

Executive summary:

The Governance of Uncertainty and Sustainability: Tensions and Opportunities

The work of EU research project GUSTO

The central purpose of the GUSTO project (The Governance of Uncertainty and Sustainability: Tensions and Opportunities) has been to explore ways in which economic uncertainty in the lives of the European population can be managed consistently with growing economic efficiency and innovation. It has brought together labour market and social policy researchers from the Czech Republic, Denmark, France, Germany, Hungary, Italy, the Netherlands, Slovakia, Spain, the UK, and also Canada.

Its research has focused on uncertainty in labour markets in the following policy areas:

- Immigration
- Pensions
- Collective bargaining
- Local employment strategies and territorial governance
- The role of the EU
- Individuals' labour market transitions

A significant gap has appeared between progress in the European Union's marketization agenda and that for the development of European social citizenship. While the former advances steadily, the latter has stalled, and in many respects has moved into reverse. European integration requires both processes. While markets internalize and manage many aspects of economic activity, they also create and leave as neglected any negative consequences that are not themselves part of other market transactions. The extension of markets therefore increases the need for non-market institutions capable of taking care of these externalities.

A renewed social Europe strategy must recognize the obligation to reform and revise social and environmental protections in ways that confront the new negative externalities being created by the new waves of marketization. Uncertainty is endemic and necessary to dynamic market economies, but it creates shocks that damage people's economic confidence and their wider lives. This damage constitutes an externality to which public policy needs to respond. For the European Union itself, whose internal democracy is young and undeveloped, there are particular risks of widespread disillusion if public policy fails to do this, which make it difficult to achieve Europe-wide solidarity at a time when it is particularly needed.

Three parts of the GUSTO work programme tackled particularly sensitive questions in the management of uncertainty: immigration, the point where the definition of outsiders as the bearers of most uncertainty and the recipients of least security is often at its sharpest; pensions: historically central to security provision, but increasingly seen as having sustainability issues, and a point where conflicts between investors and workers are concentrated as the controversy over defined contributions schemes shows; sectorial and local governance of uncertainty, including the particularly conflictual field of collective bargaining. Further work packages dealt with: the treatment of these and other social issues at the level of the EU itself and its institutions; and with tracking individuals' experiences of labour markets and social

policy through their labour market transitions as measured by national labour surveys.

In addition to a mass of empirical findings, the GUSTO research also produced many policy ideas for rebalancing the marketization project.

Project Context and Objectives:

Coping with economic uncertainty while seeking security is a central dilemma of public policy in a globalising economy. Already the case before the end of the 20th century, the dilemma has been considerably sharpened and made more difficult by the financial crisis of 2008 and the consequent crisis in the Eurozone.

A complex set of deals and conflicts are involved in the process of distributing the gains and the burdens of that uncertainty, and various forms of employment contracts and labour and social policies express their outcome. This project is concerned with the study of that process and its implications for societal models. In the course of conflict a number of different institutions engage in new practices; and there is a new diversity of employment forms and tenures. Social policy becomes increasingly integrated with employment and industrial relations practices, while both the sustainability of the institutions themselves and their impact on the natural environment require consideration. Challenges are also presented by the different forms of governance at work in the various policy fields. The crisis of the Keynesian model was often seen as a crisis for associational governance (or neo-corporatism), and an advance for reliance on market governance (usually assisted by strong elements of government intervention). Since then, policy-making by individual large corporations often seems to be replacing associational governance as well as government policy-making in fields of employment categories and rights, pay determination, and the determination of pensions. However, the public goods issues raised by uncertainty and environmental damage bring again into question the adequacy of governance by the market and individual firms. We should expect to find radical changes in the societal models that we have become accustomed to using in the analysis of social policy. There is a search for new modes of governance, or new combinations of old ones.

Meanwhile, a significant gap has appeared between progress in the European Union's marketization agenda and that for the development of European social citizenship. While the former advances steadily, the latter has stalled, and in many respects has moved into reverse. European integration requires both processes. While markets internalize and manage many aspects of economic activity, they also create and leave as neglected any negative consequences that are not themselves part of other market transactions. The extension of markets therefore increases the need for non-market institutions capable of taking care of these externalities. Earlier visions of European integration embraced this concept, seeking to advance European social citizenship alongside the expansion of markets. Gradually however marketization has turned against the citizenship agenda, leaving little at the European level to cope with market externalities. This both creates imbalances in European policy-making and drives ordinary working people back to national defences against Europe, though they then find that the European marketization project is also undermining many of these national institutions. 'Europe' increasingly appears as a hostile force, setting itself against public policies and practices that protect citizens from the negative consequences of economic uncertainty. In particular, people living in the fragile economies of central and southern Europe, face the current major economic and financial crisis in an environment of already intensified inequalities and a declining capacity of public institutions to help them cope with the externalities of global marketization.

The core objective of the GUSTO project was to establish the full array of policies and practices that govern and distribute protection from economic uncertainty in contemporary European and other advanced societies, in order to provide both academic research and public policy-making with detailed knowledge and a classification of such policies and their effects more appropriate to early 21st century societies than existing ones, rooted in the experience of the mid-20th century and earlier. Knowledge derived from the research will make possible appraisal of the achievements and weaknesses of various policy types.

This overall objective was realized through the combined research of its component parts (or Work Packages):

- To establish an initial survey of societal models and to establish the core theoretical perspective of the study, including relating issues of environmental sustainability to the traditional social policy agenda; to locate the main forms of public social policy within a wider framework of concepts of family and values. These were the goals of Work Package 2. They provide an initial answer to the core general objective, amended in the light of the more detailed work.

- To conduct a detailed study of individual data, in order to show how different policies and policy ensembles affect the lives of individuals in different social positions and across different societies. These were the goals of Work Package 3. They contribute to the core general objective by enabling an appraisal of the detailed effects of policies.

- To subject to particularly close scrutiny the relationship to the governance and distribution of economic uncertainty of public policy in two specific areas: pensions and migration. These were the goals of Work Package 4. They contribute to the overall objective by enabling a classification and evaluation of policies in two fields of particular difficulty and political prominence.

- To map the development of policy at European level and the relationship between European and national policies, in order to produce: (1) an historical analysis of EU-level interventions built around the notion of a European Social Model and their impact on policy and collective action since the late 90s; and (2) lessons and recommendations for EU level actors, including a normative analysis of the possibilities of alternative policies at the European level and their contribution to improving national arrangements in the context of changing values and preferences. These were the goals of Work Package 5. They contribute to the overall objective by placing national policies within the wider European framework.

- To investigate the contribution to outcomes in the governance and distribution of uncertainty of two key aspects of the infra-national governance of uncertainty and sustainability: (1) the reorientation of collective bargaining, a central mode of labour market governance, to address questions of competitiveness, flexibility, employment security and environment; and (2) emerging models of regional governance of labour market uncertainty. These were the goals of Work Package 6. They contribute to the core general objective by extending the scope of policy from national government to other key levels of policy relevance, in the same way that WP 5 extends to the European level.

- To integrate the findings of WPs 3-6 into an overall account of the state of the governance of sustainability and uncertainty in contemporary Europe and beyond; to establish a new approach to conceptualising the different societal models emerging from policy choices in the field of the research; to attempt a provisional account of the performance standards being achieved by these different models in optimising the relationship between flexibility, security and environmental

sustainability. This is the objective of Work Package 7. Its role is to integrate the work of the other WPs to provide an overall statement of how these together achieve the core general objective.

Project Results:

The Governance of Uncertainty and Sustainability: Tensions and Opportunities

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The central purpose of the GUSTO project (The Governance of Uncertainty and Sustainability: Tensions and Opportunities) has been to explore ways in which economic uncertainty in the lives of the European population can be managed consistently with growing economic efficiency and innovation. It has brought together labour market and social policy researchers from the Czech Republic, Denmark, France, Germany, Hungary, Italy, the Netherlands, Slovakia, Spain, the UK, and also Canada.

Its research has focussed on uncertainty in labour markets in the following policy areas:

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Introduction

A significant gap has appeared between progress in the European Union's marketization agenda and that for the development of European social citizenship. While the former advances steadily, the latter has stalled, and in many respects has moved into reverse. European integration requires both processes. While markets internalize and manage many aspects of economic activity, they also create and leave as neglected any negative consequences that are not themselves part of other market transactions. The extension of markets therefore increases the need for non-market institutions capable of taking care of these externalities. Earlier visions of European integration embraced this concept, seeking to advance European social citizenship alongside the expansion of markets. Gradually however marketization has turned against the citizenship agenda, leaving little at the European level to cope with market externalities. This both creates imbalances in European policy-making and drives ordinary working people back to national defences against Europe, though they then find that the European marketization project is also undermining many of these national institutions. 'Europe' increasingly appears as a hostile force, setting itself against public policies and practices that protect citizens from the negative consequences of economic uncertainty. In particular, people living in the fragile economies of central and southern Europe, face the current major economic and financial crisis in an environment of already intensified inequalities and a declining capacity of public institutions to help them cope with the externalities of global marketization.

Most important initiatives in European social policy date from the period when the European Single Market and Economic and Monetary Union were being developed: the logical pairing of marketization with policies for combating externalities anticipated above. However, from the outset elements of the marketization programme both inhibited the development of European social policy and began to attack policies at the national level. First, EMU and the Growth and Stability Pact included social security deficits as public expenditure deficits. This made it nearly

impossible to envisage any future expansion in state welfare. This demarcation also recast relations between collective bargaining and welfare states; the European Court decided that any compulsory social insurance contributions were welfare state contributions, and therefore covered by the Pact, while any voluntary contributions were necessarily open to the EU's competition laws. This led European institutions to be highly critical of any proposals to extend social protection systems. Among the many consequences of this has been to deny to trade unions the role in European social policy construction that had been promised them, and to play havoc with many national arrangements.

In the 1990s and 2000s there had been a major policy conflict in many European countries between economists' belief that rigidities in the labour market were causing economic harm, and the dependence of many workers on those rigidities for some protection against economic uncertainty. By the mid 2000s a positive-sum outcome to this conflict seemed to have been found in strategies for 'flexicurity' - originally initiatives of Danish and Dutch social policy, but extended more generally in various diluted forms. While some of these strategies did not fall foul of European marketization, the range of potential policies has been limited by the process, as will be seen at certain points below. Then, following the financial crisis of 2008-09 and the consequent Euro crisis, new sources of major uncertainty have appeared. While their origins lie in the conduct of financial markets rather than of labour markets, it is in the latter and in associated social policy that the burdens are being felt. Reductions in social spending, frequent and destabilizing changes in rules governing pensions and other such spending, constant pressure for flexibilization in labour markets and decentralization of collective bargaining, alongside the continuing destabilizing influence of European policies on national welfare states, are leaving middle- and lower-income families exposed to a new intensification of uncertainty. The search for flexicurity has been blown off course.

In sum, in recent years, and especially since the financial crisis and in particular the crisis of sovereign debt in European economies, European and many national policy makers have driven a more uncompromising marketization policy that no longer accepts the logic of a need to balance the extension of markets with countering their negative externalities. Citizens' rights at work and social policy are being seen in solely negative terms as a constraint on corporations' freedoms; climate change and environmental sustainability have taken a back seat. Following the intensified market turn of EU policy-making and of recent decisions of the European Court, the defence of social rights increasingly takes a national if not nationalist form, as rights established in the past at national level are pitted against a European drive to reduce them. Together these trends produce a negative and backward-looking confrontation between a socially heedless global and European marketization strategy and a defensive national protectionism. This could threaten both the economic strength and political legitimacy of national and European economies.

A renewed social Europe strategy must recognize the obligation to reform and revise social and environmental protections in ways that confront the new negative externalities being created by the new waves of marketization. Uncertainty is endemic and necessary to dynamic market economies, but it creates shocks that damage people's economic confidence and their wider lives. This damage constitutes an externality to which

public policy needs to respond. For the European Union itself, whose internal democracy is young and undeveloped, there are particular risks of widespread disillusion if public policy fails to do this, which make it difficult to achieve Europe-wide solidarity at a time when it is particularly needed.

Results of the GUSTO research programme

Three parts of the GUSTO work programme tackled particularly sensitive questions in the management of uncertainty: One work package has addressed migration, the point where the definition of outsiders as the bearers of most uncertainty and the recipients of least security is often at its sharpest. A second has studied issues of pensions: historically central to security provision, but increasingly seen as having sustainability issues, and a point where conflicts between investors and workers (or former workers) are concentrated as the controversy over defined contributions schemes shows. Finally, a third work package, concerned with sectorial and local governance of uncertainty, includes the particularly conflictual field of collective bargaining. Further work packages dealt with: the treatment of these and other social issues at the level of the EU itself and its institutions; and with tracking individuals' experiences of labour markets and social policy through their labour market transitions as measured by national labour surveys.

Immigration

A key finding of our research on migration is that labour market 'assimilation' (in the limited meaning of having wages and contract terms similar to the native population) is more easily achieved by the low-skilled than the highly skilled - but only in periods when an economy is flourishing. During downturns, low-skilled immigrants have a particularly difficult time. They are the main bearers of the burdens of flexibility in the labour market, acting as a buffer that protects the native population from bearing the brunt of instability. The large amount of horizontal mobility that exists among immigrants makes possible adjustment in the labour market and reduces uncertainty for the economy as a whole, but at the cost of exacerbating the unequal distribution of uncertainty between natives and immigrants workers. Migration increases flexibility, contributing to a more elastic labour supply at the expense of increased uncertainty for the migrants. Female immigrants are particularly flexible, remaining in the labour force more consistently than native women, and also reproducing more 'cheaply', as their wages are lower; they tend to work in the very poorly paid and also highly flexible sectors of care services, cleaning and agriculture. Earnings assimilation, where it occurs, seems to take 20 years to achieve. In general, these findings support the hypothesis that migrants play a distinctive role as outsiders in uncertainty governance, enabling members of the host society to secure de facto protection from shocks. This is further confirmed by our case studies on the work of immigrants in health care and construction.

But how sustainable is this flexibility, especially if it depends on political marginalization? Important here is a finding of this work package that immigrants are not, as is often assumed, subjected to exclusion strategies by trade unions. But workers who found their own income situation to be 'difficult' were less likely to have liberal attitudes to immigrants. Feelings, and the reality, of economic insecurity are the most important sources of hostility to immigrants. Given the dependence of modern labour markets on immigrant workers,

circumstances that increase uncertainty in workers' lives are likely to be associated with growing social conflict. This report therefore highlights a paradox of globalization: on the one hand it encourages an international mobility of labour; on the other, it produces employment uncertainties that can be used to encourage hostility to migrant workers.

Our research also found, from a survey of 16 countries, that the populations of European societies with strong welfare state and few social inequalities (mainly the Scandinavian countries) have positive attitudes towards immigration; while those in societies with strong social labour market segmentation and weak welfare (such as the UK and Mediterranean countries) have negative attitudes. From this we can conclude that welfare is relevant for immigration policy and integration. The integration policies of immigration are associated with the correction of social inequalities, with the policy of employment, pensions and unemployment benefits. There has been a kind of 'egalitarian compromise' in certain European political cultures, whereby various market-driven disturbances to security - including large-scale immigration - has been accepted because of the cushion of a strong welfare state. It is another example of the phenomenon also presented by the Danish flexicurity compromise.

But the sustainability of the welfare state is in turn dependent on the integration of immigrants. The economic crisis has forced many of them to seek social assistance from local institutions, competing with native workers for benefits and resources. There must therefore be improvements in local social policies, because immigrants concentrate in local areas, in poor neighbourhoods, and have strong local community ties. Even more important is their integration within social protection: unemployment benefits and the training of unemployed workers. Immigrants rapidly lose any social rights because they have precarious jobs, temporary and part-time employment. It is therefore also important for trade unions in their own interests to support non-discrimination policy and social rights in collective bargaining, and in their approach to temporary employment and labour market segmentation. It is not possible to implement the flexicurity paradigm in a labour market with strong segmentation, where immigrant workers form a separate labour force. This may mean that it is necessary to develop social citizenship rights distinct from nationality rights. In the interests of European mobility and integration there needs to be a common European common policy here, which means renewal and improvement of the now neglected post-national discourse, a universalist discourse that is also needed to combat the re-emergence of nationalism. Our comparisons of the link between migration and labour market policies in Canada, Germany and Spain suggests that purely instrumental, labour-centred migration policies are hardly viable for Europe without their matching with social policies to avoid exacerbating the overall level of social uncertainty.

Pensions

In recent years, the European Commission has advocated the establishment of funded pensions to supplement or replace state pension reductions consequent on recent reforms. The pensions research for GUSTO has focused on the impact of financial crisis on funded pension schemes in EU member states and the degree to which pension security and adequacy are or can be safeguarded in the future. The recent financial crises has revealed more clearly the limitations of pension fund capitalism: falling pension fund returns raise levels of uncertainty while in the aftermath of the crisis public debt has increased, limiting welfare state capacity,

leading to more curbs on public systems. In some cases (e.g. Hungary, Portugal and Ireland) governments have raided pension funds to shore up public account balances. In others, public occupational pension funds are subject to fiscal repression (e.g. in Poland and Spain, funds are directed to purchase government bonds). In some countries, distinctions between public and private systems are dissolving, and public uncertainty grows as responsibility diffuses. As with the crisis in general, this is a problem of governance as much as of finance.

Governments have always been implicated in the running of private pensions: in the creation of rules, regulations and systems of pension governance designed to mediate adverse effects and to win public trust. Cuts in public pension schemes are changing the state's role from providing pensions to guaranteeing the viability of private schemes. Can public-private pension partnerships create schemes that are economically efficient and socially fair? In what ways, using what instruments - and with what degree of success - have governments tried to make private schemes publicly accountable, to reduce uncertainty and promote pension security? How far have pension providers been converted to public purposes: how are responsibilities to shareholders, contributors and taxpayers apportioned, through what governance mechanisms and with what results? Most importantly, what consequences has the crisis had for governance structures and policies and can a financially secure and socially adequate pension system be devised for an increasingly flexible workforce? Different answers are being reached by different member states.

In the world of pensions, a long period elapses between the acquisition of pension rights or the purchase of a product and its final receipt. In the space of these 40+ years, situations alter, in terms of interest rates, returns on investments and annuity prices on the one hand, in rights to state benefits, taxation regimes and social service charges for the elderly and infirm on the other. The conceit that the individual, however financially literate (or her employer, or the state), can make a rational choice between different pension products to safeguard an adequate income in 40+ years' time is a fiction. Unforeseen events, like the 2008 crisis, exert their own impact. While it is possible that market returns experienced in the 1990s will be restored, this is not certain. Neither governments nor financial markets can offer security on this point. More importantly, demographic ageing remains under-acknowledged. In consequence, both public and private pension systems are in a precarious state: any inspection of fiscal accounts about fiscal promises and corporate accounts about company or insurance promises reveals this.

At the time of writing, the Euro crisis constrains any return to Pay As You Go (PAYG) pensions in those countries with major debt problems. Hence, arguably counter-intuitively, private funded pensions remain at the heart of proposals for old age income security for many of Europe's citizens. The EC's 2010 Green Paper emphasizes how sustainable and adequate pensions require Europe's workers to work longer and to save more for their old age. EU citizens thus face an unenviable choice: in the search for old age security, should faith be placed in commercial agencies (and international financial markets) or in the state? The first invites uncertainty born of market instabilities, the second uncertainty consequent on political opportunism, electoral change and crises in the public finances.

Financial uncertainty necessarily creates market casualties. With rising unemployment, notably among younger generations who are to bear most of the transition costs consequent on the shift from state-funded to market-based schemes taking place in some countries, inter-generational inequalities are growing. Research shows how migrant workers and women are disadvantaged by funded DC schemes: the former as pension portability remains difficult (notably between member states, thanks to tax law and exit charges) and the latter as women live longer, take career breaks for caring purposes and dominate the ranks of part-time workers. Real problems of future pension adequacy are thus faced by the unemployed, women and migrants, that need to be addressed by governments or the social partners either through state regulation of private schemes or compensatory payments from public pensions. Fears of inequitable treatment create political opposition to reform. In Greece, for example, political hostility to funded pensions forced repeated state borrowing on commercial financial markets to shore up the public scheme, fuelling the financial crisis of 2011-12. The depth of the crisis has extended insecurity to those with ostensibly protected pensions: the Netherlands and Switzerland have transformed the basis for calculating future occupational pensions. Expectations are undermined, so uncertainty about future income security is extended.

The attempt to convert commercial providers to social purposes is proving to be a messy business and the crisis has pointed up significant weaknesses. Neither state nor employers nor commercial agencies can offer full pension security. On the political side of the argument, governments are compelled to respect the key political interests of their supporters and are reluctant to deliver bad pension news to ageing electorates with high expectations based on established systems. The result has been delayed reforms and severe downturns in bond markets in consequence (e.g. Greece, Italy). Equally, employers have no wish to extend existing liabilities (hence the promotion of DC supplementary schemes) and trade unions, while protecting their members, do not necessarily secure the interests of potentially excluded social groups and labour market outsiders. Commercial providers offer individual choice, the chance to tailor provision to personal preference and protection of contracts by law. However, they also incur higher costs (e.g. marketing and servicing), and stand accused of mis-selling, default, inflexibility in the face of changing circumstances and prioritizing fund sustainability and shareholder value over better pensions. In consequence, growing stress is placed on state regulation as a solution, to make private providers meet social expectation. The result is arguably less a privatization of pensions than a reconstruction of private provision to serve public purposes. However, the more the state directs private provider operations, the more likely it will be held responsible for future failures. Further, the pressure on fund managers for secure returns (passed on to traders as targets and benchmarks against which performance is assessed) feeds financial market instability, speeds up market trading ('the fidgeting fingers of the hidden hand'), fostering speculation, instability and possibly the next financial crash.

The future of pensions will probably be in the direction of DC schemes, but while these offer individuals some clarity about how their entitlements are calculated, they are also fraught with risks and uncertainty of a kind that present severe challenges to persons on even moderately high incomes. It is important that schemes are designed in a way that shares risk and meet certain minimum standards. To that end,

GUSTO has produced and publicized its own Handbook on the design of DC pensions.

Collective bargaining

Our work on collective bargaining dealt mainly with two contrasted sectors - metal-working and hospitals - and with seven countries: France, Germany, Hungary, Italy, the Netherlands, Slovakia, and the UK.

The major findings can be summarized as follows:

- Collective bargaining as a governance form continues to be of significance, but in addressing new as well as old uncertainties trade-offs have increasingly focused on securing employment, or employability, and not only wage improvements
- Contrary to existing assumptions, encompassing and powerful trade unions are not a root cause for creating labour market outsiders. Instead, the current trend towards decentralization of bargaining and weaker trade unions might exactly foster the emergence of insider/outsider cleavages
- Public policies are crucial for promoting sector and company agreements, but at the same time, public policy has also turned into a major factor of uncertainty
- As a consequence of heightened policy and political uncertainties, traditionally sheltered sectors are increasingly losing their privileged place, whereas uncertainties stemming from markets and increasing competition have in some countries bottomed out for traded sectors.
- The financial crisis has prompted a re-nationalization rather than a Europeanization of collective bargaining

Collective bargaining as a governance form

In all the countries covered our findings show a distinct trajectory in the agenda and outcomes of collective bargaining in metalworking over the opening decade of the 21st century. Given metalworking's leading role as an export-based manufacturing sector, this is a trend which is likely to be reflected across other parts of manufacturing as well. The bargaining agenda has increasingly been framed around measures to enhance competitiveness, in which measures to reduce costs and/or increase flexibility are central priorities for employers. The emphasis in negotiations over wages has become one of moderation, in place of the gain-sharing that characterized the productivity bargaining of earlier years. Concomitantly, workforce, and union, attention has increasingly turned to securing guarantees on future employment levels, including commitments to particular investments or production mandates or to anticipative measures to avoid compulsory redundancy, and to measures, addressed to acquisition of skills and on-going training, to promote employability. The effect has been to entrench employment as a further 'general equivalent' (in addition to, and to some extent in place of, wages) against which other measures are traded. On the one hand, the result is a form of concession bargaining in which workers agree to flexibility and/or cost concessions in exchange for some form of employment guarantee. On the other hand, this development evidences the rise of a certain type of integrative agenda in which outcomes can be positive sum. The financial crisis, and the sharp economic downturn which ensued, have served to reinforce this trajectory.

We identified three different aspects of protection from economic uncertainty pursued in crisis-response negotiations: direct protection from economic insecurity; a distinction between long-term maintenance of skills and short-term cuts in wages and/or jobs; and protection from

procedural uncertainty, which is also returned to below. The principal trade-off focused on securing short-term reductions in the scale and costs of production against protection of employment. This explains why the decline in output over the sharp economic downturn was accompanied by a decline in employment of a much smaller magnitude. There is considerable evidence that collective bargaining played an important role in underpinning this moderating effect. In several countries, supportive public policy in the form of statutory short-time work and similar schemes, subsidized the wages of the workforces concerned thereby enhancing the capacity of collective negotiators to cope with the effects of market uncertainty.

Uncertainty in rules can be a source of substantive uncertainty, and sustaining enduring procedures can be a means of reducing this. By providing a measure of certainty, sector-level negotiating arrangements, by mapping out the possibilities for further company-level negotiation on crisis-response measures, served to increase the incidence of the latter and to protect against outcomes at company-level that are mainly distributive (workforce concession with no compensating measures from the employer). Multi-employer bargaining provides the most likely framework in which firms can take on the risk of offering both longer-term trade-offs and procedural certainties. However, these substantive and procedural certainties are being qualified by further movement in the process of 'organized decentralization' under which bargaining competence is progressively devolved towards the company within the framework of sector agreements. As a result, the universal standards which prevailed hitherto are being qualified by growing perforation through ever more opening, opt-out and similar clauses in sector agreements and, as noted above, by erosion of their coverage in some countries, notably Germany. The effect of the financial crisis has been to accelerate this direction of travel in some countries, and to trigger break points in others.

In the public services, including the hospitals sector on which our research focused, levels of workforce organization by trade unions have traditionally been high and collective workforce governance mechanisms, either under the sovereign approach resting on statutorily-backed administration by the state or the model employer approach resting on collective bargaining, well entrenched. Immense pressures on these arrangements have, however, been building in most of the seven countries in recent years from wide-ranging reforms to the governance and organization of publicly-provided hospital health care. Influenced by the doctrine of 'new public management', governments have tried to introduce market mechanisms into their formally public hospital services via privatization, corporatization, marketization, decentralization, and managerialization. Our initial expectation therefore was that these changes would produce a break with established state-administered arrangements and collective bargaining forms and patterns, and a decline of bargaining coverage. What our research found, however, was that existing arrangements in six of the seven countries (Germany is the exception) have not been dismantled, but have been modified, reconfigured and even in some cases extended. In some countries collective actors have even increased their bargaining scope (e.g. France and Italy) or the reach of national agreements (e.g. the UK), whereas in other countries, collective actors were actively shaping decentralization of the hospital sectors (e.g. Slovakia). In central eastern Europe, collective agreements in corporatized hospitals continued to imitate public sector bargaining, although the workforce lost its status as public servants (Hungary), and in Slovakia sectorial collective bargaining seems to have survived

hospital corporatization largely unchallenged. Government-driven reforms to publicly-provided hospital health care are just one of a number of factors shaping the evolution of collective workforce governance arrangements in hospitals, factors which also include the imperatives of sustaining universal standards in treatment, outsourcing on a basis which does not compromise quality, and actors' own preferences and strategies.

Trade union density

Traditional approaches to the insider/outsider cleavage take it for granted that trade unions will protect their members, who almost by definition are those with relatively secure jobs, at the expense of those unable to access the labour market or at least to gain secure jobs. They might do this directly, by insisting on rules that safeguard existing job-holders at the expense of potential competitors, or indirectly, by raising the price of labour with the result that the overall employment level is lower than it would have been without the union intervention. This might occur because bargaining achieves wage costs above the market rate, or because unions gain employment protection measures that discourage employers from employing further workers. These actions might take place through either collective bargaining or through political lobbying.

However, extensive bargaining coordination and coverage has actually reduced the scope for the emergence of outsiders. To the extent that there exist mechanisms that extend the reach of an agreement to all concerned in a particular sector, and nearly all sectors are covered by collective bargaining, the range of outsiders is restricted to persons who are prevented from gaining access to any employment at all because the terms of agreements raise the cost of employment so that labour markets do not clear. Persistent levels of long-term unemployment are often seen as indicators that such processes are in operation, unemployment being the most extreme form of labour market outsider status.

Where bargaining arrangements are encompassing, we find union bargainers capable of coordination having an interest in reducing the number of unemployed, since unemployment weakens labour's general bargaining power. They therefore try to ensure that they do not seek agreements that force up labour costs to the point where labour markets do not clear. They similarly avoid giving employers incentives to create contract forms beyond the reach of their activities (i.e. the creation of outsider categories within the employed population). Our findings also confirm that countries with limited bargaining coverage and coordination, and which lack extension mechanisms are also the ones that seem to have the most labour market outsiders.

Public policies and uncertainty

Public policies have played an important role in prompting sector and company agreements, this way keeping uncertainty at bay. This has especially become evident in the statutory short-time work schemes referred to above. At the same time, however, public policies have increasingly turned into a factor of uncertainty, which makes it harder for employers and employees to calculate their odds, and develop adequate strategies, let alone coordinate them. Several developments bear evidence to this. First, public policies have changed frequently with the main aim of making labour market and other social policies conform more closely to market norms. This tendency has been reinforced by the current fiscal crisis of the state and the on-going austerity drive. Second, as the

crisis unfolds, political controversy around issues of austerity, inequality, and the virtues of market norms has started to emerge, producing political uncertainty. Third, and particularly in central eastern and southern Europe, the very legal foundations on which collective bargaining is built are being rendered uncertain.

Internationalization and the future of traded and sheltered sectors

While the metal sector has been highly exposed to the uncertainties stemming from internationalization and relocation of production and price competitiveness, the hospital sector seems more sheltered. This distinction between traded or exposed and sheltered sector has long been a central tenet of industrial relation literature. However, public sector employees have been exposed to considerable pressure in recent decades, and hence the challenges for collective bargaining. These pressures have taken several forms. First, sheltered sectors are by no means immune from such market pressures as the international mobility of health care workers, international health care tourism, and the introduction of quasi-markets into the sector. There are also the political aspects of the construction of markets. The sheltered character of the public sector cannot simply be derived from the nature of the market pressures; rather, it has to be traced back to conscious political attempts to de-commodify labour, and more recent moves to 're-commodify' it.

Applying this more encompassing understanding of sheltered and exposed sector to our cases, we find that in some countries, collective bargaining arrangements and the interaction of public policies and collective bargaining are now better able to protect firms and workers in the exposed sectors from the effects of turbulence in the international markets in which they compete, than their public/health care sector counterparts. However, given that the burdens of adaptation are also unequally distributed among countries, it is only the traded sectors in the surplus countries where substantive re-sheltering might take place. To some degree, this also holds true for central east European countries, which are small open economies. Their metal sector is highly dependent on Germany, and simultaneously generates a trade surplus, which provides the basis for potential re-sheltering measures. In contrast, for the southern periphery of the Eurozone, which has to restore competitiveness in their traded sectors, this will mean continuing pressures on wages and employment conditions, and employment security. At the same time, austerity measures are placing severe pressure on the wages, working conditions and employment security of public service workers. Employees in these countries live in the worst of all possible worlds, as their sheltered and traded sectors are becoming increasingly exposed at the same time.

The financial crisis and the re-nationalization of collective bargaining

Collective bargaining over crisis-response measures has been largely nationally-framed, while there is only a little evidence of European-level frameworks to address the consequences of the crisis.

Overall our findings show that the capacity for collective action to address different kinds of uncertainty is strongly shaped by institutional context. It is greatest where there is comprehensive workforce coverage of multi-employer arrangements for collective bargaining, and where multi-sector and/or sector agreements establish binding frameworks for subsequent negotiations at company level. Such capacity is highlighted in the agreements establishing and/or implementing short-time working, with financial compensation for workers,

concluded in metalworking in northern continental European countries and Italy; also in the comparatively lower incidence of outsiders amongst the workforce amongst these countries. It is noticeably less in a second group of countries with multi-employer bargaining arrangements, but where these do not establish frameworks that are binding at the company level. It is least in those countries with single-employer bargaining arrangements. The financial and economic crisis, by exacerbating existing and creating new problems of uncertainty, points to the need to augment the capacity for collective action. Instead, the neo-liberal agenda framing policy towards institutions that govern the labour market, such as collective bargaining, is pushing towards weakening the multi-employer arrangements on which effective capacity for collective action rests. This is most sharply apparent in the countries experiencing enforced changes as a result of intervention by European and international financial institutions.

Territorial governance

The priority accorded to improving employability opens a policy agenda at local level, as labour markets for the mass of the workforce operate locally, with wide variations within countries. Our study of local governance of economic uncertainty considered a twofold shift: from a central to a decentralized level of regulation and from public to private mechanisms of regulation and redistribution. Concentrating on France, Italy and the UK, it reports that a notable process of devolution enlarged the political space for local actors across a series of relevant topics, such as training, tangible and intangible infrastructures, aids for entrepreneurship and other local collective competition goods, though central government remains important. In each case the experiments gave notable attention to the private sector, promoting forms of involvements of local private stakeholders, such as large firms or private associations in the making of local plans and strategies; and to new actors, such as environmental organizations and the voluntary sector. These local coalitions are not stable and well defined, but they are variable according to the scope of the process of negotiation - though it is possible to find a bulk of stable actors that play a constant and important role, particularly local government and large firms. In all three countries, local organizations tend to act in partnership, with formalized mechanisms of cooperation, in which the role and the contribution of single actors are well specified. Different partnerships may be located in the same territory, and their composition may be variable according to their objectives. This is also related to the importance of negotiation as a method of decision-making: local actors - sometimes with higher-level ones - bargaining measures and strategies, with conflicts and mediating different interests. Local negotiation, where it works, is a method of coordination among different interests and tries to establish a coherent set of policies.

There seems to be a shift from policies giving financial incentives to single firms or economic transfers to individual workers towards growing attention to place and giving local collective actors resources to create local collective competition goods. Naturally, individual policies continue to play a role, especially for the above-mentioned passive instruments but regions and cities are more and more specific unit of intervention for policies addressed to reduce uncertainty. Horizontal coordination among different policies is one of the most important issues. Many plans and instruments, such as strategic planning in Italy, local strategic partnerships and local area agreements in the UK, or local contracts in France aim at coordinating different policies in order

to create a mutual reinforcement: many of these plans/pacts/agreements combine different topics, such as environmental sustainability, economic competitiveness and social cohesion and aim at solving possible trade-offs.

Although it is still early to assess the actual impact of the financial crisis of 2008, there is no doubt that it is having a major impact on this model, first weakening the possibility of implementing 'proactive' policies and favouring passive ones, but at the same time reinforcing some of the pillars of the model of competitive regionalism. In this context, private actors - such as large firms - or quangos are gaining increasing importance and the mechanism of public-private partnership becomes one of the dominant tools of local governance. The risks of this path of development are partly related to the difficulties of local actors to promote an integrated development of cities and not just a redistribution of the uncertainty that favours some sectors/workers/areas of the city and the lack of support of national policies that on the one hand increase the competencies for local actors and on the other decrease financial support. Again, as with collective bargaining, coordinated and integrated approaches reduce tendencies towards exclusion, but a combination of neoliberal stances and the panic induced by crisis lead actors to move in the opposite direction. For these reasons, it is important to develop local policies that focus not only on 'smart' sectors but that are able to promote an integrated and encompassing model of local development and at the same time there is a growing need of national and regional policies not only able to support local collective action in 'competitive cities' but also to foster growth and cohesion among vulnerable cities.

The European policy-making level

Our work on both pensions and collective bargaining has signalled an important paradox for policy makers: the rapidly changing environment presses them to make frequent policy changes and adjustments in their attempts to manage uncertainty; but frequent policy change is itself a cause of uncertainty. The same conclusion emerges from our work on the role of the EU level in the governance of uncertainty. Legal and regulative uncertainty is itself a form of substantive uncertainty, it is argued, and the EU has created much of this. Especially in the area of labour law and social services of general interest, the application of EU law is a source of overall uncertainty for national actors. Although legal certainty is a principle of EU (and other) law, it is possible to make the assumption that, inasmuch as the systematic implementation of EU law contributes to the destabilization of industrial relations systems, of national labour law, and of the national systems of social protection, such developments bring legal uncertainty for numerous individuals and groups. Further, in any legal system, 'implementation' of law, or its effectiveness can never be presumed, a further factor creating uncertainty. It would appear that the question of implementation is more complex for EU law than at the national level. In addition, our work on EU policy-making bears out the argument made at the outset of this report, that, as Europeanization increasingly means marketization, it turns against social policy in general.

A change can be seen in the European Employment Strategy (EES) since 2003. From its inception in 1997 until that year the strategy had produced targets for the employment of women and for elderly workers, and had been concerned with improving job 'quality'. Since then however the emphasis has been on flexibility and labour market deregulation almost

alone. However, that there is no necessary tension in trying simultaneously to improve overall employment and the provision of 'quality' jobs is shown in the fact that increases in the two are positively correlated. Flexicurity has been a leading slogan of the EES since 2006, but there has been little substantive progress in clothing it with meaning at the EU level.

An example of how the emphasis of European strategy changed after the 1997-2003 period is seen in policy towards the elderly under the Open Method of Coordination. An initially broadly conceived strategy for tackling age discrimination in the Treaty of Amsterdam has gradually become narrowed down to refer to opportunities on the labour market designed primarily to increase labour supply. Further, attempts by the Commission to have pensions favoured for European policy that met certain social standards were rejected as unrelated to the priority of financial market harmonization. Corporate interests were also served when Germany and the Netherlands opposed cross-border portability of pensions on the grounds that firms wanted to use pensions as part of their strategy for labour retention.

A case study of the Czech Republic provide evidence of how elements of the EES work out on the ground in a new member state, with conclusions similar to those on old age across Europe. The EES does not appear to have had much direct effect, but there has been a powerful indirect impact via the European Court of Justice's current interpretations of the European goal of free movement of labour. The court has been interpreting this to mean, not so much workers' rights to move, as the need for governments to privatize their services - including employment services - to multinational corporations. On the other hand, there has been little interest in monitoring whether privatization leads to the provision of better services to jobseekers.

A further example of the application of EU law as source of uncertainty in the domain of social services of general interest, and an undermining of social policy objectives in favour of marketization, concerns social housing in the Netherlands. Social housing is a social service of general economic interest (SGEI) for which the Services Directive does not apply. However, because the Dutch welfare state has a large proportion of social housing (32 per cent of dwellings), the Commission decided in 2005 that this was 'disproportionate'. According to the Commission, the provision of social housing may qualify as services of general economic interest only if it is restricted to a target group of disadvantaged citizens or socially less advantaged groups. Any commercial activities by housing associations should be carried out on market terms and should not benefit from state aid. Finally, the offer of social housing should be adapted to the demand from disadvantaged citizens or socially less advantaged groups. Forced to act, the Dutch government introduced an eligibility criteria ruling, allowing only those households with an annual income of 33,000 EUROS or less to have access to social housing. However, the housing associations protested and submitted a complaint to the General Court, and Parliament expressed its disapproval and called for renegotiations. The dispute is on-going.

Another area of GUSTO's work on the European level of social policy has concerned the evolution of European social dialogue. This is often interpreted as a process that is moving from dependency on EU institutions towards more autonomous agreements among social partners at the European level, but we have found no such linear and one-dimensional

trend. Whilst agreements may entail some autonomy from EU institutions, their implementation also involves new dependencies on social partners and governments in the member states, reflected in a wide diversity of modes of implementation. The 'dependency or autonomy' dichotomy presented in much literature is a false one: negotiated regulation emanating from the European social dialogue rests on two directional relations, between the European and national levels, and involving autonomy and dependency at the same time. It also involves differing forms of horizontal interdependency between private actors - the social partners - and the public authorities according to the different institutional arrangements that prevail in member states. Further, implementation can also - in certain member states - rest on indirect dependencies in the shape of actors who are not directly implicated in the process, such as sectoral employer and trade union organizations. Power relations, which are conspicuously absent in the conventional literature, are integral to the playing out of the multiple interdependencies that characterize European social dialogue as a mode of governance.

GUSTO's work on the EU level leads to the conclusion that the EU legal system is Janus-faced, particularly in the social domain. On the one hand it has introduced new individual rights (including for firms) and new legal accesses to rights. Fundamental human rights have been extremely important here, and are too often overlooked when analyses only focus on social protection and solidarity programmes. On the other hand, however, specific social protection rights seem not to be fully considered in EU law, which increasingly jeopardizes collective rights (such as corporatist arrangements), and has sometimes destabilized existing systems of social protection, even contributing to their demise, without providing alternative solutions at the EU level. Even fundamental rights are envisaged at the EU level with a double face. There is an attractive defence of fundamental rights, such as equality between men and women. But there is also the economic dimension of these rights, which tend to be de-contextualized and implemented via case law without heeding the existing solidaristic systems that took so much time to build over the two last centuries in Europe. Because of an asymmetrical dominance of the freedoms of movement, potentially all other rights are in jeopardy, and the principle of subsidiarity seems to be relegated to a token role, seldom used in the CJEU's case law. Citizens who are on the move enjoy additional rights with comparison with the majority of European citizens who do not move, more often than not because of their lack of resources and linguistic skills. Because of this asymmetry, essential functions of law in the social domain are merely seen as exceptions to the main question of a production of goods and services that is deemed to be inevitably best when it happens on the market in the context of free competition. The record of EU law on social protection and social rights appears emerges from this account as very mixed. It has brought uncertainty to national social models, and further uncertainties are clearly likely if one considers the way EU law is made.

There is however continuing struggle over these developments. Despite the detachment of EU institutions from strong social contexts, the dominant actors who today craft EU law are not isolated from the rest of European societies. Judges are part of cross-national networks including national lawyers and courts that are bound to register direct reactions in their national legal orders. The various lobbies that have dominated policy-making in Brussels over the years have probably done so because much of the process of creating and implementing EU law happened by stealth. This has changed. Recent actions by the Commission and the Court, especially

most recently in response to the crisis have created greater public awareness and criticism. But far-reaching legal uncertainty seems likely to remain for a long time.

The individual level

While our project is primarily concerned with different levels of governance and policy areas, it is a fundamental part of GUSTO's contribution to relate these to their impact on individuals, using data gathered through the national labour force surveys. These enable us to identify when individuals make transitions - into and out of the labour market, from temporary to permanent positions and vice versa, to higher or lower levels of pay. The aim of our research here has been to determine patterns in these movements, to associate them with different causes and different outcomes, and to see if distinctive patterns fit with identifiable groups of countries. This last part is particularly important, given the interest among policy-makers and others in discovering whether particular patterns of labour market regulation and social policy, found in individual countries or groups of countries, are associated with particular patterns of behaviour among individuals. This is the case for the immediate purposes of flexicurity studies, but even more so if we are trying to map broader issues of uncertainty governance.

This work draws attention to the considerable differences that exist in the situation of workers with temporary as opposed to permanent contracts. By itself this is hardly surprising, but the differences in the way individual national regimes treat these two different groups of workers is significant. Aggregating the various indicators of flexibility produced in the data, our research found countries splitting across the quadrant of flexibility and security in a predictable way: Eastern and Southern European countries seem to get the worst of all worlds, with both low mobility rates and low levels of overall security. Two different types of country - the Nordics, and the UK and Ireland - seem to get the best of all worlds, but in different ways. While the British and the Irish had high de facto job security, they also had considerable income security. (It should be noted that these data relate the period immediately before the current economic crisis.) Positions on the individual items in the indicators were very varied, which perhaps suggests some important complementarities that are lost in the aggregation.

Further research has illuminated further the role of institutional trust in labour market activities. In societies where there is high trust there seems to be greater acceptance of mobility. This suggests that trust can be a substitute for the knowledge that is needed to reduce uncertainty: the future may be unknowable, but if we have trust in the functioning of institutions, we shall be more likely to assume that mechanisms will come into play to prevent the worst from happening. The research also finds that attitudes to immigrants seem to be related to different mobility patterns, but also to different policy positions on the rights of temporary workers.

Further work added comparisons with the new member states of Central and Eastern Europe (CEE), concentrating on contrasts in the experiences of younger workers and also embracing the trust variable. Within the CEE group the Baltic countries were found to perform differently from the rest. This research throws further light on the question of insiders and outsiders, focusing in particular on differences between age- and skill-related sources of insecurity and exclusion. Attention was paid to both

objective insecurity as revealed by labour market statistics and subjective insecurity as reported in opinion surveys.

The overall effect of the crisis on job insecurity was found to be surprisingly modest, but in the Baltic and Southern countries young workers face increasing risks of objective job insecurity. The low effect elsewhere was possibly due to the crisis leading to unemployment or withdrawal from the labour market back to school. Apart from the crisis, age-related issues seemed to predominate as associated with insecurity in the South but skill-related ones in the Continental and Nordic regimes, though the distinction is less clear-cut. Job insecurity gaps are both age- and skill-based, and appear to exist in both more and less regulated regimes, and young people are still relatively more likely to be employed in insecure jobs in the segmented labour markets of the South. The CEE countries with lower shares of temporary labour and high levels of youth unemployment showed relatively lower objective but larger subjective job and employment security gaps. These were both age- and skill-based. Low-skilled youngsters faced relatively high risks of job insecurity, notably in the Nordic and Continental countries, suggesting that these advanced economies require high skills for employment in secure jobs.

The wealthier a country was in terms of GDP per capita, and the lower unemployment, the lower were both objective and subjective labour market insecurity. The interaction effect with regime type however turned this negative relationship into a positive one in the Anglophone and Southern regimes, implying that in the crisis these countries pursued a flexibilization strategy for adjustment. This is rather unexpected for the Anglophone cases. In the adjustment strategies of countries to economic shocks, unemployment and job insecurity operate as substitutes to each other, especially in segmented labour markets with large gaps between the protection of insiders and outsiders. In the current crisis, however, 'flexibilization at the margin' did not decline and even increased in some of these regulated, protected labour markets, while unemployment rose strongly as well. The two levers of adjustment, unemployment and flexibilization, behave then as complements to each other, suggesting that countries have been pursuing a flexibilization strategy leading to a very slow recovery of secure employment.

Differences between welfare regimes showed that governance matters for understanding the differences in job/employment insecurity in Europe. The Eastern countries are characterized by a specific profile with modest levels of objective job insecurity but high levels of age and skill-based subjective job insecurity. The Baltic sub-group however behaves differently with high levels of both objective and subjective employment insecurity. Poland and the Czech Republic seemed to pursue a flexibilization strategy, whereas the Baltic countries sought adjustment through unemployment. For that reason subjective job security was high in these Eastern countries, whereas employment insecurity was high in the Baltic countries. In both regimes low-skilled youngsters carried the burden of adjustment.

Going on to consider the role of trust, the research showed that high levels of personal, institutional and social trust had a strongly significant and negative effect on objective and subjective job and employment insecurity, but there was no strong evidence that the labour market insecurity differences across regimes were highly correlated with their trust levels.

The puzzle of the Danish flexicurity system, with low levels of job protection but people feeling highly 'job secure' can therefore not be resolved with cross-sectional data analyses, the possibility of reverse causation being unable to be excluded because trust might not be the real cause for low subjective job insecurity, but the success of the country to safeguard secure employment creating trust. The interactions of trust with skill-level reveal that the effect of trust on insecurity becomes stronger once it is assumed that trust levels differ by skill level. This suggests that trust is not mainly a personality trait but an endowment people acquire during their career. A low level of personal trust in the CEE countries in parallel with high levels of subjective job insecurity in some and rising employment insecurity in others therefore does not help to resolve labour market deficiencies. The CEE countries increasingly pursue flexibilization strategies that are likely to reduce the job security of low-skilled youngsters and to raise the insider-outsider cleavage. The most successful way to reduce the insider-outsider job security gaps and to improve the position of low-skilled people of all ages is through facilitating public and private investments in skill formation to increase productivity and to make the standard contract more attractive for both employers and employees.

Pursuing the aim of linking individual data to different hypothesized 'social models', our work also compared individual countries and groups of countries. One case examined the position on the labour market of young people in France and Germany. Both countries are usually bracketed together as having 'Continental' or 'Bismarckian' social policy regimes in the typologies, and in both the unemployed have difficulties finding work. There are however important differences. The standardized dual system of vocational education and training in Germany - beside the fact that many apprentices get a permanent contract afterwards - guarantees a relatively smooth entry into the labour market. Early working experience in France is more turbulent, non-standard employment arrangements representing an important intermediate station. Educational levels play a crucial role in both countries, while stratification is stronger in Germany, women's activity rates being particularly dependent on educational attainment levels. The gender gap for low skilled workers is higher in Germany.

In fact, labour market protection in Germany and France differs sharply. Job protection of labour market insiders has remained on a high level, but restrictions on temporary employment have been considerably relaxed in Germany over the last decades. Although flexicurity profiles of France and Germany show structural similarities, institutional design and rationale of active labour market policy differ. While Germany mainly focuses on fixed-term, target-group-specific qualification measures, the main objective of the French approach is on 'social insertion' by means of job subsidies and public employment. Both countries are affected by an increasing duality between insurance and tax based unemployment benefits. In both countries social security entitlements are directly or indirectly related to the employment status. While fixed-term and temporary agency workers are generally included in social security schemes, inclusion of marginal part-time employees in Germany depends on voluntary contributions or indirect coverage through working family members and does not lead to sufficient personal coverage. Due to proportional contributions and benefits and the two-tier unemployment benefit system, people with unstable or part-time employment are at risk of falling back on means tested social assistance schemes in case of unemployment or retirement.

These differences then impact on the childbirth patterns in the two countries. Germany has a particularly low birth rate, France a relatively high one. In both countries there is a late age of mothers at the birth of a first child, while in France there is then a pattern of fairly quick subsequent births. In Germany mothers are likely to remain with just one child, and a growing minority of women are remaining childless throughout their lives. This seems to be particularly the case among more highly educated women. France has a long history of social policy encouraging mothers to return to the labour force, while Germany has turned to such policies far more recently and hesitantly, but the difference seems also to be related to insecurity on the labour market. While Germany has today a higher level of female employment than France, the fact that the expansion of jobs has mainly taken the form of temporary and other precarious forms of work seems to be having a discouraging effect on family formation as women and their partners fear that jobs will soon be lost.

The Nordic countries are usually conceived as members of one family of welfare states. When it comes to the institutional framework around the labour market, there are however significant differences. Denmark stands out as having a rather low level of job protection. Sweden has the strongest protection of regular employees, but quite liberal rules concerning temporary employees. Norway has stricter rules concerning temporary workers, while for regular employees the rules are more liberal than the Swedish but more severe than the Danish. The Finnish rules for regular employees are on the same level as the Norwegian. However, they are more liberal than the Norwegian concerning temporary employees. Denmark has a long potential duration time for unemployment benefit (48 months) compared to the other three (24-28 months), though in Finland the so-called Labour Market Support has, in principle, no time limit. Finally, there is a low level of overall spending on with respect to active labour market policy in Finland, while it is particularly high in Denmark. Generally, Denmark (the archetype of flexicurity) gets the highest ranks for flexicurity measures, Sweden the lowest. These differences in institutional framework can be expected to influence the mobility patterns of both younger and older workers. Analysis of data on the former confirms the general impression of younger workers being in more volatile positions on the labour market in all the Nordic countries. For example their risk of being in a temporary job is higher than for older workers. But there also seem to be some national differences, especially with respect to the level of job protection. For example, young Danes have the highest odds of moving into employment from unemployment compared to the other three countries. However, their chance of moving from a temporary to a permanent job is not larger than for other age groups. Finally, when it comes to employment and income security for young workers, the Nordic countries show a rather high level of support, but also with significant differences with respect to replacement levels.

However, if conditions are deteriorating for young workers in the Nordic countries, their counterparts in southern Europe (Greece, Italy, Portugal, Spain) have had even worse experiences, so that overall the two groups of countries have been diverging further from each other. This is related to the different degree and form of implementation of flexicurity policies. Not only have Southern European countries developed the flexicurity paradigm to a lesser extent than the Nordics, and devoted fewer resources to active labour market policies, but the form in which

the flexibility part of the paradigm has been implemented has consisted in developing external flexibility (mostly through temporary employment) in Southern Europe, whilst in the Nordic countries, part-time flexibility is much more frequent. This would also explain the predominantly involuntary character of atypical employment in Southern Europe and its predominantly voluntary character in the Nordic countries.

An analysis of individual labour market transitions in the pre-crisis years - a context of extension and implementation of flexicurity policies in all EU countries - shows an asymmetric impact on young workers. Age had a significant effect on the probability that an individual would become unemployed or find a job in both the Nordic countries and Southern Europe, though it was less strong in the former group. In other words, age matters when explaining labour market transitions and its effect is particularly strong in the south. Moreover, gender differences are important in Southern Europe when explaining transitions, whilst they are generally non important in the Nordic countries. Evidence was also found of a less significant role of education in the south as a shelter against the possibility of becoming unemployed, or of moving quickly out of inactivity into employment.

More detailed analysis of the problems of the long-term unemployed led us to conclude that labour market disadvantages are a consequence of a broader range of factors than those related solely to employment as such. There are deficiencies in several kinds of 'capital', which together determine individuals' 'embedded employability'. They concentrated on five countries with different flexicurity systems: the Czech Republic, Denmark, France, the Netherlands, and the UK. The capital forms most relevant to long-term unemployment in all five countries were: health capital, equity capital and financial capital. Surprisingly, 'hard human capital', indicated by years of education, did not turn out to be as important as expected when other factors are taken into consideration, as the other forms of capital 'hide' behind it. Only in the Czech Republic and in the UK did years of education alone make a significant difference. We can conclude that, in addition to the regular well known re-employment instruments, reinforcing the employability of disadvantaged groups requires creating conditions for reemployment instruments to take effect. Arrangements are needed for debt-help, to make addictions at least manageable, to reduce discrimination: in short, arrangements to overcome or tackle multi-barriers. In order to be successful an integrated approach must also be incorporated in existing socio-economic structures.

Employability, embedded in functioning opportunity structures with reliable and expectable options, does help individuals to overcome myopic choices and provides bridges to work. However, such an integrated approach is not commonplace in the five countries surveyed, despite their continuous programmes of reforms of labour-market and activation policies. Before the crisis the prevailing concern in policy discourse was the issue of individual barriers, with great emphasis on motivation to work but without taking other institutional aspects of embedded employability on board, though in the Netherlands and the UK the notion of multiple barriers had been explicitly recognized. With the economic crisis most national policies have paid more attention to the 'mainstream' unemployed than to the target groups with cumulated multiple barriers - which explains a trend towards standardization and unification of (re-) employment policies - though some projects still exist, that do address people with multiple barriers and attempt to address a broader range of barriers. Two conditions appear to be crucial for sufficient

impact. First come implementation conditions like sufficient staffing or financing on a structural basis, not only of re-employment services but also related social services, which might help to overcome specific barriers like housing, child care and anti-discrimination measures. Insufficient staffing and financing inhibit individual treatment of the hard-to-place people, especially in the Czech Republic and France. Second, the focus of mainstream policies on more standardized solutions is strongly underpinned with a policy discourse, which emphasizes individual barriers and the issue of motivation to work. Integral reemployment policy with an eye for the importance of governance of reemployment policies is lacking. This leads to an underestimation of the issue of multiple barriers, which is aggravated by the current retrenchment in public employment and social services. As a result it is difficult to integrate small-scale initiatives or projects addressing multiple barriers into mainstream policies. Even the managers of the specific (grassroots) projects addressing the target groups with multiple barriers often give up addressing all relevant barriers, since they see no chance to do so, and concentrate instead on specific individual barriers like soft human capital. The lack of structural policies makes the learning process laborious and even frustrating.

Further, activation programmes have mainly been targeted on labour supply, neglecting the match and the demand side - i.e. the employer. However, even when made employable, a person with multiple barriers does not seem to stand much chance in direct competition with other job seekers. Currently there are major difficulties in brokerage services due to severe shortages of funds, preventing access to required services for persons with multiple barriers, while due to current reductions in benefit levels all over Europe more persons with multiple barriers are forced to enter the labour market, thereby strengthening competition for work. We contend that the best form of welfare is work itself. In order to accomplish work for clients with multiple barriers a combination of employment and other social services is needed as compensation for their cumulative lack of capital forms. For successful policy and implementation, the policy discourse needs to be changed. Two elements appear to be of utmost importance. First, it is not sufficient to offer persons with multiple barriers only directly employment related measures such as hard human capital. Although several EU documents touch on the issue of multiple barriers, at the national level the policy discourses emphasize individual barriers. But addressing solely individual barriers within other domains means that the remaining problems will resurface. Second, for substantive goals to become successful over time a structural policy, structural financing and implementation needs to be integrated in mainstream policies. The current incidental policy provides insufficient opportunities for accumulation of good and bad practices to learn from. The integrated approach calls for solid governance with structural finance and regular service delivery of re-employment services with mandates for frontline workers to act in other areas such as health and financial capital.

Conclusions and policy implications

One of the aims of GUSTO was to explore to what extent recent changes, including the 2008 crisis, have altered the standard analysis of different 'social models' among European societies and estimations of their relative performance according to various indicators of 'success'.

Standard public (as opposed to academic) debate usually distinguishes among:

- an Anglophone group associated with neoliberal policies (represented within Europe by Ireland and the UK, but more prominently and outside Europe by the USA);
- a Nordic group associated with social democratic policies of strong universal welfare states and strong trade unions;
- a 'Continental' group with Bismarckian welfare states, often sub-divided into a north-western group (Germany, France, Netherlands, Belgium, Austria):
- a 'Southern' group with more minimal familistic welfare states (Italy, Spain, Portugal, Greece); and
- a rather undifferentiated CEE group, seen as more or less following the neoliberal pattern, but at an early stage.

Some elements of this simple model have been confirmed by various parts of the GUSTO research, in particular the strong contrast between the quality of social policy and its role in the labour market in the Nordic and southern countries. This emerged, for example, in studies as varied as those of migration and of individual labour-market transitions. Other aspects of the research however suggest major changes within cases, such as the impact of pension reform on both the 'social democratic' and 'Continental' models. Further work was also conducted to bring together quantitative data on European countries as well as Japan and the USA on several of the variables most relevant to social policy in areas of labour-market uncertainty: the character of industrial relations institutions, the flexicurity balance between employment protection and unemployment replacement pay, and overall levels of social protection. Position on these variables was related to success as measured by employment levels and indicators of innovation (i.e. patents data). Overall the basic usefulness of the common-sense classification set out above was confirmed, but only as a very rough guide. The division between the Nordic and 'Continental' group was not so important as often appears when the emphasis is only on the design of social insurance systems. Without deeper inquiry it is not possible to tell whether this indicates some convergence between the two or just a lack of salience of any differences for the topics chosen for analysis. There are also strong similarities between the South and CEE groups, though with important differences. In general, southern countries tend to expose workers to the market through self-employment, CEE countries through weak protective institutions. The Anglophone group, with the USA added, conformed broadly to a neoliberal stereotype, but with important divergences within the group, as neither Ireland nor the UK conformed fully to its terms.

Some individual countries did not fit so easily into their usual stereotypical places: Austria, the Netherlands and Slovenia have more in common with the Nordic countries than the stereotypes lead us to expect. Belgium, France, and Ireland are the three most difficult countries to classify. The first shares characteristics with a combined Nordic and Continental group, but without their association with indicators of success. Ireland has a mix of characteristics from a number of models. France is a case all on its own, requiring separate analysis.

Neoliberalism as such emerges from with a very mixed record. The USA appears as a strong employment performer, though, like the UK, with currently a very poor record on young people not in education, employment or training (the so-called NEETs). The overall profile of the USA is unique among the countries considered here, with extreme neoliberal rankings on all indicators except self-employment, where its institutional (or corporate) position was equally extreme in the other

direction. The unique size and power of that country within the world makes it unsurprising that it should be a distinctive case. There was little evidence in favour of the neoliberal hypothesis that strong protective labour market institutions in general weaken the capacity of economies to create employment and support innovation. Some strong protective institutions – coordinated and extensive collective bargaining; and generous social protection expenditure, especially in supporting unemployed workers – may even play a positive role. A low level of self-employment is also associated with strong performance, but high levels of legal employment protection are not. This is in line with the flexicurity thesis that 'successful' protective labour regimes are likely to embody trade-offs between elements of protection from, and those of exposure to, the market. This is seen most clearly in the Danish and Swiss cases, where weak legal job protection is exchanged for strong unemployment support; but other trade-offs are also at work. It has long been noted that coordination of collective bargaining and probably pattern bargaining are important in offsetting the inflationary or job-destroying potentialities of extensive but uncoordinated bargaining. A part is also being played in the trade-off process by certain forms of social protection. It is likely that some combinations have positive effects for employment; others – perhaps by creating outsiders – negative.

These conclusions from general comparisons of the performance of different institutional arrangements return us to a major theme of the GUSTO research: marketization produces problems that require addressing by social policy. The point has often been conceded in the widespread acknowledgement of the success of the Nordic economies, often reckoned to be fairly extreme examples of heavily institutionalized capitalism, precisely in policy areas that contradict the pure model: strong labour movements and generous welfare states. But there are institutions and institutions. Economies in which there is a strong dependence on the institution of the family to supplement weak welfare states (a characteristic shared for different reasons by many South and CEE countries) do not seem today to be associated with success.

But to use research on comparative national performance as some sort of guide to 'best practice' assumes that individual examples of capitalist economies are all instances of units of a similar kind, with internal institutional mixes that are variations of similar ingredients. However, in reality national economies are not a series of separate units of the same kind of thing, but are bound together in a system of relationships with each other in which they occupy distinctly different positions. Within Europe as within the world at large, there are core economies with energy and innovation are concentrated, there are those further from the core but working with it, and there is a periphery of marginal economics. In general, those nearer the core are on a 'high road' to development based on high skills and strong social and material infrastructure; those at the periphery are on a 'low road' of seeking competitiveness through low costs, and therefore low wages and low levels of social costs.

The coming together of a north-western core of countries, whether of the Nordic, 'Continental' or Anglophone type, and an increasing gulf between that core on one hand and southern Europe and the CEE countries on the other strongly suggests the emergence of a core-periphery pattern. So much research in comparative capitalism in recent years has been devoted to seeking major policy lessons from whether the USA slightly outperforms Germany or vice versa that we have been in danger of ignoring

the far bigger gaps that exist between either of these and, say, Spain or Poland. To a considerable extent different positions in the centre-periphery polarity can be seen as different institutional configurations. First, the network externalities enjoyed by central countries in general and the USA in particular constitute extra-market institutional advantages in global economic competition. Second, it is likely that different institutions are likely to gather around different positions on the polarity—as hinted above with reference to the role of family in periphery countries. This suggests major and probably irresolvable difficulties for attempts to distinguish cause, effect, and association; but it may contribute to better understanding, and discourage all simplistic attempts at relating different institutional formations to different levels of economic success.

Most EU debate and policy-making - including our present project - assumes that all member states are embarked on a march towards competing in high-value-added markets, towards a Europe based on quality products and high living standards. But there are growing signs of divergence, of evidence that the countries of southern Europe are falling away from achieving those goals, while those in the East are finding it difficult to start on them. The shocks imparted by the 2008 crisis, and in particular by the explicit terms being imposed by the Union and the European Central Bank on the high-debt economies in the south, are making it even harder for firms in these countries to compete on anything other than the cost advantages of societies with low wages, low skills, and poor quality welfare states and infrastructure.

Policy implications

Some conclusions with strong policy implications have emerged from our work, at least for policy-makers committed to 'high road' strategies. At several points we have seen possibilities for positive-sum and constructive solutions similar to those of the original Danish and Dutch flexicurity achievements. However, the scope for these is frequently undermined by the central thrust of the neoliberal policy frame, and in particular of European marketization policies. It is essential that public policymakers and business interests recognize that the negative externalities of uncertainty, insecurity, anxiety and declining trust that markets can create cannot be resolved through markets themselves unaided by public policy. Therefore marketization increases rather than reduces the need for public policy and public resources that offset these negative consequences without reducing the gains from improved markets. Possibilities for doing this are undermined by the insistence of EU policy that social policy is just another area in which markets must operate, rather than one in which they should be counter-balanced.

Market compensation was already implicit in the Danish flexicurity concept, as discussed above. Less often discussed in accounts of the Danish, and also the Dutch, cases, is the role of social partner organizations, in particular trade unions. Individual Danish workers do not confront their managers without any employment protection, because the majority of them have recourse to union representation that can combat perceived unfairness. This enables individual workers to develop trust that aspects of the employment and social policy system will not operate unfairly against them. It is very difficult for individuals to determine the trustworthiness of complex modern systems. Autonomous representation can help them with this problem. Second, much research on collective bargaining has demonstrated that unions and employers behave most responsibly when they are organized across whole sectors, with links

then appearing across sectors and (though rarely) across countries. This requires organizations with extensive reach and high membership levels.

Both these benign characteristics of organized industrial relations are threatened by current developments. Employer association and union membership is declining in virtually all EU member states and more widely. In some countries, including most of CEE, France, Spain, and (outside Europe) Japan and the USA, union representation has only a minor presence in the private sector of the economy. More generally there is trend to single-employer bargaining and a weakening of employers' organizations, even more than of unions. Meanwhile, the need for measures to improve European citizens' trust and reduce their insecurity grows, as they confront major economic challenges in societies that are becoming increasingly unequal, protecting rich and powerful elites from the burdens being faced by the great majority.

That frequent and unpredictable policy and regulative change is a form of uncertainty in its own right appears across the whole field of the research. It undermines the confidence and trust that we have found to be important in enabling individuals to make voluntary labour market transitions. People need to have confidence that a social policy arrangement, a labour market institution, a collective bargaining outcome or a managerial practice on which they depend when making their calculations about the future will endure for more than a short period. This will be especially true of people in middle and lower levels of the labour market, who are faced with major problems of how to gain the knowledge that they need to convert uncertainty into calculable risk.

The importance of trust, and the associated need for positive participation by working people in making the economic future, leads us to return to the approach of the Commission's Supiot Report (Alain Supiot, *Au-delà de l'emploi: transformation du travail et devenir du droit du travail en Europe: rapport pour la Commission des Communautés Européennes*, 1998), which became neglected in later European policy developments, and to further developments of these ideas by Günther Schmid (*Full Employment in Europe - Managing Labour Market Transitions and Risks*, Cheltenham, 2008).

In particular:

- Employment creation policies need to return to the concept of 'good' jobs and the institutions necessary to lead to an improvement of job quality across Europe, as an alternative to a strategy of 'racing to the bottom' in jobs and working conditions. This does not mean an attempted return to the standard full-time employment contract, but it does mean providing stability for non-standard forms, for example: ensuring that part-time jobs (fundamental to flexibility and to women's labour-force participation) have rights and stability; avoiding temporary jobs, but structuring temporary agency employment so that it provides rather than undermines individual workers' security; ensuring that out-sourcing is accompanied by skill-upgrading in the sub-contracting firms. Without these changes non-standard work is associated with low productivity and social exclusion; with them, it can provide new forms of balance between flexibility and security.

- If rights to job security must decline in the interests of flexibility, there has to be a compensating improvement in employment security, as made explicit in the original flexicurity concept. Supiot, looking ahead to the growth of non-standard work going beyond the concept of employment, spoke of the need to consider rights as members of the labour

force, requiring, for example, enforceable rights to training, a decent work-life balance, decent working conditions, and participation in discourse about these issues. Individual employers cannot take responsibility for these essentially collective goods. This implies a return to public policy and the role of social partner and civil society organizations.

- Recognition that uncertainty is more difficult to bear, the lower one's income, that uncertainty can be reduced through knowledge, and that knowledge sources need to be trustworthy, draws attention to the role that advisory institutions play in easing acceptance of uncertainty. This happens at all points of change and transition (such as negotiation of new contracts, moving to new and especially remotely located jobs, switching from employment to self-employment). Public employment services can play this role, but when these (whether privatized or not) are working to job placement targets, they may lose the right to be trusted. Members of the work force need organizations that unambiguously represent their interests in such relationships, and who can act as interlocutors in discourse. This is logically the role of trade unions, but they often have difficulties performing it. This is partly because in many countries they are present in only parts of occupational structure and are denied rights by many employers; partly because their historical tasks and expertise have been limited to bargaining over wages and conditions; and partly because they are not often equipped to represent workers who are not in standard employment contracts. Measures are needed that would enable unions to overcome these obstacles and become general advisors to members of the labour force on issues affecting all work transitions and issues.

- Measures are also needed to underpin employers' associations, as individual employers need organizations that can help them address the consequences of the market externalities that competitive imperatives drive them to create.

- Workers are increasingly caught between a national level that is unable to guarantee the rights and institutional viability it offers and a global level that is too remote to offer them anything. The construction of a European level of rights and institutions can serve as an important bridge here, and that is often how the EU is perceived. But recently it has served more as a channel for globalizing forces destroying national institutions than for the erection of European ones. There has to be a return to the earlier process of constructing a set of positive European institutions - not in opposition to the overall marketization strategy, but as a necessary complement to it.

- 'More Europe' is also needed in approaches to immigration. Despite a shared dependence on the economic contribution of immigrants, the practices of member states regarding the criteria for recruitment, hiring and stay of immigrants are contradictory. It has been difficult to combine specific country needs with a common policy. Though a good example was the mass legalization of illegal immigrants to avoid social dumping and the simultaneous application of common EU standards. A new commitment to make national and common needs compatible is needed, so that the policy can be coherent and transparent. Such a policy needs to have a broad approach rather than focusing only on the labour market and the criminalization of illegal immigrants. Other areas that need to be included are: controlling the flow of legal immigrants according to the needs of the labour market; harmonizing recruitment policies with a better connection between supply and demand; legal measures to facilitate mobility between European countries and circular migration; family reunification; and, obviously, control of illegal immigration and the underground economy, which attracts immigrants. However, it is also

necessary to sustain and improve social protection and local welfare services: more egalitarian societies foster more tolerant attitudes toward immigration.

- Sustainable security raises particular issues where pensions, or what should better be called 'retirement incomes', are concerned. The burgeoning growth that sustained western European economies in the first three post-war decades will not return, and our understanding of 'retirement' must be revised. Currently workers move from full-time work to full-time retirement. Labour market flexibility to accommodate work-life balance needs to be matched by options for a more gradual withdrawal from work, to enable individuals to stretch retirement income further. This would also help to tackle another, associated problem. Currently, the frailest and oldest pensioners have the lowest incomes, at a time in life when more money is required for heating and help in the home. If partial pensions were introduced for years when health and working capacity remain comparatively sound, more money would be available for later life, when it is more urgently needed. Further, those reaching retirement who need to liquidate their pension savings desperately need impartial advice. Currently any advice is embedded in commercial services provided by the financial services industry and its associated financial advisors whose motives are necessarily mixed. While this question is not immediately urgent (as many DC schemes are still in their infancy) it will become increasingly so in the near future, and it is in the interest of both state revenues and the general public for the latter to trust the information they are given about how to dispose of their savings on retirement and to act on it. This would do much to dispel the high levels of uncertainty that currently affect funded pension provision. With this in mind, we propose the creation of permanent monitoring services in member states, to inform and to warn, to kite-mark reliable pension products and to publicize the consequences of demographic, political and financial change. Finland has shown the way in this with the Helsinki Pensions Research Institute. Impartial evaluations exercised at national level would enable the interested public to gain information and, thereby, to be able to participate in democratic deliberation in a more meaningful way. For, to determine how pensions should be secured for the future, Europe's citizens need to internalize possibilities and constraints to a far greater extent than they do today. Pension futures are unknowable, uncertainty about present and future income proliferates and no clear institutional authority is in place to map a route forward.

Potential Impact:

We hope that our research might change the approach currently being taken by the EU itself and the governments and many social partners in member states towards helping working people cope with uncertainty during the current prolonged crisis. We are not optimistic of having an early impact, because current dominant approaches are so remote from those that we advocate. However, we hope that our publications and conference, etc presentations will provide other social policy experts in academic, social partner and political spheres with evidence that they can use. As an academic research project, it would not be appropriate for GUSTO as such to become politically engaged.

GUSTO dissemination activities**General:**

The main findings of the GUSTO programme were presented at a one-day conference hosted by the European Trade Union Institute (ETUI), Brussels, on 15 February 2012. The conference was attended by social partner representatives, Commission officials, academics and students.

The general findings were also presented at a special session of the 23rd Annual Meeting of the Society for the Advancement of Socio-Economics (SASE) held at the Autonomous University of Madrid, 23-25 June, 2011.

A volume is being prepared to bring together the main results of the project in an accessible form. This will be a special issue of *Transfer*, the academic journal of the ETUI. It will be edited by Colin Crouch and Antonio Martín and published during 2013.

WP2:**Non-academic publications:**

Burroni, L. and Keune, M. 2010 'Exploring the conceptual weaknesses of flexicurity: on ambiguity, complementarities, conflicts of interest and reductionism', ETUI Working Paper. Brussels: ETUI

Crouch, C. 2011 'Flexibilität und Sicherheit auf dem Arbeitsmarkt', WSI Mitteilungen, 64: 597-605.

Crouch presented the overall approach and plan of the GUSTO research at meetings of the Institut für Arbeitsmarkt und Berufsforschung, Nürnberg, 24- 25 September, 2009; and of the Department for European Social Policy, University of Edinburgh, 2010.

WP3:

A volume is being prepared to bring together the main results of WP3, together with some findings of other WPs, especially WP7, relevant to the issue of the future of European social models. Provisional agreement has been reached with the publishers Edward Elgar. It will be edited by Ruud Muffels and published during 2013 or 2014.

WP4:**Non-academic publications:**

Most important is the Handbook for the design of defined contributions pension schemes prepared by Anthony Neuberger. It is planned to give this wide publicity within public and private pensions policy circles. To this end we are seeking to have it published in the British Academy's public policy series. It is currently under review by Academy specialists.

Other publications:

Casey B. and Whiteside, N. (2011) Promoting Personal Saving: a report for Zurich Financial Services.

Casey B. and Whiteside, N. (2011) 'The pension web ...' Parliamentary Brief (May): 27-8

Casey, B. and Whiteside, N. (2011) 'One sex does not fit all' Parliamentary Brief (Oct): 12-13

Marier, P. (2010) Improving Canada's Retirement Savings: lessons from abroad, ideas from home IRRP study no. 9 pp. 36

Neuberger, A. (2012) A Handbook for DC Pension Design

Whiteside, N. (2009) 'Savings and the poor: nice idea, shame about the timing' Parliamentary Brief, (Jan): 15-16

Whiteside, N. (2011). 'How will tomorrow's survivors survive?' Parliamentary Brief, (Jan): 17-18.

The pensions work of WP4 organized a number of workshops, including: on Pension Privatization in Crisis', at the University of Warwick, 26-27 May, 2010; on Pension Outcomes, at the Johns Hopkins SAIS Bologna Centre, Italy, 18-19 November, 2011. In addition, summary papers were presented at the Council of European Studies (CES) at Barcelona, June 2011. A further seminar on Pension Guarantees had been planned for January 2012 in collaboration with Tilburg University, to be organized by Bernard Casey. Unfortunately, due to the organizer's very severe illness that involved prolonged hospitalization, this had to be abandoned. Current discussions to hold the seminar in January 2013 at Tilburg are continuing. Research results have also been disseminated at international and national conferences and workshops (including, for example, CES, Carlton, Canada in 2010, to ISA RC19, Oslo, Norway in 2012).

The Warwick pensions research team (Casey, Neuberger and Whiteside) was invited by the Alliance of the Australian Council for Scientific and Industrial Research (CSIRO) and Monash University to present GUSTO results at a joint conference involving both industry and academics in Melbourne in July 2012. Following this visit, the core GUSTO team are helping to prepare a joint bid to CSIRO for further funding to continue our work on pension governance and pension futures.

WP 5:

A book bringing together all the work of WP 5 will be published during 2013 as *The Sustainability of the European Social Model*, edited by J.-C. Barbier, R. Rogowski and F. Colomb, to be published by Edward Elgar,

Researchers from WP 5 met in Paris on 14 October 2010 with French associations and social actors to discuss the impact of EU governance, with regard to OMC inclusion and social services of general interest (public services).

WP 6:

Papers on the results of WP6 research were presented by team members at the following: International Industrial Relations Association (IIRA) European Conference 28 June-1 July 2010 at Copenhagen; workshop organized at the Universitat Autònoma de Barcelona, 25th May 2011; invited lecture, Department of Political Science of the George Washington University, USA, 1 February 2012; and meeting at the German Marshall Fund of the United States, 3 February 2012; 24th Annual Meeting of the Society for the Advancement of Socio-economics (SASE) at MIT-Cambridge, USA, 28-30 June, 2012

List of Websites:

http://www.gusto_project.eu