Social Europe and neoliberalism(s): a Zeitwende?

Francesco Laruffa (London School of Economics e University of Bremen), Arnaud Lechevalier (Université de Paris 1)

The research question of this article focuses on the content and historical course of Social Europe with regard to the influence of neoliberalism as a political ideology. First, the main features of the two most influential versions of neoliberalism in the EU context, namely German ordoliberalism and American neoliberalism, and their specific approaches concerning social policy are presented. Second, our analysis examines the way in which social policy in the European Community, from the Treaty of Rome until the 1980s, was conceived in the ordoliberal tradition mainly as a by-product of an efficient market economy with undistorted competition. Third, we show that from the Single European Act to the Lisbon Treaty, under the growing influence of American neoliberalism, this first approach to social Europe was extended by a "market making social policy" based on investment in human capital and social inclusion. Fourth, we analyze the (social) policies implemented in response to the eurozone crisis which we interpret as a return to ordoliberal governance. Finally, we ask in how far the period starting with the European Pillar of Social Rights and culminating in the responses to the Covid-19 crisis has been marked by a paradigm shift in social Europe towards a policy of markets' embedding through regulatory and redistributive measures. Overall, the paper proposes three types of contributions to the literature on social Europe. First, it conceptualizes the links between different types of neoliberalism and the way in which Social Europe has been conceived and implemented in the course of European integration. Second, in order to explore this influence, it distinguishes between three ways of achieving social policy goals. Third, from this point of view, it assesses whether there has been a new deal for social Europe with the changes driven by the Juncker Commission and subsequently by the responses to the Covid-19 crisis.