy to modern standards (Hemerijck, 1998). This view was confirmed by our respondents (interviews EU2, NL1, NL2 and NL3). According to one respondent at the EU level (interview EU5), it was crucial that the Dutch put forward the argument of labour market policy being an essential part of economic policy in order to include the employment chapter in the Amsterdam Treaty.<sup>9</sup> Also, it was believed to be crucial that the Nordic countries (Finland, Sweden, and Denmark) had joined the EU. To reassure them that enlargement of the EU would not mean the end of the social democratic model, a significant part of the model – the active labour market policy and the goal of full employment – would have to be ‘exported’ to Europe. Furthermore, before the introduction of the EES, the election of centre-left governments in many European countries (including France, Germany and the UK) made it possible for Member States to lend their support to the proposed employment chapter. Taking all these favourable circumstance together, the comprehensive approach was raised high on the EES agenda. As one of our respondents at the EU level put it (*interview EU5*):

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<sup>7</sup> Whereas BEG and Ecofin approach the labour market issues from economic and finance perspective, EES is claimed to embed a more social (policy) element. (for more see Noaksson and Jacobsson, 2003)

<sup>8</sup> It was also told during the interviews (interview EU2) that Melkert was not so keen on the OECD, and perhaps therefore he so rigorously promoted the EU pathway to achieve his national goals.

<sup>9</sup> Here, however, one must note that even though at the time the Dutch were actively striving for the inclusion of the social element, they did not want to promote social policy at the cost of economic policies. Rather, as our interviewees reported, the Dutch always strive for economically sound action at the EU level. The social element of social policy was supported as demonstrated above, but clearly the Dutch saw that employment policies must be left to the Member States and the policies depicted must follow the national politics (following the subsidiarity principle).

*Employment was not at the top of the agenda of the EU before Delors. There were some changes in government, some changes in colour, the Dutch presidency, which brought about a historical opportunity to include the employment title in the Amsterdam treaty. It was very important that Melkert came with the argument that labour market policy is economic policy. With Melkert, the Scandinavian argument was introduced in the EU. At the same time you had Junker, the Luxembourg prime minister, who held the presidency of the EU in 1997 and thought the same way. Mr. Junker saw the possible political gain and thus started marketing the EES. So, there was a happy coincidence: the stars were in their right places. If we tried to start an EES at this very moment in time [2001], I'm not so sure that we would get it.*

In sum, Minister Melkert, having a clear vision, good examples of activating the young, a venue (during the Dutch Presidency), and a favourable momentum (with a number of pro-welfare state governments in power in Europe) succeeded to upload some ideas to EES.

#### *Downloaded ideas: strategic use of EU during the decision-making phase*

The term of Ad Melkert as Minister of social affairs and employment ended in August 1998 and he very quickly withdrew from social policy matters thereafter.<sup>10</sup> He had, however, been the catalyst for bringing about a turning point in Dutch thinking about Dutch labour market policies by consistently arguing that they were not activating enough (as confirmed by our interviews). It is remarkable, however, that in his speeches in 1997 he never made a reference to the EU. Although Dutch politicians and civil servants saw the importance of complying with the EES and the EU's priorities, the readings from governmental documents even reveal that the extension of activation to wider groups of workers was considered to be a national realisation. This was also confirmed by our respondents. The EES process (and the preparations of NAPs in particular) was seen to have speeded up the actual implementation of Guidelines 1 and 2, and, consequently, the extension of activation measures to all new unemployed (*interviews NL1, NL2 and NL3*). In the words of two respondents (*interviews NL8 and NL11*):

*If the EES had not been there, the Ministry would never have had the money... Before the EES, politicians were not ready to spend money on the newly unemployed.*

With the additional financing (250 million gulden) delivered through Kok's purple coalition, the comprehensive approach for adult workers was introduced by an administrative reform and fully implemented in 2002, a year earlier than proposed in the coalition agreement of 1998. When it comes to the use of EU in this process, we

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<sup>10</sup> After this, Melkert was parliamentary leader of the Labour Party (1998-2002).

learn from the governmental documents, that the cognitive influence of the EES on reform of labour markets and social protection remains minimal. For instance, in a letter from the Minister of Social Affairs and Employment to Parliament (24.11.98), which set the scene for the extension of comprehensive approach there was no reference to the EES (TK 23972, 1998). Similarly, from the coalition agreement of 1998 and the Social Nota for 1999, can be obtained that the necessity for extending activation beyond the young and long-term unemployed stems from the failings of national policies and the socio-economic situation. This was also the essence of the talks with many of our civil servant respondents who explained that (*interview NL4*):

*(...) national policies remain national affairs. Civil servants are influenced by matters coming from Brussels, knowledge spreads around Europe, but Dutch policy is formulated by the Dutch government.*

Where references to EU and EES were made, they remain rather secondary: the EES served as an additional justification for policies that would have been introduced anyways. At its best, the EES and EU social policy were used as an additional justification to legitimize government decisions. For instance,

*They [EU social policies] strengthen the case to be presented before the parliament. ..As a civil servant, one seeks support for the things you want to do, and if that is given by OECD or EU, so will be it. (Interview NL4)*

Or

*The EES offers a justification for national activities... But the EES is solely an extra argument. National policymaking dominates and the EES is merely used as an additional justification (Interview NL8)*

In conclusion, in the Dutch case, the EES was used in the national debate to get the issue of activation of adult workers out of a blind alley. Although Dutch governments have been rather keen on activation in general (this being fairly constant irrespective of changes in government composition since the 1980s), the translation into concrete policies faced major political opposition. To overcome this opposition, it took vigorous action by a visionary politician, Ad Melkert to make this happen. In this particular case, our expectation that key politicians upload policy ideas held at the domestic level to the EU level was accurate. Through Melkert, some ideas were put on the European table. With respect to our expectation on downloading, the Dutch case shows some evidence for the downloading of ideas from the EES. The EES gave policymakers an extra justification to extend activation to adult workers (and helped them to find the extra financing needed for this), and therefore, it helped speeding up domestic activation reforms.

### **3.2. Belated Introduction of Activation in Germany: the EES and the ‘Hartz IV’ reform**

#### *The German Context of Activation Reforms*

Until well into the 1990s, German labour market policy could be characterized as predominantly passive, transfer-oriented, and aimed at status maintenance. In other words, the country had preserved much of its Bismarckian welfare state orientation. Before 1996, the German government had enacted hardly any reforms that would change the character of labour market policies towards a more active stance (Büchs and Hinrichs 2007). Subsequently, in 2001 the first Red-Green government (1998-2002) introduced the Job-AQTIV Act which thoroughly reformed active labour market measures and introduced some degree of activation. The law enacted, first, compulsory ‘profiling’ of jobseekers in order to estimate the risk of long-term unemployment and to take adequate individual measures. The second novelty was a new ‘inclusion agreement’ concluded between the unemployed person and the job centre at the beginning of the applicant’s unemployment to fix activities that both contracting parties have to undertake. Third, several elements of the Job-Aktiv Law extended legal possibilities for not yet long-term unemployed persons to participate in job-creation measures.

After the re-election of the Red-Green government in 2002, the enacting of the Hartz reforms introduced a truly activating dimension to the unemployment protection system. Most important in this respect was the so-called ‘Hartz IV’ reform, which fundamentally changed existing arrangements. Previously, German unemployment protection had rested on a two-pillar system consisting of unemployment insurance (*Arbeitslosengeld*) and unemployment assistance (*Arbeitslosenhilfe*). From the 1960s onwards, it has been complemented by the social assistance scheme (*Sozialhilfe*), which provides a guaranteed minimum income available to anyone in need, no matter whether someone is available - as registered unemployed - to the labour market. The tendency of the different pillars to shift responsibilities back and forth between them (‘shift yard problem’) gave rise to a growing consensus in the 1990s that further co-existence of the three programs was undesirable. Moreover, during the 1990s, German reunification and massive shifts on the East German labour market contributed to successive incremental reforms of the unemployment benefit schemes. Since the mid-1990s, job-seekers’ obligations to look for work, to accept job offers and placements in activation programs, as well as sanctions for non-compliance have been extended in both the unemployment benefit system and the social assistance system. In sum,

these reforms put more pressure on the social assistance scheme vis-à-vis the others.<sup>11</sup> Despite intensifying pressures within the three-pillar structure, no comprehensive reform had been put forward to tackle these problems.

The proposal for ‘Hartz IV’ was the first attempt to do just that. Its core is the merger of unemployment and social assistance benefits to create a single scheme featuring the so-called ‘secondary unemployment benefit’ (*Arbeitslosengeld II*, or short *ALGII*). Since January 1<sup>st</sup> 2005, this new scheme provides a means-tested benefit for households of registered unemployed who do not qualify for unemployment insurance benefits.<sup>12</sup> Importantly for activation, with *ALGII*, requirements for the unemployed with respect to accepting suitable job offers were tightened. First, persons eligible for the new benefit must in principle accept any job offer (with some exceptions). Second, Hartz IV introduced sharper sanctions for those who refuse job or training offers, especially for the youth. The ‘Hartz IV’ reform, together with the Job-Aktiv Law referred to earlier, changed the passive unemployment protection system into a more activating system of unemployment provision and implemented the comprehensive approach to Germany following the EES guidelines 1 and 2.

#### *The expected key politician: Wolfgang Clement*

To investigate how the EU social dimension was related to domestic reforms in the German context (and the Hartz IV reform in particular), we take a closer look at the communicative action of Minister of Economics and Labour Affairs Wolfgang Clement. Following the re-election of the Schröder government in 2002, Clement, then Minister-President of the state of North-Rhine-Westphalia, was asked by the Chancellor to join the cabinet as the newly created ‘superministry’ of Economics and Labour Affairs. This organizational change needed to be backed up with a strong modernizer in order to tackle the large reform agenda in labour market policy. Clement, known within the Social-Democratic Party (SPD) as such a modernizer and business-friendly reformist, took on the task with great fervour. His biggest challenge was to see to it that the recommendations of the Hartz commission, published shortly before the 2002 elections, would be implemented in a difficult political context. High unemployment, bad performance of the Social Democrats in the polls, internal resistance from left party factions against far-reaching labour market reforms, and a conservative-liberal opposition keen on attacking the government on their labour market policy record so far were the challenges Clement would have to deal with. The

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<sup>11</sup> This was because a reform that limited a certain sub-type of unemployment assistance led to savings in the federal budget that had to be compensated by rising expenditures of local governments and the federal *Länder*.

<sup>12</sup> The benefit level follows the level of ‘ordinary’ social assistance, which grants a guaranteed minimum level of income defined as a flat-rate amount plus the cost of housing. It is granted indefinitely, as long as claimants fulfil the qualifying conditions of unemployment and individual need

question is whether in this context, Clement would resort to European arguments in order to fight his political battle to implement the Hartz reforms, particularly ‘Hartz IV’, which was the most difficult reform to steer through the parliamentary process. But let us first turn to the question whether the Germans tried to influence EU social policy in the first place, more specifically, the EES.

### *Uploading Ideas for the EES?*

Before the creation of the EES, activation was not on the agenda of the conservative Kohl government (1994-1998) at the time. Thus, it is unlikely that such ideas about activation were brought to the fore by the then Minister of Labour and Social Affairs Blüm. Although we are unable to present evidence of a concrete contribution of German ministers, the German government’s position has been described as generally positive towards the social policy objectives of the EES (see e.g. the conclusion by Büchs and Hinrichs 2007). Any evidence for German uploading would be most likely found during the German EU presidency from January to June 1999.<sup>13</sup> The main events in this period were the introduction of the Euro, the conclusion of the negotiations concerning Agenda 2000 (dealing with agriculture and financing reforms), the resignation of the Commission headed by Jacques Santer, and the strengthening of the Common Foreign and Security Policy (CFSP). Notwithstanding these projects and events, one of the declared goals of the presidency was related to employment policies. With the Employment Pact, which was approved by the Cologne European Council, Germany strove to support and complement national measures to raise the level of employment within the EU (Verheugen 1999). The macroeconomic dialogue between the social partners and the European Central Bank (ECB), also initiated in Cologne, was put high on the agenda to support the latter policy. Concerning active labour market policies, the German presidency promoted policies that focused on the supply-side of employment as well as preventive measures, such as job creation, without further reforms to national instruments.

To conclude, at this point we cannot present much evidence for the uploading of German policy ideas to the European level during the late 1990s nor identify particular key actors who have done so, as in the Dutch case. However, we can state that Germany was striving to keep EU social policy objectives in line with the ideas governing the German social market economy, the *Sozialstaat*, in particular by stressing the principle of subsidiarity, that is, securing national jurisdiction over social policy matters (Büchs and Hinrichs 2007: 23).

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<sup>13</sup> At the time of writing, we do not have empirical evidence from interviews or other sources that illustrate attempts of uploading by the German politicians. Yet, based on the findings on the Dutch case, more interviews are planned to be conducted. In due time, we hope to add these results to this paper.



### *Downloading Ideas for Activation: the Hartz IV Reform*

With regard to the downloading and strategic use of ideas from the EU level, there is more evidence available. Since the introduction of the EES until the early 2000s, the Red-Green government interpreted the EES guidelines as lending support to traditional understandings of labour market policy with a distinct Social Democratic flavour. This included active labour market measures, an emphasis on passive social security, and tripartism at the EU level. However, growing unemployment contributed to a turnaround, leading the government to emphasize the theme of activation, employability and flexibility. As a result, the government would begin to refer to the EES to back up reforms that stressed the themes just mentioned.

In this vein, the *Job-Aktiv Act* was passed in 2001 under the auspices of Minister of Labour Walter Riester. It included stricter job-search activities, job profiling and made reintegration mandatory for those claiming unemployment benefits. Furthermore, it facilitated claimants' access to wage subsidies, training programs and business start-up options. While previously little EU influence could be discerned on domestic labour market policy reforms, many of these elements corresponded to policy measures specified in the EES guidelines (Zohlnhöfer and Ostheim 2005: 16).<sup>14</sup> Given the fact that some elements of the Red-Green reform laws, e.g. the accentuation of a preventive approach, had not been mentioned in the election platforms of the Social Democrats or the Green Party, the authors conclude that these labour market reforms have indeed been influenced by the EES. Since the measures are in line with the general direction of the government's policies, there are classified as 'intensifier effects.' According to other observers, the EES prescriptions might have given extra legitimacy to the government's reform plan (Büchs and Friedrich 2005).

As for the Hartz laws, the picture is one of indirect evidence. The 'Hartz IV' reform, already discussed above, formed the backbone of the Red-Green reform agenda. While 'Hartz IV' integrated the social assistance and unemployment assistance schemes, it also increased the demands on job-seekers to accept work. The key slogan used by Ministry of Labour and Economic Affairs to capture this was '*Fördern und Fordern*', which roughly corresponds to the saying 'carrots and sticks'. This slogan was closely connected to a cognitive (how to solve the problems of inefficient benefit schemes and combat the burden of excessive unemployment?) and normative (how to

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<sup>14</sup> Zohlnhöfer and Ostheim (2005: 156) claim that, in analogy to the EES, most of the guidelines' key elements reappear in the Job-Aktiv law: lifelong learning and strengthening of the preventive approach to labour market policies; offering an opportunity to obtain a secondary school qualification retrospectively to prevent youth unemployment; promoting the participation of older persons in working life; gender mainstreaming; the targeted promotion of women and the reintegration of housewives into the labour market. In addition, they find six explanatory statements explicitly referring to the guidelines (BT-Drs. 14/6944).

justify increasing activation with reference to popular values?) redefinition of labour market policy. *‘Fördern und Fordern’* in essence meant a new conception of social justice. Getting job-seekers to accept work even below their previous level of training was seen to be more ‘just’ than granting them unemployment benefits over an extended period of time. This paradigm change in thinking about job-seekers rights and obligations was propagated by key politicians. Next to Chancellor Schröder, Minister Clement, has played a key role in the process of getting the reform adopted: as an ideational leader, he kept pushing for a cognitive and normative ideational change in traditional thinking about labour market policy and tried to engineer necessary political support, in particular parliamentary majorities in *Bundestag* and *Bundesrat* (Stiller 2007).

Coming to the question of how EU social policy played a role in justifying activation, and in particular ‘Hartz IV’, the evidence is mixed. On the one hand, the overarching reform programme, Schröder’s *Agenda 2010*, was presented by as an answer to the EU’s Lisbon Strategy, at least in documents that were presented in a European context (Bundesrat 2003, Deutscher Bundestag 2003a; cited in Büchs and Hinrichs 2007). Minister Clement, however, did consistently refer to the failure of existing domestic policy as the main reason for enacting ‘Hartz IV’. His pleas, both in parliament and in public, repeatedly referred to domestic reform necessities but did not mention an EU-induced need for policy change:

*The creation of a unitary benefit system of unemployment assistance for all who are able to work is a crucial step towards placing people faster in jobs and apprenticeships. And, by the way, it is one of the greatest structural reforms we have resolved to do. We will merge the two systems because their co-existence is inefficient and debilitates employment.[...] The most important goal of our reform – one cannot stress it often enough – is a faster and more precisely tailored placement of people fit to work (Clement, 08.04.2003).<sup>15</sup>*

Moreover, as a matter of normative redefinition of policy goals, he repeatedly called for a new conception of ‘social justice’ linked to the previously mentioned slogan behind Hartz IV (*‘Fördern und Fordern’*):

*The philosophy of ‘Fördern and Fordern’ at a one-stop agency’ is more efficient and more equitable than anything we have achieved in labour market policy so far.[...] And it must be stated clearly that he or she who does not make an effort, should not be sustained by the grace of the public. Social justice is no one-way street.*

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<sup>15</sup> Speech of Minister Clement to the SPD parliamentary party on ‘Agenda 2010 für Wirtschaft und Arbeit’, 08.04.2003, Berlin.

*To sum up the question of whether ‘Hartz IV’ confirms to criteria of social justice, I am firmly convinced that the answer is yes (Clement, 01.07.04).<sup>16</sup>*

Despite the dominance of the domestic context in reformist discourse, the draft version of the law referred to the OMC as a way of justifying the reform (Deutscher Bundestag 2003b, 44). This could mean that the EES prescriptions were used as an additional justification for reform, on top of the domestic reasons (high unemployment, administrative inefficiencies), but certainly not on their own. Close observers of the ‘Hartz IV’ reform process (including party officials, societal actors and policy experts) indicated an emphasis on domestic reasons when asked about what factors had been decisive for the passing of the reform. In particular, problem pressure facing the government due to the high unemployment rate, and inefficiencies stemming from the co-existence of two schemes were mentioned. Moreover, the government had important political reasons to get the reform adopted: overcoming resistance of the conservative-liberal opposition and of local governments about administrative implementation of the reform would earn them a ‘hands-on’ image in the eye of the electorate (Stiller 2007).

Some of the previous observations support the idea that the EES was used as (additional) justification to get the ‘Hartz IV’ reform adopted. Nevertheless, it is difficult to deduce from such evidence whether the ideas used in the domestic reform process actually trickled down from the EU level. In this respect, different interpretations can be made. Officially, little positive effects of the EES have been found and the incorporation of National Action Plan processes into domestic policy-making was not very pronounced at all (RWI/ISG 2002; Büchs and Friedrichs 2005 cited in: Heidenreich and Bischoff 2006; Zohlnhöfer and Ostheim 2005). Yet, the core provision of ‘Hartz IV’, the integration of the two different benefit schemes, correspond to the EES guidelines, even in the absence of public legitimation that stressed the EES as the main motivation for reform (Watt 2004 cited in Heidenreich and Bischoff 2006; see also Behning 2006 for one of the most positive accounts claiming that the Agenda 2010 reforms were firmly embedded in the EES). Interviews conducted by Heidenreich and Bischoff (2006) suggest that EES objectives influenced labour market reforms including ‘Hartz IV’ indirectly at best. Their interviews with ministerial officials, officials representing Germany at the EU level, and societal actor officials disclosed varying views on the impact of the EES: these were ranging from ‘major source of inspiration for domestic reforms’ over ‘a catalytic role in terms of justifying national reforms’ to ‘having no direct impact’. To capture these views, they coined the term “learning by irritation”, describing a process in which European and national patterns of perception and behaviour were informing each other (ibid). Yet another piece of work identified the importance of the domestic context of policy

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<sup>16</sup> Statement of Minister Clement at a BMWA press conference on the topic ‘Ergebnisse des Vermittlungsausschusses Hartz IV’ 01.07.04, Berlin.

learning through a think-tank-led forum of labour market experts and ministerial working groups as the driving force behind the substance of the ‘Hartz IV’ reform. This contribution stresses the frequently cited role of the government-installed Hartz commission and the political commitment by Chancellor Schröder to implement the commission’s recommendations (Fleckenstein 2008). If labour market experts indeed had a large say in the ministerial preparation of ‘Hartz IV’, one cannot ascertain but also not dismiss a certain impact of the EES: policy experts tend to be open to, and to form part of the epistemic community that bridges domestic and EU-level policy arenas.

In conclusion, the German case shows that evidence for the downloading of ideas from the EES to speed up domestic activation reforms is mixed and often indirect. This means that need to carefully judge our second expectation about key politicians utilizing the European level. References to the EU-level in order to introduce and pass reforms in line with the EES were made, but the communication of key political actors (Minister Clement, to some extent also Chancellor Schröder) did certainly not depend on them. For the greater part, they stressed domestic reasons to justify reforms, although it should be stressed that cognitive and normative ideas contained in their argumentation were in congruence with prescriptions of the EES. As far as our first expectation about key politicians transferring specific policy ideas about activation to the EU level is concerned, we cannot confirm it on the basis of the evidence we have at this point. More generally, however, we can state that Germany sought to keep EU social policy in line with its social market economy and preserve national jurisdiction over social policy matters as much as possible.

#### **4. Conclusion**

In this paper, we set out to explore the dynamics of national activation reforms after the adoption of the EES, that is how ‘soft’ forms of governance, such as the EES, and member states’ social policies are connected. In doing so, we contribute to the discussion on the relationship between transnational social policy and national welfare state change by exploring one possible nexus between transnational and national policies. More specifically, we asked whether and how key politicians made use of EU-level social policy when trying to get reforms adopted. The findings from our Dutch and German case studies show how differently these two countries fared in this respect despite their welfare-institutional similarities.

To sum up the findings from the case studies, Dutch Minister Melkert used the EU level strategically to bring about change in domestic activation policy, whereas we cannot show such evidence for the German case at present. With respect to the

national decision-making about reform, both cases show that governments have aimed at keeping OMC-based policies from encroaching on the country's national autonomy, observing the principle of subsidiarity. The Dutch referred to the EU-level merely as a secondary justification, since the reform of social policy was, and still is, regarded as a national matter. Moreover, EU-related arguments were used in Germany as additional justification and possibly as cognitive and normative source of inspiration on how to define the policy problem. German key politicians used arguments about the EES rather sparsely in cognitive arguments about how to relieve problem pressure, and in normative arguments about how to redefine social justice. Although the 'Hartz IV' reform was justified in some policy documents with reference to the EES, it was mainly domestic problem pressure and failures of the existing labour market system that served as 'official' justification for the German Minister Clement and Chancellor Schröder. In how far they also were inspired by EES objectives and recommended measures cannot be established on the basis of the evidence at our disposal, although there are overlaps with the objectives and provisions of legislation. In the national reform discourse, however, the measures were presented as necessary consequence of the failures of existing policies.

To be sure, these cases constitute merely a preliminary exploration of our expectations about key politicians. Nevertheless, they helped us to identify some factors which facilitate the transfer of nationally held ideas to the EU-level or the use of EU-level ideas in national context of reform. With regards to uploading, at least three crucial factors have emerged. Actors' capacity to upload ideas depends on 1) their ability to communicate ideas convincingly, 2) favourable timing (in particular, for, holding the EU presidency), and 3) previous policy experience (need to have good examples of activation in place). Moreover, the likelihood to communicate ideas in a convincing manner depends to a great extent on the second and third factors.

For the strategic use of the EU in uploading, timing is everything. Here, presidencies are important: this is when new policy agendas are prepared and these can either make or break a policy initiative. They also provide the necessary platforms for national actors to influence the EU agenda, as we saw in the Dutch case, where the Dutch presidency and Minister Melkert in particular were able to promote their ideas rather successfully (yet, at this stage, we need more evidence about the German case). In addition, the Dutch used their momentum also during the 2004 presidency, when they actively lobbied for the streamlining of the employment and economic guidelines (van Gerven, 2008a). Also, the concept of flexicurity and the Dutch Flexibility and Security Act (1999) are something that Dutch actively 'sold' to Europe (see also Wilthagen and Tros, 2004, van Gerven, 2008a).

This observation also points to the need for further and more refined research on how and why key politicians are able (and trying) to influence the EU social policy agenda

during an EU presidency. This is because with respect to ascertaining the influence of ideas transferred by a single actor, direct empirical evidence remains weak. In part, this is due to the administrative merger problem in multi-level governance, which makes it unclear which actors and institutions are responsible for which policy outcomes. Although Minister Melkert seems to have played an important role in the adoption of a comprehensive approach to the EES during the 1997 presidency, many other favourable circumstances were present that could have, and also did, contribute to this policy initiative: pro-welfare state governments were in power in many of the member states, Nordic countries were joining the EU etc. The Dutch, being one of the six founding fathers of the European union, had perhaps learned how to play the game at the European level, and because of the timing of the presidency (coinciding with the preparations of the new social agenda) and the presence of strong strategic actors (Ad Melkert and Hans Borstlap) embedded in the context of an improving socio-economic climate, were perhaps successful in promoting the Dutch goals of a comprehensive approach.

Finally, for the strategic use of the EU when uploading ideas, we also found to be crucial that actors had good examples to refer to. The Dutch were already rather advanced with activation policies, especially in comparison to some central and southern European countries. Therefore, they could come up with good arguments when trying to upload their ideas. The latter is also supported by learning theories that suggest that policy learning can be most effectively achieved through success stories and promising examples (see e.g., Visser, 2007). Such success stories must be present at the national level before they can be launched as a European example.

With regard to strategic use of ideas from EU social policy, this might depend on the 1) on the level of institutionalization of certain policies and 2) on the political context in which key politicians operated. In a member state, where activation is already institutionalized (but could be extended to cover a wider group of unemployed), the use of EU-level ideas is rather limited. This was clearly the case in the Netherlands. Whereas, in a member state, where activation is not yet institutionalized the use of EU-level ideas is more prominent (but does not have to dominate policy discourse).

At this point, important question remains, to what extent would reform in the two countries have happened anyway? As argued above, Dutch governments have been rather keen on activation (this being fairly constant irrespective of changes in governments since the 1980s), only the translation of action into concrete policies faced major political opposition. The EES most likely speeded up the implementation, but it surely was not the only (or the most important) catalyst for change. The EES mattered in the sense that it opened a window of opportunity for Minister Melkert to promote his ideas at the European level after he met opposition at home. The EES also provides an additional argument for civil servants and politicians to justify the

reform before parliament. The EES was thus not a decisive factor, but it helped to speed up the paradigm change already taking place in the Netherlands. The German situation is somehow more complex. The realization that activation could help to solve the country's persistent unemployment problem took a long time to materialize. Even after the passing of the EES, the first legislation that introduced a moderate level of activation was passed in 1999, and it took four more years until a paradigm shift in thinking about unemployment was achieved through 'Hartz IV'. It is certainly possible that the EES process had its share in preparing such a shift (and it possibly speeded up the turning point in thinking) but an important impetus for embracing activation had to do with no longer tolerating the inefficiencies of the unemployment systems in place. In this sense, the EES surely was not decisive but contributed to a paradigm shift that, notably, began much later than in the Netherlands and is still contested by the public.

## Appendix

### Interviews used for the Dutch case study on the Europeanization of the activation of unemployed people (van Gerven 2008a).

Code	Respondent	Interview date
NL1	Civil servant, SZW	22 June 2007
NL2	Civil servant, SZW	12 July 2007
NL3	Civil servant, SZW	12 July 2007
NL4	Civil servant, SZW/ESF	27 September 2007
NL5	Social partner FNV	5 September 2007
EU1	Civil servant, EMCO	16 August 2007
EU2	Civil servant, EP	16 August 2007
EU3	Civil servant, EMCO	12 October 2007
EU4	Social partner ETUC	22 June 2007

### Interviews used for the Dutch evaluation of the EES (Zijl et al. 2002).

Code	Respondent	Interview date
NL6	Politician	17 October 2001
NL7	Civil servant, EZ	9 November 2001
NL8	Civil servant, SZW	12 October 2001
NL9	Civil servant, SZW	17 October 2001
NL10	Civil servant, SZW	30 November 2001
NL11	Social partners, FNV	12 November 2001
NL 12	Civil Servant, SZW	2 November
EU5	EU civil servant, EMCO	30 November 2001

## 2) Interviews used for the German case study on the adoption of the Hartz IV reform.

- 1) Ministry of Labour Affairs of North-Rhine-Westphalia senior official, Düsseldorf, January 21, 2005.
- 2) SPD Member of Parliament, Berlin, January 26, 2005.
- 3) BMWA official, Berlin, January 28, 2005.
- 4) FDP Member of Parliament, via email, January 31, 2005.
- 5) SPD mayor and member of the Hartz commission, Leipzig, January 31, 2005.
- 6) CDU/CSU parliamentary party official, Berlin, February 1, 2005.
- 7) DGB official, Department of Labour Market Policy and International Social Policy, Berlin, February 2, 2005.
- 8) Journalist *Der Spiegel*, Berlin, February 3, 2005.
- 9) B90/Greens parliamentary party official, Berlin, February 3, 2005.
- 10) VerDi senior official and member of the Hartz commission, Berlin, February 8, 2005.
- 11) IAB labour market policy expert, via phone, March 8, 2005.
- 12) Professor of Political Science and labour market policy expert, via phone, March 21, 2005.
- 13) Assistant to the BMWA Parliamentary State Secretary, Berlin, August 19, 2005.
- 14) BA board member, Nürnberg, October 4, 2005.
- 15) Former BMWA State Secretary, Berlin, January 23, 2006.



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