

## **The Europeanisation of employment policy in the Czech Republic**

**Paper prepared for the ESPAnet Conference 2005, September 22-24, University of Fribourg, Switzerland**

**(First draft – please, do not cite!)**

**Anne SCHÜTTPELZ  
University of Hamburg**

### **Introduction**

During the last decade, Europeanisation research has developed as a new field within the study of European integration. Basically, the concept of Europeanisation has been used for answering the question of how European policies, norms and rules affect domestic structures and policies (for an overview see for instance Vink 2003; Radaelli 2000; 2004).<sup>1</sup> In doing this, Europeanisation literature has so far predominantly focussed on the institutional dynamics of domestic adaptation processes, that is institutionalist approaches prevail.

The central explanation for Europeanisation is that, in principle, EU policies create an “adaptational pressure” which, however, differs across member states and policy areas. These differences have been mainly seen as the result of varying “institutional misfit” between EU and member states (see for instance Börzel 1999 and Green Cowles *et al.* 2000). Recently, it has been argued that there are a number of cases that cannot be explained well by this “goodness of fit” logic. Knill and Lehmkuhl (1999) were one of the first who differentiated various Europeanisation mechanisms, namely according to types of integration policies. They propose that “institutional misfit” may explain best cases of positive integration processes, whereas negative integration affects national policies mainly via regulatory competition. In addition, so called “framing integration” works even more indirectly as it is above all about cognitive changes. This differentiation is one way to bring to the fore the hitherto underestimated role of political actors and actor constellations within the domestic adaptation processes to EU regulation.

In this paper, the role of political actors in the Europeanisation process is demonstrated with the preparation for implementing the European Employment Strategy (EES) in the Czech Republic in course of accession to the EU. The EES is based on the so-called “open method of co-ordination” (OMC) which comprises a voluntary adaptation of national policies by involvement in a multi-level process of benchmarking, multilateral surveillance, peer review, exchanges of information, co-operation and consultation. It favours the modification of governance structures while leaving detailed policy decisions to the national authorities. According to the Knill/ Lehmkuhl typology, the EES could be classified as a framing policy. It does not touch the institutional structures of the Member States directly, but does promote certain values (linked to the aim of full employment by means of extended coordination), thereby altering the beliefs and expectations of the national actors.

In the course of EU enlargement, the Central and Eastern European (CEE) accession states also prepared for the appliance of the European Employment Strategy. The case of the Eastern enlargement is interesting from a Europeanisation perspective, because there is nearly no research on the impact of EU regulation on non-Member states. The Czech Republic - in comparison to other CEE accession countries - pursued a rather active employment policy during the 1990s. Therefore, the institutional capability of the national policy structure to produce policy change (as a necessary, but not sufficient condition for Europeanisation) could be taken for granted. Also, it has been argued, that the impact of EU policy is higher, when a country is already “on the track”, i.e. involved in a process of reform which is consistent with EU trajectories (see Radaelli 2000). For these reasons, basic conditions to observe the impact of rather indirect Europeanisation processes, highlighting the role of domestic actors, seem to be given in this case.

---

<sup>1</sup> Practically, nearly all research in the field is dealing with the response of EU member states on requirements stemming from the EU level.

## Europeanisation mechanisms

The main subject of Europeanisation research regarding the question “what is changed?” is public policy which should be distinguished analytically from studies on the Europeanisation of political structures (see Radaelli 2000). However, there is an interaction between policy dynamics and political structures in the EU (see H eritier and Knill 2000; Radaelli 2004).

Concerning Europeanisation of public policies, different mechanisms of the process have been distinguished according to the type of regulation to be implemented. That is, the way how the EU regulation is transferred varies between policies. In principle, these mechanisms lie along a continuum between a voluntary and a coercive dimension (like in the policy transfer approach developed by Dolowitz and Marsh 2000), although there is no agreed concept in Europeanisation research how to distinguish the different mechanisms. For instance, Knill and Lemkuhl (1999) distinguish between the concrete prescription of European institutional models (in the case of positive integration policies), altering the domestic opportunity structure (in the case of negative integration policies), and providing legitimate policy ideas to domestic actors (in the case of “framing” policies). In a paper on policy transfer, Radaelli (2000b) presents the mechanisms of coercion, mimetism and normative pressures. In any case, mechanisms of Europeanisation range from very direct, coercive influences in cases where concrete and compulsory EU regulation exists, to very indirect influences (learning).

I argue here, that the differences between the Europeanisation mechanisms are basically rooted in the way, EU and domestic political actors are involved into the respective implementation of EU policies. That is, according to the distribution of agency within the implementation process – which is basically prescribed by the kind of EU regulation to be transferred – EU actors may be more or less involved into the national adaptation processes. So, the transfer process has a more voluntary character when domestic agency prevails (especially in cases of EU soft law, but also – to a lesser degree – with the transposition of EU directives), whereas it is more coercive when EU agency is decisive for implementation (in cases of directly applicable EU hard law). Therefore, it is important to consider the agency of the different actors involved in the transfer process in any analyses of Europeanisation. Of course, the political actors are bound by the given structures of the decision making process. The policy output (adaptation of national policies to EU regulation) depends on the institutional framework as well as on the actor constellations in the policy area. However, within this structural context, the concrete interaction of the political actors involved, that is the process of decision making, shapes the result of the Europeanisation process.

Therefore, it is argued here that Europeanisation processes may be approached best by means of an extended policy analysis which basically explains the policy output as a result of domestic politics and decision making processes. However, it has to be shown **how** exactly political actors deal with EU policies and the adaptational pressure they bring about. First, EU policies may influence the decision making at different stages of the political process. Second, EU policies may re- or devalue certain political actors and structures which affect the behaviour of domestic actors in the decision making. Revaluation means an extension of available resources for domestic actors who are in line with or can make use of the respective EU policy. Third, actors have belief systems which guide their political behaviour and coalition building within the political process. These belief systems also affect the constellation of actors and may be altered or reinforced by EU adaptation pressure. Changing belief systems of actors are the most incremental way to change the course of political action and therefore for the Europeanisation of domestic policies.

“Framing policies” - as they are called by Knill and Lemkuhl (1999) – or EU soft law (which are the kind of policies dealt with in this paper) is basically characterised by providing European support to the national political actors or, in other words, by a generally high relevance of domestic agency for the adaptation process. Europeanisation in these cases works predominantly by providing domestic actors with additional legitimacy for reform models, by assisting in the development of solutions for domestic problems, or by altering the expectations and beliefs of domestic actors, which may finally facilitate decision making.

## The European Employment Strategy

To overcome structural problems with the European integration of social policy (as analysed for instance by Scharpf 1997), the EES – developed in the late 1990s - was based on a rather flexible and participatory approach that reflects a shift away from the EU traditional top-down governance (see Goetschy 1999; Mosher and Trubek 2003). This is the so-called “open method of co-ordination” (OMC), a procedure first developed to ensure a certain degree of convergence of economic policies among the Member States in the run-up to the European Monetary Union. The OMC comprises a voluntary adaptation of national policies by involvement in a multi-level process of benchmarking, multilateral surveillance, peer review, exchanges of information, co-operation and consultation. De la Porte, Pochet and Room (2001: 302) conclude in their analysis of the OMC: *“The OMC can be characterized as a ‘post-regulatory’ approach to governance, in which there is a preference for procedures or general standards with wide margins for variation, rather than detailed and non-flexible (legally binding) rules.”* By avoiding centralised supranational governance, the OMC shall enable European politics to effectively deal with strong national diversity (see also Commission 2002). It should therefore help to overcome the institutional obstacles in European social policy: *“It could be said that the EES gives up the legal force of traditional regulations in order to allow the EU to deal with some core areas of social policy that were hitherto solely reserved for the Member States”* (Mosher and Trubek 2003: 71).

Thus, the EES is clearly a case of EU soft law, affecting national policies primarily via cognitive influence on dominant national actors. The EES aims to promote full employment through extended co-ordination. It favours the modification of governance structures while leaving detailed policy decisions to the national authorities. Though not a European social model in the sense of positive regulation, it might be called a cognitive model or a “framing” policy (see Knill and Lehmkuhl 1999): It does not touch the institutional structures of the Member States directly, but does promote certain values, thereby altering the beliefs and expectations of the national actors. On the whole, the open method of co-ordination fosters very much cross-national policy learning rather than implementing sanction mechanisms to ensure that the Member States adhere to the EES guidelines.

The EES, which is the first coordinated employment strategy developed at EU level, created a new European policy area. This is legally based on the new employment provisions of the Amsterdam Treaty (1997), Article 126 of which characterises employment as a matter of common concern. However, the traditional national competence for employment policy was maintained. According to the 2002 impact evaluation, the EES has had a major impact on national employment policies of the Member States which developed in different respects towards the common objectives and the guidelines.<sup>2</sup> The Commission (2002) observed that the *“comprehensive approach of the EES generally strengthened national employment policy coherence and framework”*. It also stated: *“The EES also fostered political agreement on new common paradigms, such as lifelong learning and quality in work.”* Despite such convergency trends, each Member State still focuses on different policies, *“and their approaches towards some key issues (e.g. active ageing) seem piecemeal”*. These results clearly show the limits of the open method of co-ordination that operates without legally binding rules: the OMC is able to influence the general orientation of national policies, but not their details. However, the EU policy approach produced a new priority for employment objectives in the Member States. Also, the OMC led to a restructuring of the domestic policy areas, strengthening co-ordination and involving an increasing number of non-central government-related actors in the employment policy-making process.

In the course of EU enlargement, also the CEE accession states prepared for the appliance of the European Employment Strategy. Although the EES here came in force only after accession, it had to be ensured that the new Member States could take part from the first day on.

---

<sup>2</sup> For some more details see also Schüttpelz 2004.

## The Europeanisation of the Czech employment policy

Within the framework of the general pre-accession strategy, the European Commission (DG Employment) developed the so called Employment Policy Review, a process of evaluating the labour markets of the accession states with respect to their fitting into existing EU structures and policies. Bilateral Joint Assessment Papers (JAP) based on a first analysis set out the challenges to be met and the appropriate policies to be implemented. One of the initiators of DG Employment describes the rationale behind the Joint Assessment Papers as follows: *“First, the lawyers went – in the framework of the negotiations – also into the administrations of those countries to clarify how to adopt the acquis. And in those areas where there is not this importance of the hard law (these are also other areas), there were then considerations how to structure the preparation process there.”* In other words, the Commission aimed to utilise the Employment Policy Review to influence policy-making in the employment area in the candidate countries in the pre-accession period. In this context, it is important to keep in mind that the whole JAP exercise is about adopting the *acquis*, not about problem-oriented policy-making. Basically, the recommendations concern the necessary steps to finally participate in the EES, not to solve the national labour market problems. It could only be by coincidence that the steps to reach both aims would be the same – or (as the implicit EU approach goes) to reach one aim (participating in the EES) would automatically mean to reach the other (solving labour market problems). However, during the preparation processes the two aims have been frequently mixed up. This reflects the fact that the EU is expected to provide problemoriented solutions within the framework of enlargement.

The Czech employment policy at the end of the 1990s was characterised by a residual approach. At the beginning of the transformation, (then) Czechoslovakia had started a rather active and comprehensive employment policy programme unique among the transformation countries. However, under the neoliberal Klaus government employment policy was considered more and more as an unimportant policy area. This approach is still visible in the labour market background study written under the supervision of DG V and the European Training Foundation (ETF) as a first step of the Employment Policy Review: *“The most important tasks to be carried out in combating unemployment and in fulfilling the growth potential have to do with macro-economic policy, the legal system and judiciary, and bank privatisation. We also believe, however, that the Czech labour market could be made significantly more flexible, thereby improving the long-term prospects of the country”* (Munich et al. 1999: 60).

However, during the pre-accession stage (1997-2004), the Czech Republic was quite active in reforming its employment policy. These reforms were prompted by the currency crisis and subsequent recession in 1997, which set the Klaus government under mounting pressure. Unemployment increased and surpassed 4% for the first time in Czech transformation history. The government responded initially by implementing a strict austerity program that slowed down government spending (see CERGE-EI 2003). The recession shattered the illusion of the “Czech miracle”, a successful transformation without mass unemployment. This contributed to the fall of the right-wing coalition headed by Vaclav Klaus' Civic Democrats, who had been in power since 1992 (although Klaus had actually resigned over party finance scandals). Though unable to form a majority coalition, the Social Democrats won the early elections of 1998. An “opposition agreement” installed a minority Social Democratic government tolerated by the Civic Democrats. In face of the ongoing recession, the new government revived structural reform and privatisation and introduced an aggressive FDI incentive package. In its policy statement of August 1998, they government focused on reviving economic growth by applying active industrial, agricultural and pro-export policies. The social democrats also declared that they would boost the mechanism of tripartite bargaining and establish a permanent social dialogue with the aim of securing social peace. This was part of their plan to adopt the Social Charter of the Council of Europe, one of the five priorities set by the new government. The Czech government's “Economic strategy of the accession to the European Union” of May 1999 then included a wide range of policies to achieve a sustainable increase in competitiveness and employment.

The Czech economy continued to decline in 1998 and 1999, and unemployment increased to 9%. In this situation, the Ministry of Labour and Social Affairs (MLSA) launched a new approach to the employment policy based on the Social Democratic electoral programme, the Accession Partnership and the EES. Fully in line with the economic strategy mentioned above, the National Employment Plan (NEP), a medium-term strategy developed in 1999, states that employment policy should become *“an integral part of overall economic, regional, social and educational government policies”* (MLSA 1999). Although an effective institutional basis for state employment policies had been created in 1990, it was used very passively under the Klaus government, focussing on unemployment benefits. With unemployment growing since 1997, a reallocation of resources towards active labour market policies was considered to be necessary. As an expert of the Czech Confederation of Trade Unions summarises these employment policy trends: *„Between 1990 and 1999 the prevailing right-wing thinking meant that employment policy and labour markets was seen as a sphere of competitive market forces – no special attention was given to it. This was also connected to the fact that the employment situation was not so bad until 1996, with an unemployment under 5%. The situation changed because the elections in 1998 resulted in a more or less social-democratic government. So the attention to social and employment policy was higher. Also, we came closer to the EU. This made some rhetoric difference in programmes – the ODS and rights support market forces, no state – but also in financial practice.“*

Concerning the financial practice, the numbers really show a change in the general orientation of Czech employment policy: Whereas the proportion of expenses for the active employment policy to total employment policy costs was only 14% in 1997, it grew during the following years. This is a first sign that the programme's changes have not been just rhetoric. But the new approach comprised more than policy integration and financial reallocation. One of its basic objectives was activation, representing a shift of responsibility away from the state towards the unemployed and employed, the social partners, NGOs and other social actors. As the NEP puts it: *„New labour market realities call for a new definition of objectives, means of employment policies and actors shaping further development. It is necessary to transfer the focus, as well as financial flows, from the ‘mere’ material security which maintains people in waiting passively (relying on benefits) towards the provision of incentives to change the status quo. The National Employment Plan gives a clear preference to creation of new jobs, improvement of employability, increased flexibility of workers and, on the other hand, discourages reliance on the social safety net”* (MLSA 1999).

Another key objective of the new employment policy approach was to improve the matching of labour demand and supply, in particular with respect to qualifications. Moreover, it referred actively to the EU accession process and respective policy implementation. It dealt with the transfer of the EU *acquis* and put special emphasis on the EES. The EU employment policy guidelines were understood to focus on measures for employment creation and on prevention of social exclusion. The National employment plan adopted these EU objectives and oriented its measures towards the EES priorities. The MLSA thereby relied on the EU employment guidelines and the national action plans of the Member States. In sum, the new Czech approach included not only an activation of the employment policy, but also full harmonisation of the policies and legislation in the area of employment with the *acquis*. All proposed measures complied with the respective EU employment guidelines. However, some differences between the Czech policy approach and the EES remained. On the one hand, in particular cooperation with social partners and local labour market actors was not so well developed in the Czech Republic. On the other hand, the Czech government put a special emphasis on the question of foreign labour and undeclared work, as well as on investment and industrial programmes.

Since 1999, under the main responsibility of the Ministry for Regional Development, the National Development Plan, the basic strategic document for receiving support from the Structural Funds and the Cohesion Fund, was also prepared in the Czech Republic. In this context, the Human Resource Development Operational Programme (HRD OP) was produced by MLSA in 2002 in a final version. This programme is the basis for co-financing measures in the area of HRD from the European Social Fund (ESF).

All these and other documents developed in the context of the pre-accession strategy (as the JAP and the National programme for the development of education in the Czech Republic) share one basic feature: for the first time a coordinated employment policy is approached in the Czech Republic. This means the development of policies and programmes had been coordinated between actors on the central and the regional level at the one hand, and between various central actors on the other hand. Therefore, the new employment policy approach concerns not only the scope and content of the developed policies, but also a decentralisation, i.e. a certain shift of competencies and responsibilities away from the ministry (which nevertheless, remains the central actor). This is also in line with the requirements of the EES, which is basically a coordination process. However, there remain certain problems with the implementation of this coordinated approach. As the Commission formulates in its updated progress report on the implementation of the JAP in the accession countries: *“Substantial efforts are needed to move towards a more coordinated design and implementation of employment policies, to up-grade the administrative capacity for policy planning and delivery, and to promote the participation of the social partners. There are also concerns about the financial and administrative resources needed to ensure full use of the Structural Funds and of the ESF in particular”* (Commission 2003: 2).

In developing these policies, the Czech Republic (and other accession countries) not only referred to the relevant EU documents and the recommendations and regular comments from the European Commission, but also to the experiences of the Member States. As the ex-ante evaluation of the HRD OP states, these strategies *“are the first documents of this kind in the Czech Republic. It was impossible to build on previous experience, and it was therefore very important to use the experience of the EU member countries”* (National Observatory 2003: 12). The organisations involved into the development of these strategic documents often enjoyed technical assistance from EU country experts. The Phare Twinning programme initiated in 1998 is one of the European Union’s pre-accession instruments specifically designed to provide such assistance. With 15 twinning projects started by 2002 (some as early as 1999), the Czech Republic has been by far the most active accession country using Twinning experts in the fields of employment and social affairs (see European Commission 2003). The MLSA initiated for instance projects to develop the social dialogue, equal opportunities, the preparations for the ESF, the coordination of social security within the EU, occupational safety and health, and social inclusion.

The rationale behind the supervision and consulting the twinningers exercise within the project has been described by a Swedish expert as follows: *“Officially, I’m a European representative, but when a [candidate] country chooses a project, they choose countries, they have a perspective, what the countries do in a certain area. I cannot renounce the Swedish perspective. This is an official EU policy, but according to my experience we disseminate best practices.”* That is, the knowledge provided about the EU policies and institutions by the twinningers is always bound to their national perspective – and this special perspective on the implementation of certain EU policies is intended and does matter for the policy transfer. So, what is transferred under these circumstances is not a “pure” EU policy, but a certain national interpretation of this policy. Often there is a clear concentration on special knowledge: In the Czech Republic all projects on ESF and on social inclusion between 1998 and 2002 were carried out by British twinning partners, whereas Swedish partners provided their competencies in the field of equal treatment, and Danish on the improvement of Social Dialogue. This illustrates the puzzle character of the policy transfer in the pre-accession context – in fact, the Czech republic looked at different parts of the employment policies of EU Member States when reforming its own employment policy.

## Conclusion

The employment policy review, explicitly designed to foster Europeanisation in the pre-accession situation, has been only one way to adapt the Czech employment policy to the EU model – or as it was stated in the National Action Plan for Employment 2002: *“Another step on the way to implementing the European Employment Strategy in the Czech Republic was the signing of the “Joint Assessment of Employment Policy” by representatives of the Czech Government and the European Commission on 11 May 2000”* (MLSA 2002). The National action plans, based on a mid-term strategy that shares explicitly the central ideas of the EES, represent another transfer process – not directly linked to the employment policy review – as they have increasingly oriented their policy guidelines towards the EES. These plans have concretised the government objectives in employment policy putting more and more emphasis on HRD, a comprehensive and efficient active labour market policy, as well as an adequately equipped Public Employment Service. Although all strategic documents are formally in line with the JAP, they set own priorities, sometimes different from those identified under the employment policy review. As a Czech employment policy expert puts it: *“There are no conflicts, but problems with some recommendations, because it is not so easy to implement them. For instance a better balance between social security benefits and minimum wages: Currently, it doesn't encourage people to take training and so on. But there is especially no political will to decrease social benefits. It's not so easy to implement. Also, taxation of labour is relatively high. But because of our budget problems it's not possible to decrease it.”*

Actually, the employment policy reforms of the last years focussed very much on the harmonisation with EU labour and social law, organisational preparation for the ESF, and a general reorientation of the employment policy. This is in line with Grabbe's analysis who writes: *“It is up to the applicants to set clear objectives for implementation of legislation that relate the speed of implementation to cost and financial capacity, and to the size and timing of the benefits expected from taking the measures”* (Grabbe 2002: 263). This explains, why costly reforms – such as the one of the tax and benefit systems, investments in education or the implementation of the EU health and safety at work regulation – were addressed lately, but “low budget” reforms such as new regulative legislation and strategic programming have been introduced quite rapidly. Also, areas expected to have high benefits (transposition of EU regulation as absolute necessity for accession, preparation for participation in ESF) had been given higher priority than the adaptation to the EU's “soft law”. This is true for other accession countries as well.

However, in the Czech Republic the EES has also played a certain role in framing the employment policy agenda. In the situation of sharply rising unemployment and a change in government in 1998, there was a demand to develop a new approach to the employment policy. The EU explicitly served as a welcome model to this reorientation. The interest of Czech governmental officials, especially the MLSA, to use the European Employment Strategy as an inspiration for building up a new national employment strategy led to a quite early adaptation of programmes to the EES. The Czech Republic also was the first accession country to sign the JAP (in 2000). So, we can see three factors influencing the policy-making: the nature of the socio-economic problem to deal with (namely growing unemployment), the political situation (new Social Democratic government), and external influences (the approached accession to the EU).

Since 1999 the Czech government continuously adapted its employment policies towards EES objectives and guidelines. The programmes increasingly favoured activation concepts and inter-organisational co-ordination, and integrating education and training with the labour market is now high on the agenda. However, at the time of accession the approach still was not systematic enough and the implementation of these programmes faced severe problems. Thus, practical results of the policy reorientation were rather limited up till that time. There was no evaluation of these policies, but the problem approached wasn't solved so far: although the economy grew during the last years at around 3% annually, unemployment stayed at a high level and increased to more than 10% in the year before accession.

The coercive pressures for Europeanisation increased over time. This can be illustrated by the adoption of the NEP and the HRD OP, respectively. Whereas the agency for policy transfer stood clearly on the pull side in the first case, when the MLSA (more or less) voluntarily decided to draw a lesson from the EES, Member States no longer have the choice to rely on EU regulation or not. Instead, they start to participate in standard EU procedures (as the OMC) and are directly exposed to EU rules. In the case of the HRD OP this means that the European Commission was clearly acting as a pushing agent by constantly demanding the submission of the plans, providing technical support for the preparation, and commenting and assessing extensively the respective drafts. Moreover, non-compliance would have serious financial consequences. Also, the EES has undergone significant change since 1998 – first with the acceptance of specific objectives for 2010 and 2005 at Lisbon and Stockholm 2000, then with the updated strategy of 2003 (the EU as a “moving target” for the accession countries). These changes meant a need for more concrete and coordinated policies to the old as well as to the new Member States. Thus, the pressure to adopt increased even in a double sense at the eve of accession.

Overall, a considerable Europeanisation of the Czech (and others) employment policy took place in the pre-accession period. However, the respective preparation processes differed, and certain transfers have had a more voluntary character than others. For example: The employment policy review (JAP process) established a range of obligations, but without serious control mechanisms and consequences, and the drawing up of the national action plans may be even characterised as a rather voluntary learning process. As a Czech employment policy expert puts it: *“The JAP was just joined, you can’t avoid it. But the European guidelines have been a source already from the beginning – we have the same structure and a similar process. Besides: Why develop another process when sooner or later we have to join in anyway? So far, we are not forced to do it, but we have time to learn the process and how to involve different partners in the process.”* However, this perception of voluntariness, which is quite widespread among Czech employment policy actors, is certainly owned to a large extent to the framing character of the EES. This is, why a representative of the Delegation of the European Commission in Prague comments rather sceptical on the success of this Europeanisation in the pre-accession period: *“There are now the action plans, the Joint Assessment and reports on it, where you can find different strategic points stemming from European employment strategy. But – and this is my personal view – there is a wide gap to reality, wider as in the Member states, where there is also one thing at paper and some difference in practice. These papers are mainly to satisfy the European Commission. Once we are Members, you will see, some things are not well implemented, for instance more flexibility in the labour market, movement of labour force – because to do so would imply much higher social costs, because of the transformation situation.”* Nevertheless, it has to be considered that the EU was quite successful in setting the employment policy agenda under the Czech conditions, and the Czech employment policy was subsequently streamlined to an EES approach during the pre-accession period – meaning that it is increasingly focussing on labour market policy regulation as well as the prevention and activation concepts and paradigms such as lifelong learning.

The Eastern Enlargement of the EU has brought about a whole bunch of institutional and policy changes to the accession countries. Although these reforms are not as far reaching as the establishment of basic institutional structures at the beginning of transformation, one may well speak about a “second wave” of restructuring in the pre-accession period. Yet, it is not an easy task to clearly identify the EU influence on policy-making in CEE. The most intense or “coercive transfers” seem to take place in the area of EU “hard law”. A less direct influence of the EU is visible in the concrete conditions set in course of the preaccession strategy, provided there are additional incentives and/or national interests involved to push such reforms. Less clear or more “voluntary transfers” mainly concern the very broadly defined and/or costly conditions including the whole area of EU “soft law”. But even in this weak form, accession to the EU is leading to a number of institutional changes as shown at the example of the European Employment Strategy.

In the Czech Republic, a new conception of the employment policy was developed based on EES principles (activation and prevention). The modernisation of the vocational education

and training is approached, and the government is promoting flexible work contracts. Also, employment policy is affected by EES paradigms such as lifelong learning, which is used as an instrument to require ESF funding. This means a clear strategic convergence towards the EU policy. There is also some evidence for a greater awareness regarding the need for co-operation and information exchange in the employment policy among officials. However, as within the EU there is a certain gap between strategic changes and implementation. The Public Employment Service is reoriented towards prevention, activation and individual approach – but whether this helps in addressing the growing unemployment problem has to be subject of further evaluation. In fact, the problems of the Czech employment policy may well be less due to existing institutional structures than to a lack of financial resources and lower economic performance than in the old Member States.

## References

Börzel, Tanja 1999: Towards convergence in Europe? Institutional adaptation to Europeanization in Germany and Spain, *Journal of Common Market Studies*, Vol. 39, No. 4 (December), pp. 573-596.

CERGE-EI (2003): Czech Republic 2002. Invited to the EU, Prague: Center for Economic Research and Graduate Education (see also [www.cerge-ei.cz](http://www.cerge-ei.cz)).

Commission of the European Communities (2002): Communication from the Commission to the Council, the European Parliament, the Economic and Social Committee and the Committee of the Regions. Taking Stock of Five Years of the European Employment Strategy, Brussels, COM 416 final.

Commission of the European Communities (2003): Communication from the Commission to the Council, the European Parliament, the European Economic and Social Committee and the Committee of the Regions. Progress in Implementing the Joint Assessment Papers on Employment Policies in Acceding Countries, Brussels, COM 663 final.

de la Porte, Caroline/Pochet, Philippe/Room, Graham (2001): "Social Benchmarking, Policy Making and New Governance in the EU", *Journal of European Social Policy*, Vol. 11, No. 4, pp.291-307.

Dolowitz, David P./Marsh, David (2000): "Learning from Abroad: The Role of Policy Transfer in Contemporary Policy-making", *Governance*, Vol. 13, No. 1, pp. 5-24.

European Commission (2003): Institution Building. Twinning projects under Phare 1998-2002, Directorate-General Enlargement.

Goetschy, Janine (1999): "The European Employment Strategy: Genesis and Development", *European Journal of Industrial Relations*, Vol. 5, No. 2, pp. 117-137.

Grabbe, Heather (2002): "European Union Conditionality and the Acquis Communautaire", *International Political Science Review*, Vol. 23, No. 3, pp. 249-268.

Green Cowles, Maria; Caporaso, James and Thomas Risse 2000 (Eds.): Transforming Europe: Europeanization and Domestic Change, Ithaca and London: Cornell University Press.

Héritier, Adrienne and Knill, Christoph (2000) 'Differential responses to European policies: a comparison', Max Planck Projektgruppe Recht der Gemeinschaftsgüter, preprint, Bonn.

Knill, Christoph and Dirk Lehmkuhl 1999: How Europe matters: different mechanisms of Europeanization, European Integration online Papers (EIoP), Vol. 3, No. 7. (<http://eiop.or.at/eiop/texte/1999-007a.htm>, download: 29.06.2005)

Ministry of Labour and Social Affairs (MLSA) (1999): National Employment Plan (available at [www.mpsv.cz](http://www.mpsv.cz)).

Ministry of Labour and Social Affairs (MLSA) (2002): Czech Republic. National Action Plan for Employment 2002 (NEAP approved by Government Resolution No. 249/2002).

Mosher, James S./Trubek, David M. (2003): "Alternative Approaches to Governance in the EU: EU Social Policy and the European Employment Strategy, *Journal of Common Market Studies*, Vol. 41, No. 1, pp. 63-88.

Munich, Daniel/Jurajda, Stepan/Cihak, Martin (1999): Background Study on Employment and Labour Market in the Czech Republic, Prague: CERGE-EI.

National Observatory of Employment and Training (2003): Ex-ante Evaluation of the Human Resources Operational Programme, Prague.

Radaelli, Claudio M. 2000: Whither Europeanization? Concept stretching and substantive change, *European Integration online Papers (EIoP)*, Vol. 4, No. 8. (<http://eiop.or.at/eiop/texte/2000-008a.htm>, download: 16.06.2005)

Radaelli, C.M. (2000b) Policy transfer in the European Union, *Governance*13(1) January: 25-43.

Radaelli, Claudio M. 2004: Europeanisation: Solution or problem? *European Integration online Papers (EIoP)*, Vol. 8, No. 16. (<http://eiop.or.at/eiop/texte/2004-016a.htm>, download: 29.06.2005)

Scharpf, Fritz (1997): "Economic Integration, Democracy and the Welfare State", *Journal of European Public Policy*, Vol. 4, No. 1, pp. 18-36.

Schüttpelz, Anne 2004: Policy Transfer and Pre-accession Europeanisation of the Czech Employment Policy (Discussion Paper SP III 2004-201), Berlin: Wissenschaftszentrum Berlin für Sozialforschung.

Vink, Maarten 2003: What is Europeanisation? And other Questions on a New Research Agenda, *European Political Science*, Vol. 3, No. 1 (Autumn), pp. 63-74. (available at: <http://www.essex.ac.uk/ecpr/publications/eps/onlineissues/autumn2003/research/vink.htm>, download: 16.06.2005)