Proposal to convene a Workshop on

THE POLITICS OF LABOUR MARKET POLICY IN TIMES OF AUSTERITY

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Abstract
The Holy Grail of labour market policy analysis is that felicitous institutional arrangement which is both socially equitable and economically efficient. For many analysts, flexicurity, whatever that is, is just such an arrangement. Unfortunately, proposals for reform based on these kinds of analyses obviate the centrality of politics in labour markets: labour market institutions shape—and are shaped by—collective action in politics and at work. Moments of economic turmoil often generate efforts to reform these institutions, thus offering a privileged window for the study of interest group politics and their implications for the strategies of political entrepreneurs, firms and the distribution of economic opportunities and market risks. This panel invites theoretically informed, empirically grounded papers that can deepen our understanding of the organizational logics underlying and the consequences (political, economic, social, but above all, organizational) of battles over labour market reform in the context of the current crisis.

Outline of the proposal and relation to existing research
The current economic crisis has generated problems of both policy and politics. One domain of political life in which this dual problem has been particularly vexing in many European member-states is the labour market. Much has been written about the contents of the reforms being proposed and implemented in those countries most severely affected by the crisis—the role of epistemic communities in driving forward new policy ideas, the institutional and political obstacles to reform, the factors conditioning their success, and their distributive and partisan political implications, among others. All of these topics, interesting as they are, leave unaddressed the deeper questions of the dynamics and consequences of the political struggles surrounding these reforms (Vail, 2009).

While the pressures for welfare retrenchment and labor market liberalization may at first glance appear to challenge the political-economic position of labor unions and to strengthen the hand of employers, the organizational politics surrounding institutional realignments are anything but predetermined structurally. To advance our understanding of these politics, this workshop proposal seeks to advance dialogue among scholars interested in the study of the current crisis from the twin perspectives of institutionalism and the politics of organized interests.

Several literatures offer potentially useful theoretical tools to assist participants as they probe these questions. If the institutional synergies proposed by the varieties of capitalism literature are real, economic changes
that call these synergies into question are likely to upset not only constellations of policies but also the settlements among organized interests and the State to which they gave rise and around which they have congealed (Streeck & Thelen, 2005; 2004). Alternatively, if existing institutional arrangements reflect the relative power resources of various organized interests (including State actors), the politics of the reform process should reflect shifts in the resources among these organizations and the appearance of new or previously marginalized competitors deploying newly available resources (e.g. Iversen, 2005). Whatever the theoretical approach employed, there is a fundamental question that we would like every paper in this workshop to engage: is the current crisis a critical juncture in state-society relations and, if so, along what new path are labor market politics reconstituted? (Collier & Collier, 1991; Collier & Mahoney, 1997).

We welcome proposals adopting a broad range of approaches to addressing these questions, particularly, but not limited to the following:

1) **The logics of national reform initiatives:** Case studies that seek to understand the nature of the policy proposals put forward by different organized actors in the context of reform (particularly the politics of internal consensus-building), the political tools they deploy in their efforts to ensure that their views prevail (mobilizing their members, building alliances, lobbying, issue framing, etc.), and the logics giving rise to negotiated compromise, imposed solutions or stalemate. Such studies may be either individual country case studies or more broadly comparative. We believe that cross-national comparisons focused on particular economic sectors in countries facing common structural challenges may be especially fertile ground for generating new insights into these questions.

2) **The organizational consequences of reform:** Research that will enhance our understanding of the broader consequences of these reform processes for the roles of organized interests in the marketplace and in their relationship with the State (e.g., Howell, 2009). In this regard, it is worth noting that many of the policy proposals being put forward in recent times require a fundamental restructuring of State and organizational capacity. For example, although the policies loosely labeled flexicurity have been a major part of the European Union’s labor market policy prescription since at least the 2001 Lisbon summit, the genuine implementation of such policies requires a fundamental restructuring of institutional and organizational capacity in many countries. In normal times, these capacity issues proved to be a potent political obstacle to genuine labor market reform. This leads us to ask whether the current crisis might not shake the foundations of this resistance in ways that transform processes of interest intermediation as much as the formal rules governing labor markets and labor relations.

3) **The recasting of flexicurity:** We are particularly interested in studies that evaluate the advance, retreat or transformation of flexicurity-type arrangements both through single case studies and comparative country analyses; in the development of the flexicurity paradigm at EU level; and in the role of the EU as policy entrepreneur and knowledge broker. Flexicurity has been well documented from the policy advocacy perspective (see e.g.
Muffels, 2008; Wilthagen et al, 2007) and there have been several accounts of the outcome of labour market reform using a broad flexicurity lens, but its institutional and relational aspects are much less well covered in the existing literature (see Keune & Jepsen, 2007).

4) **The politics of ideational innovations**: Studies that advance our understanding of the ways in which ideas are taken up by organizations and their consequences for the ways in which those organizations work both internally, their efforts to mobilize support and their interactions with other actors. The role and impact of international organisations in norm diffusion are especially relevant in this regard, particularly those of the OECD, the ILO and the EU. The governance of policy exchange and diffusion and the role of epistemic communities are of particular interest here. We particularly encourage dialogue among Constructivist accounts that can provide insights into processes of diffusion (e.g. Serrano Pascual, 2009; Taylor-Gooby, 2005) and institutionalist perspectives highlighting the role of actors and embedded practices.

5) **New actors and new arenas**: Finally we invite studies that are focused on the roles of a) new actors (or new alliances of actors) with potentially alternative narratives of the crisis and its solutions and/ or b) new arenas, both territorial (e.g., EU-wide or, alternatively, sub-national) and technological (on-line solutions), which may be becoming increasingly important to the future of organizing in labor markets.

The broad subject proposed for this panel has been of interest to ECPR members in the past (see e.g. Compston, 1996) although there have been no workshops in this specific area in the last two years. Recent workshops which touched on related aspects were the 2009 workshop on Governance of the Lisbon Strategy (published papers from that workshop, e.g. in a forthcoming 2011 issue of *Journal of European Public Policy*, may contribute to the conceptual frameworks used and to understanding of the institutional features which form the context of papers but do not overlap significantly with our proposed workshop, which is focused on the reform processes); and the 2010 workshop on the strategic dimension of social policy reforms in times of austerity (public choice approaches to the timing of interventions in welfare reform and strategic use of political tools). Our workshop is both broader in its analytical framework than these previous workshops, allowing for a range of approaches, and narrower in its policy focus.

**Papers**

We welcome papers on all aspects of current labour market policy, including those placing current initiatives and debates within longer-term perspective. We are particularly interested in building a team of researchers around the political dimensions of flexicurity policies (as opposed to policy evaluation). We invite a range of country case studies and comparative studies as well as more theoretical papers offering frameworks for understanding and explaining political process of change or immobilism.
Funding
We will be applying for funding to the Spanish Ministry of Science and Education (as an extension of a 3-year multi-scholar research project in which Professor Dubin is already participating), the Spanish Economic and Social Council, sources in the UK (e.g. British Academy) and the European Science Foundation.

Biographical notes
Kenneth Dubin is Visiting Professor of Social Law at the Universidad Carlos III de Madrid and Adjunct Professor in Human Resources and Strategy at IE Business School (Madrid). He has published extensively (in Spanish) on Spanish labor market politics, firms’ competitive strategies and anti-discrimination regimes. He is currently preparing a book-length monograph on the political economy of labor in Spain. He holds a Ph.D. in political science from the University of California, Berkeley.

Susan Milner is Reader in European Studies at the University of Bath. She is chair of the Standing Conference of Heads of European Studies and co-convenor of the (UK) Political Studies Association specialist group on the politics of work and welfare. She is associate editor of Gender, Work and Employment and recently (2009) co-edited a special issue of GWO on work-life balance. With Abigail Gregory, she conducted a comparative study of organisational work-life balance policies in French and British companies (Gregory & Milner, 2006, 2008, 2009, forthcoming 2011). She is currently working on flexicurity debates in France and the UK (forthcoming 2011) and is preparing a monograph on The Politics of Work and Family in Europe.

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