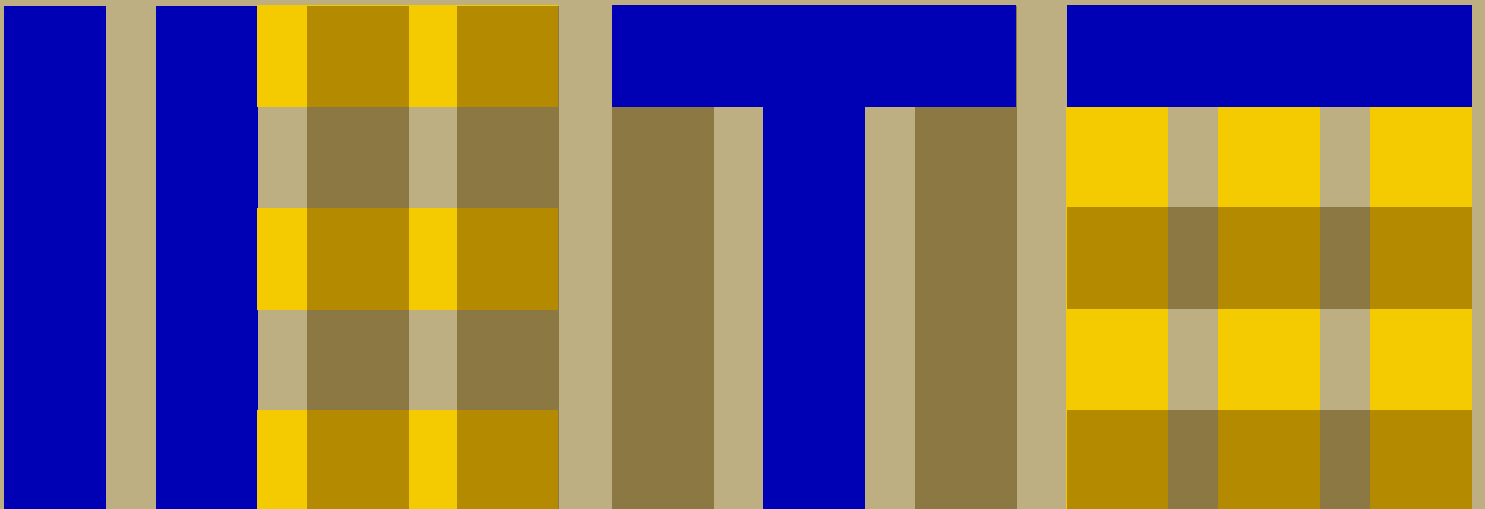


Policy Report

European Semester as a tool to improve working conditions in cultural and creative sectors



IETM Policy Report:
European Semester as a tool to
improve working conditions in
cultural and creative sectors

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Problem definition

Many artists, performers, and cultural professionals working in and among the European Union (EU) member states lack access to social security provisions, stable career development, and sustainable conditions for work. This lack is particularly salient given the frequently inconsistent nature of funding and/or opportunities available to cultural professionals, as well as a lack of legal structures providing social protection to artists and sustainable frameworks for their career development. In addition, market-based mechanisms for artists and cultural professionals place a premium on prices being attached to a final product or performance for remuneration. Such product-based norms for pay frequently constrain the background circumstances necessary for the development of artistic careers. Examples of such circumstances include: affording oneself the time in which to creatively develop and produce; having access to the requisite space and materials in which to work on artistic and cultural endeavours; having access to some form of support in the event of illness, caregiving, and unanticipated events. As noted in a European Parliamentary Research Service briefing, “numerous independent freelance artists do not necessarily benefit from social protection and unemployment schemes” [1]. The COVID-19 pandemic has been particularly hard on artists and cultural professionals: lockdowns on social gatherings severely curtailed the performances and art shows that many in the cultural sector depend on for revenue, and widespread economic dislocations meant that consumers at large were less likely to spend money on the arts [2]. These upsets prompted by the pandemic further compounded the existing fragile and precarious nature of work in the cultural and creative sectors (CCS).

In addition, the amount of public support for artists and cultural producers/performers varies enormously among EU member states [3]. It is also important to take into account the reality that EU competences in the field of culture are limited and mostly extend to provisions of project-based funding and grant awards. This has implications for a longer-term geographic imbalance of artists and artistic endeavours throughout the Union, as well as implications for uneven access to national and regional outputs of cultural expression and production.

The purpose of this report is to outline the potential utility of the EU’s European Semester, a macroeconomic monitoring mechanism designed to facilitate greater cooperation and convergence amongst the social and economic policies of member states. Designed to support the productivity and resiliency of the EU’s single market, a notable aspect of what the European Semester provides is regular surveying of labour market conditions across the Union. Therefore, this report analyzes and provides suggestions for how the European Semester might help to facilitate more permanent mechanisms that maintain and improve the social and economic working conditions of artists and cultural producers. The utility of the European Semester for this endeavour has increased due to the recent Recovery and Resilience Facility (RRF) – a supranational rescue plan for EU member states in response to the COVID-19 pandemic – which is newly integrated into the Semester’s framework for macroeconomic surveillance.

The incorporation of the RRF into the European Semester helps to incentivize coordination between national and supranational levels, as the grants and loans issued via the RRF can potentially generate more domestic responses to EU prescriptions.

[1] EPRS (May 2020). “EU support for artists and the cultural and creative sector during the coronavirus crisis.” Author: Magdalena Pasikowska-Schnass Members’ Research Service. PE 649.414.

[2] Trakivina, Ekaterina, and Pierluigi Sacco (7 September 2020). “Culture shock: COVID-19 and the cultural and creative sectors.” OECD: Organization for Economic Cooperation and Development. Retrieved from: <https://www.oecd.org/coronavirus/policy-responses/culture-shock-covid-19-and-the-cultural-and-creative-sectors-08da9e0e/>

[3] Klamer, Arjo, Lyudmilla Petrova, and Anna Mignosa (2006). “Financing the Arts and Culture in the European Union.” European Parliament, DG Internal Policies of the Union: Policy Department, Structural and Cohesion Policies. IP/B/CULT/ST/2005_104, PE 375.309.

What does the EU already do for artists and cultural professionals?

The supranational level engages in several types of endeavours to provide support for cultural sectors, both through indirect investment in member states and direct EU granting programs. A comprehensive summary of various funding sources for culture can be found through the CulturEU Funding Guide, which houses a wide variety of granting opportunities for various areas of Creative and Cultural Sectors (CCS) [4]. Such funding programmes contribute enormously to the financial abilities of individuals and organizations to undertake projects, often in the short-term. They do not, however, sufficiently contribute towards a convergence of funding opportunities within and among member states, and they don't necessarily contribute to longer-term sustainable working conditions. As the recent COVID-19 pandemic has demonstrated, short-term funding solutions are but not sustainable in the long-run, and an absence of supportive working structures can erode the foundations of CCS working professionals. The pandemic stimulated newer forms of EU-level support in the short-term for small- and medium-sized enterprises (SMEs), for the self-employed, and for EU-level unemployment funds [5]. Self-employment, temporary employment, and SMEs predominate in cultural and creative sectors, and therefore these newer support tools provide important precedents for artists, performers, and cultural producers in and among the EU community of members. These new emergency forms of EU-level support, invaluable in the short-term, were for some countries and regions the first of their kind for CCS workers. This development illuminated the strong need for more consistent underlying forms of support for the creative and cultural sectors, as well as a greater degree of consistency for working conditions throughout the EU.

The major EU programme for culture is Creative Europe, developed to help audiovisual, cultural and creative professionals to reach new audiences and to support the development of cross-border cooperation and networks. The first instance of this programme ran from 2014-2020 with a budget of €1.46 billion. This has since been renewed for 2021-2027 with an increased budget of €2.2 billion. The objectives of the Creative Europe programme are to support the competitiveness of the EU's audio-visual sectors, help the cultural and creative sectors "seize the opportunities" of the digital age, and to support the culture and media industries in contributing to sustainable growth, jobs and social cohesion in the EU [6]. Funding opportunities underscore the EU's central single market aims to remain a productive and competitive actor within cultural and media sectors. This is visible through the Commission's repeated emphasis on the interplay between digital technology and culture, as well as through the programme's earmarking of funds for media activities that promote cross-border accessibility. Direct fellowships are much more geared towards academic and science-based research projects, as through Horizon Europe funding and Erasmus+ funding. The Horizon Europe programme targets research in the arts and humanities in areas of cultural heritage and the cultural and creative industries, and Erasmus funds support social participation in areas of cultural and academic exchange. Both of these programmes are geared toward supporting the production of knowledge and exchange, as well as opportunities for direct support of artists and performers.

Direct support is frequently, but not always, attached to those areas of expression that are more explicitly linked to European integration and/or celebration of the EU community. As stated in the EU body of treaty laws: "Article 167 of the Treaty of the Functioning of the European Union defines the role of the European Union (EU) in the area of culture: it supports, coordinates or supplements the actions of member countries and seeks to bring Europe's common cultural heritage to the fore. The EU supports actions to preserve cultural heritage, and promote cooperation and transnational exchanges between cultural institutions in member countries" [7].

[4] European Commission (a). "Culture and Creativity." Retrieved from: <https://culture.ec.europa.eu/funding/cultureu-funding-guide/discover-funding-opportunities-for-the-cultural-and-creative-sectors>

[5] EPRS (May 2020).

[6] European Commission (b). "Culture and Media." Retrieved from: https://ec.europa.eu/info/topics/culture-and-media_en.

[7] EUR-Lex. (2021). "Culture". Retrieved from https://eur-lex.europa.eu/summary/chapter/culture.html?root_default=SUM_1_CODED%3D10&locale=en, last accessed 22 February 2022.

Some examples of EU initiatives, through the Directorate-General for Education, Youth, Sport and Culture (DG-EAC) are ‘Heritage Days’ and ‘Capitals of Culture’, both of which serve to promote local sites and areas for the wider pan-European community.

While all of the above opportunities provide significant and critical sources of funding for various kinds of CCS projects, the majority of them are individually granted, and do not contain provisions for the kinds of hidden social security protections that accompany employment in many other sectors. They also do not motivate a reasonable convergence of opportunities or working conditions across EU member states. Given that working professionals in creative sectors frequently encounter precarity and irregularity in their contracts and working conditions, and taken together with the stark realities of recent pandemic economic downturns, it is ripe time for a consideration of how to foster more support for CCS professionals. Accounting for the parameters of EU competences within domestic political economies, this report focuses on the macroeconomic framework of the European Semester to attend to this consideration.

What is the European Semester, how does it work, and how might it be of use for furthering reforms in cultural and creative sectors?

The European Semester (ES) began in 2011 as a means to indirectly encourage socioeconomic coordination among EU member states in the immediate aftermath of the global financial crisis and the EU sovereign debt crisis. Neither the EU nor the European Central Bank (ECB) have direct authority over decision-making regarding public finances and fiscal policy, which remain the sole purview of domestic governments. As such, the ES is a mechanism for achieving better macroeconomic coordination among EU member states. It offers a timetable for proposing, discussing and implementing economic and fiscal policy reforms over the course of a year to encourage more alignment of national budgetary and economic policies towards commonly agreed-upon objectives. It also provides a systemized mode of governance that helps the EU to monitor and make recommendations on national economic performances and policy outputs [8]. Also notable within the ES’s purview is that despite the emphasis on economic convergence in and among member states, it also attends to social policies and social conditions that are intertwined with fiscal and economic coordination [9].

The ES cycle begins in November and ends in October. The most prominent player in the process is the Commission, where analyses, assessments and proposals originate. The Commission starts off the process by publishing its Annual Growth Survey (AGS) that identifies for the coming year the key reform priorities for the EU as a whole. The AGS is undertaken by a limited number of actors within the Commission and across various Directorate-Generals, but predominantly within the DG for Economic and Financial Affairs (DG ECFIN) as well as the DG for Employment, Social Affairs, and Inclusion (DG EMPL). It also publishes detailed Country Reports that contain key challenges and reform progress of each member state. Based on its assessment, the Commission proposes country-specific recommendations: CSRs. These CSRs, provided to each member state, are written by Commission task-forces in response to internal evaluations of the member states’ economic plans. The guiding principles are to simultaneously provide and strengthen the preventative arm of the Stability and Growth Pact of the EU’s single currency and single market, while remaining attentive to the specific nuances of each domestic political economy.

[8] Verdun, Amy and Jonathan Zeitlin (2018). “Introduction: the European Semester as a new architecture of EU socioeconomic governance in theory and practice.” *Journal of European Public Policy*, Vol. 25, No. 2: 137-148, <https://doi.org/10.1080/13501763.2017.1363807>

[9] Zeitlin, Jonathan and Bart Vanhercke (2018). “Socializing the European Semester: EU social and economic policy co-ordination in crisis and beyond.” *Journal of European Public Policy*, Vol. 25, No. 2: 149-174, <https://doi.org/10.1080/13501763.2017.1363269>.

This requires tailoring prescriptions that are more pragmatically geared toward the each country's individual variations of capitalism and governmental organization; to include (but not limited to) the particular circumstances of taxation, spending, social partners, and social benefits available within the region, as well as considerations of regional dynamics (federalism or unitary systems) and public administration capabilities. The basis of CSR content derives from overarching objectives of single market coherence (such as the EU's strategies for industry, SMEs, etc.), but also – notably – from a more general ambition to reduce social as well as economic imbalances between member states. To this end, CSRs go beyond fiscal policies in their recommendations to include targeted prescriptions on inclusivity of workplace policies, social protections, and social security provisions [10]. As an aside, while the newer aspirations of the European Green Deal and Digital Strategy are incorporated into the Rescue and Recovery Facility (see below) and likely influence the content of some specific CSRs, they are not necessarily integral to CSR content; indeed, each cycle of the Semester and related CSR content reflects various topical issues and considerations [11].

After the Commission composes the initial CSRs, the Council then reviews them and provides final text. Recent research suggests that the Council, composed of direct member state political representatives in various Council formations, selectively edits the Commission's recommendations [12]. This finding suggests that member states have input into the language and framing of the recommendations being given to them by the Commission, which likely helps with how the final content of the recommendations is tailored to domestic conditions.

These CSRs cover a wide range of policy fields, including fiscal governance, financial markets, employment, competition, public administration, and social policy. A content analysis of CSRs from 2012-2018 show that a majority of CSRs focus on fiscal policies – a logical finding given that the Semester's origins stem from the

fiscal imbalances that ushered in the sovereign debt crisis. However, within the policy topic area of fiscal policy, CSR recommendations vary a great deal in terms of problem identification and prescriptions for reducing fiscal imbalances within the EU and particularly among the euro currency area [13]. As well, the macroeconomic focus of the ES also places a relatively significant amount of emphasis on the social policies that necessarily must support the overarching integration project. The European Council provides policy orientations that are based in part on the AGS, and later on endorses the Council decision on CSRs, granting political confirmation by formally adopting and sometimes modifying the CSRs. The European Parliament (EP) accompanies the process, normally within the Employment and Social Affairs Committee [14]. It adopts resolutions and reports on the AGS and the CSRs each year and may invite the Presidents of the Commission, Council, European Council and Eurogroup to discuss the ES through an 'Economic Dialogue'. The 'national semester', which takes place during the second half of the year, is a period during which member states consider the recommendations as they implement socio-economic reforms and adopt national budgets for the next year (draft national budgets are due to the Commission by mid-October just before the cycle starts again) [15].

Research on the effectiveness of the Semester is not conclusive. While most scholars recognize the Commission's success in furthering the realm of EU economic governance with the Semester mechanism, they are divided on the amount of cause-and-effect that can be attributed to recommendations vis-à-vis domestic reforms. Vanheuverzwijn (2017) finds that the Semester has indeed been effective, but that this impact is visible in informal discretionary manners, rather than formal legal provisions. This is because the Commission, through the Semester, is able to use the CSRs to fill in some of the uncertainties in the legal tools of the Stability and Growth Pact and the Macroeconomic Imbalance Procedure, but needs to do so in a political fashion in order not to antagonize member states [16].

[10] Zeitlin and Vanhercke (2018).

[11] At the time of writing, the European Semester has only just resumed its cycle in 2022, after two years of pandemic-related pause.

[12] A prominent example of this research can be found in: Baerg, Nicole, and Mark Hallerberg (2022). "Council Checks of the Commission under the European Semester: Does Member State Power and Euroscepticism Still Matter?" *JCMS: Journal of Common Market Studies*, Vol. 60, No. 1: 58-80, <https://doi.org/10.1111/jcms.13268>

[13] D'Erman, Valerie, Jörg Haas, Daniel Schulz, and Amy Verdun. (2019). "Measuring Economic Reform Recommendations under the European Semester: 'One Size Fits All' or Tailoring to Member States?" *Journal for Contemporary European Research*, Vol.15, No.2: 231-252. <https://doi.org/10.30950/jcer.v14i3.883>

[14] European Council (n.d.). "How the European Semester works." Retrieved from: <https://www.consilium.europa.eu/en/policies/european-semester/how-european-semester-works/>

[15] Verdun and Zeitlin (2018).

[16] Vanheuverzwijn, Pierre (2017). "How the Commission fills in the blanks of the European Semester. Incomplete contracts and supranational discretion in the EU's post-crisis economic governance." *Politique européenne*, Vol. 55, No. 1: 8-35.

By contrast, other studies that focus on the measurable indicators of the Semester find that the overall weak implementation rates of country reforms in response to CSRs indicate a lack of effectiveness toward Semester objectives [17]. However, implementation rates vary a great deal according to both countries and policy areas, and do not tell the whole story of how domestic actors might be slowly adapting to CSR prescriptions over the longer term [18]. A synthesis of competing perspectives on the topic seems to suggest that the Semester indeed serves a purpose toward greater macroeconomic coordination, if perhaps indirectly through softer-law channels. Indeed, one recent piece of research on domestic adaptation to wage-related CSRs highlights that domestic actors are more likely to make use of EU-level prescriptions when those prescriptions support existing interests, and are more likely to ignore CSRs when the prescriptions contradict existing interests [19].

The ES as a tool for macroeconomic coordination and as a new form of governance has been criticized by academics and policy-makers on two fronts. The first set of criticisms is targeted at the effectiveness of the ES, citing the low rate of implementation of CSR prescriptions. The central thesis in this area suggests that the Semester is both overly bureaucratic and not strong enough in its monitoring and enforcement mechanisms [20]. The second set of criticisms instead holds that the ES is overly intrusive and too much of an infringement upon sovereign decision-making in areas of local nuance. In this vein, the ES exacerbates rather than resolves the differences in and among member states [21]. These two sets of criticisms are relevant for the investigation of how the ES might be better utilized as a source of support for creative and cultural producers in the EU. The first set of criticisms suggests an approach that works with the expectations and reality of how the ES engages with member states, recognizing the narrow purview of CSR content and the limited scope of monitoring and enforcement. The second set of criticisms is particularly relevant for the area of culture – an area which is normally highly attuned to the

particularities of local traditions, practices, and modes of expression, and where too much EU-level input might invite further criticism of an imposition on sovereignty. This set of criticisms suggests an approach that works with the practices of the ES that are the most relevant and well-received by member states, as established by published evidence on the interpretation of CSRs. The logic here would be to maximize the Semester's 'successes' in the areas of labour market support, and to avoid recommending that the ES is used overly aggressively towards the local dimension [22]. For the purposes of this report, the CSRs are a particularly relevant tool of the European Semester for providing direct and tailored prescriptions to EU member states – at least within distinct areas of policy-making that pertain to macroeconomic convergence in the single market. The official definition of a CSR, according to the Commission, is a set of recommendations which “provide policy guidance tailored to each EU country on how to boost jobs and growth, while maintaining sound public finances”. These sets of recommendations adapt priorities identified at the EU level to the respective national level and attend to potential sets of progress towards these priorities in the immediate 12-18 month short-term period following [23]. In doing so, the CSR content strikes a balance between broad suggestions of best practice and specific prescriptions for modification of domestic policy. Given that the cultural sector is one characterized by enormous variation between member states in terms of employment provisions for temporary workers, the CSRs seem to offer a reasonable point of engagement between the overarching macroeconomic surveillance aims of the EU and the more nuanced considerations at play in domestic labour markets.

Recovery and Resilience Facility (RRF)

The COVID-19 pandemic, although a public health crisis, initiated widespread severe economic downturns across Europe due to mandated lockdowns of almost all elements of interpersonal activities and numerous workplaces. In response to the economic impacts of the pandemic, the

[17] Efstathiou, Konstantinos and Guntram B. Wolff (2018). “Is the European Semester effective and useful?” Bruegel, Policy Contribution, No. 9: <https://www.bruegel.org/2018/06/is-the-european-semester-effective-and-useful/>

[18] D’Erman et al (2019).

[19] D’Erman, Valerie, Daniel Schulz, Amy Verdun, and Dennis Zagermann (2022). “The European Semester in the North and in the South: Domestic

[20] One prominent example of this line of criticism can be found here: Alcidi, Cinzia and Daniel Gros (2017). “How to strengthen the European Semester?” CEPS Research Report 2017/15. Online: <https://www.ceps.eu/publications/how-strengthen-european-semester>

[21] One prominent example of this line of criticism can be found here: Regan, Aidan (2017). “The imbalance of capitalisms in the Eurozone: Can the north and south of Europe converge?” Comparative European Politics, Vol. 15, No. 6: 969-990.

[22] D’Erman et al (2022).

[23] European Commission (2018). “Fact Sheet: European Semester 2018 Spring Package explained. http://europa.eu/rapid/press-release_MEMO-18-3847_en.htm

EU initiated a major rescue package during the summer of 2020. This became the Recovery and Resilience Facility (RRF), an institutional structure to provide financial support to member states through a combination of grants and loans. The RRF relies upon the European Semester as the framework for its governance. To access the RRF funds, member states needed to submit detailed National Recovery and Resilience Plans (NRRPs). The submission of these plans, along with the timing of the final adoption of the CSRs in the European Council, demonstrate a solidification of the Semester's role towards a slightly 'harder' form of governance than it had been pre-pandemic. The RRF Regulation of February 2021 stipulated that "the European Semester for economic policy coordination (European Semester), including the principles of the European Pillar of Social Rights, is the framework to identify national reform priorities and monitor their implementation" [24]. The Regulation identifies three areas of intersection between the ES and the RRF: the NRRPs will contribute to address challenges identified in the relevant CSRs, or in other relevant documents officially adopted by the Commission in the Semester; member states may submit their National Reform Programme (NRPs) and CSRs in a single integrated document; and (c) twice-yearly reporting on the progress made towards CSR prescriptions and the RRFs will take place in the context of the ES [25].

Vanhercke and Verdun (2022) suggest that the ES is likely to evolve towards a more binding structure as a result of the new linkage with the RRF. This is because the nature of the NRRPs stimulate more domestic ownership of reform processes as member states need to identify the targets and milestones against which implementation will be assessed, and because of the financial incentives within the RRF attached to reporting and implementation. Taken together, the authors suggest that this intersection has the potential to compel member state governments to take the CSRs more seriously, and to capitalize on the opportunity to seek support for specific domestic needs [26].

With regards to CCS, the current intersection of the RRF within the ES provides a potential point of opportunity for support. The macroeconomic framework of the ES

provides an important point of communication between the EU-level and the domestic level, and the RRF prompts internal domestic debate over how to best utilize recovery funds towards supporting and rebuilding the economy in response to pandemic measures. Given the parameters of the ES and the targeted nature of RRF funds, this report suggests that the best way to maximize the utility of the ES for CCS is to focus on the structural policies surrounding the working conditions of cultural professionals. The benefit here is that the RRF can serve to prompt more concrete action on better working and social security policies for those employed in the CCS, and that the ES can provide a monitoring and surveillance mechanism that prompts action from member states. Empirical data on the impact of the RRF and its potential ability to 'harden' some of the mechanisms of ES does not yet exist due to the novelty of the funds, but the next round of NRRPs is likely to help develop future insights on this relationship. The next section provides an overview of the Semester's specific policy areas and points of contact for influence that might be of best use for CCS workers.

Strategies for maximizing the potential utility of the European Semester

It should be noted that the origins of the ES are contained in the responses to the sovereign debt crisis which occurred among various EU member states between approximately 2009 and 2014. The event that led to the sovereign debt crisis in Europe was the global financial crisis that began in late 2007 in the banking industry of the United States, but the structural origins of the sovereign debt crisis are also considered to have originated in the asymmetrical framework of the euro currency [27].

[24] European Parliament and Council of the EU (2021) Regulation establishing the Recovery and Resilience Facility of 12 February 2021. OJL 57, 18.2.2021, pp. 17–75.

[25] Vanhercke, Bart and Amy Verdun (2022). "The European Semester as Goldilocks: Macroeconomic policy coordination and the Recovery and Resilience Facility". *JCMS: Journal of Common Market Studies*, Vol. 60, No. 1: 204– 223, <https://doi.org/10.1111/jcms.13267>

[26] Vanhercke and Verdun (2022).

[27] Vanheuverzwijn (2017).

The Economic and Monetary Union (EMU) that established the single currency and European Central Bank created a full monetary union for all participating EMU members, yet the EU's single market does not include a single fiscal union [28]. This is a critical point for understanding the opportunities and limitations of the ES, because it means that the economic governance structure of the EU is such that member states share a monetary union (single currency, centralized inflation rate, independent EU-level central bank) and are integrated into an economic union (single market, single external trade policy), yet remain entirely sovereign when it comes to fiscal policy. Fiscal policy includes (but is not limited to) taxation, public spending, and public borrowing. Thus, taxing and spending decisions – what some observers might maintain are the very essence of domestic politics – remain at national competence apart from the EU economic governance mechanisms. The relevance here for CCS is attached to the scope of a member state's public expenditures, subsidies, and taxation rules and exemptions; this particular domestic sphere of competence is where policies relating to public spending on CCS would take place, whether via direct spending, subsidies for cultural endeavours, or tax exemptions for various kinds of employment in CCS. This explanation of EMU asymmetry is helpful for situating the utility of the ES.

The ES itself became a way to foster more convergence among the very different domestic political economy practices of EMU and non-EMU EU members in order to avoid a repeat of the sovereign debt crisis. While the EU itself has no competence over the public finances of EU members (and indeed there is little to no political appetite for pushing for more integration in fiscal policy), the crisis revealed the vulnerability of the euro area to economic downturns. Without direct 'hard-law' tools to invoke a single set of shared policies to stabilize the single currency, the decision was made during the height of the crisis to develop a mode of governance that could survey, monitor, make recommendations, and increase the shared transparency of domestic practices, but would still not directly infringe upon the decisions of sovereign states over fiscal policies. The ES thus became in effect an information-sharing and response tool to help member states identify areas within domestic economies that could become a strain on the limitations of the shared

single currency. Because of this, the ES is not a single venue where CCS advocates can push for a single set of outcomes, but it is a framework where advocates can target various working groups attached to prescribing relevant employment support and social policies.

The CSRs themselves are presented as yearly numbered recommendations to member states, and vary a great deal in terms of amount, depth, and detail. While the EU itself does not designate formal policy area descriptors for these CSRs, researchers have designed a dataset to categorize the main policy areas in order to examine the similarities and differences in recommendations to member states. The dataset developed by Haas et al is helpful for categorizing the CSRs into the following ten policy areas [29]:

- Budgetary policies;
- Business;
- Competition;
- Education and innovation;
- Employment and wages;
- Environment;
- Funding, housing and banking;
- Infrastructure and energy;
- Public administration;
- Social policy.

This list (whose categories are explained in depth in the dataset's codebook) illustrates the areas of ES attention. It is evident that the emphasis in CSR content is on structural areas that ultimately impact the cohesiveness of the single market and single currency area. The content of specific CSRs also illustrates that the prescriptions are geared toward discouraging economic practices that could lead to extreme divergence among the member states economies. Because of this, advocacy for CCS improvement of working conditions should concentrate on working within the topical parameters of what the ES does in terms of policy areas, and what its limitations are in terms of making explicit recommendations. This report recommends that a useful strategy for maximizing the potential utility of the European Semester for CCS is to advocate at the EU-level within any bodies related to employment and social policies. A summary of policy areas and committees are provided below.

[28] Verdun, Amy (1996). "An 'asymmetrical' economic and monetary union in the EU: Perceptions of monetary authorities and social partners." *Journal of European Integration*, Vol. 20, No. 1: 59-81, <https://doi.org/10.1080/07036339608429045>

[29] D'Erman, Valerie J.; Haas, Jörg; Schulz, Daniel F.; Verdun, Amy, 2021, "EUROSEM CSR Dataset", <https://doi.org/10.5683/SP2/CYRZHE>, Scholars Portal Dataverse, V1.

Policy area 1: Employment and Wages

Given that the overarching goal of the ES and macroeconomic coordination is about stabilizing a strong, productive and resilient single market, the policy area of employment and wages is the most salient area to advocate for improvements in labour market conditions for artists and cultural performers and producers. CSRs are a potentially useful place for encouraging prescriptions that directly and indirectly support the working conditions for the CCS. Each EU member state has a “Representative Office of the European Commission” in the capital city; the central role of these offices is to connect Commission priorities with national and regional authorities. This connection goes beyond the realm of CSRs or even the ES, and serves as a general component of dialogue between Commission and member states on all EU-related issues [30]. That being said, these offices can also serve as a useful point of communication on CSR-specific details, and perhaps provide informal channels of discussion and awareness on how domestic actors might place themselves to provide input into future CSRs. These offices would be a suitable place to advocate for improvements in the following labour market conditions (list below is suggestive only and is heavily shaped on national context and local circumstances):

- Minimum wage supports for precarious industries;
- Tax deferral schemes for temporary and low-income workers;
- Collective bargaining and/or social partner support specifically tailored for the CCS;
- Public wage adjustment schemes designed to help workers in the CCS put aside and shelter funds for periods of unemployment, sickness, or disability.

Policy area 2: Social Policy

While academics and analysts are divided on how much attention the ES gives to the field of social policy (with some appreciating the raised profile of social policies in CSR content, and others instead identifying a heavy dominance of economic priorities), it is safe to say that the ES and its CSRs do not neglect the field of social policy as being an important component of macroeconomic convergence. To this end, research on CSR content across countries demonstrates that consistent attention is given to essential social services

and welfare policies, in terms of recommending policies that might serve to streamline the foundation for the productivity and resilience of the single market. In this sense, the area of social policy would be suitable to advocate for improvements in areas such as (but not limited to):

- Pension schemes that intentionally accommodate the irregularity of CCS employment;
- Unemployment benefits that go beyond stop-gap emergency measures and are compatible with precious and irregular forms of CCS employment;
- A ‘social status of the artist’ within member states to help CCS workers access and engage with related social policy benefits relevant for those engaged in artistic and cultural productions.

Policy area 3: Education and Innovation

Given that many CCS workers are independent freelancers and/or contractors, operating in a (more often than not) fragmented labour market, there are reduced opportunities for lifelong learning, training, and networking when compared to a more formalized and established employment sector. In this vein, policy prescriptions in education and innovation for supporting the working conditions of the CCS could be presented as:

- Public subsidies for training programs and employment skills opportunities;
- In synthesis with RRF priorities of supporting the EU digital economy, prescriptions for digital access frameworks, as well as for intellectual property provisions for CCS workers reliant on digital platforms;
- Attaching access to funding for creative stakeholders to existing educational programs.

Sectoral CSRs relevant for the CCS

In consideration of the European Commission’s designated CSRs for both 2019 and 2020, it is clear that there is a divergence in focus between the two years, due to the change in urgent necessities posed within member states to deal with the COVID-19 crisis. Originally, in 2019, the topic of employment incentives was more present in terms of specifically identifying sectors such as construction, manufacturing, education and agriculture, all of which reflect a need to address the issues of upskilling and

[30] European Commission (n.d.). “Representations in Member States.” https://ec.europa.eu/info/about-european-commission/contact/representations-member-states_en

improving working conditions. A particular sector which is noteworthy is the education sector, where multiple CSR's have addressed the need to boost the attractiveness of the sector for its workforce. For instance, in Estonia, the high degree of skills shortages has caused the Commission to urge the Member State to enhance the working conditions of teachers and focus training initiatives to improve labour shortages, as such 'the quality of teaching and education policies in response to demographic and economic trends would strengthen the capacity of the education and training system' [31]. By 2020, it was clear that the societal demands of the COVID-19 pandemic have shifted CSR's towards socio-economic recovery as a way to ensure both businesses and workforces establish proper measures for resiliency and safety, most prominently, within the health and tourism sectors. While obvious recommendations were introduced to Member States to improve the health and safety measures within the workplace through social distancing, staffing challenges were recognised to be a pressing issue. In Austria, the Commission recommended that it is necessary to 'secure the free flow of cross-border workers' while also implementing "adequate remuneration" [32] to boost the attractiveness and efficiency of the nursing sector. Additionally, as large scale confinement measures took hold, the Commission also addressed the challenges and needs within the tourism sector, with this being an essential proportion of many Member States economies. As such, the Commission's CSRs clearly states that "the current situation calls for targeted policy responses" [33] [34] [35] [36] [37] [38] [39] [40] and has called on Member States to mitigate any temporary reduction in uniformity within the sector.

In consideration of the following CSRs between 2019 and 2020, there is evidence to support that there is definitely space for the Cultural and Creative Sector (CCS) to be directly included within targeted policy recommendations for Member States. As a sector which has been most severely affected by COVID-19 alongside tourism and health, the issues of improving skills and working conditions would also be relevant to the CCS in achieving a better situation for artists and diminish any precariousness in the future.

[31] Recommendation for a COUNCIL RECOMMENDATION on the 2019 National Reform Programme of Estonia and delivering a Council opinion on the 2019 Stability Programme of Estonia

[32] Recommendation for a COUNCIL RECOMMENDATION on the 2020 National Reform Programme of Austria and delivering a Council opinion on the 2020 Stability Programme of Austria

[33] Recommendation for a COUNCIL RECOMMENDATION on the 2020 National Reform Programme of Austria and delivering a Council opinion on the 2020 Stability Programme of Austria

[34] Recommendation for a COUNCIL RECOMMENDATION on the 2020 National Reform Programme of Cyprus and delivering a Council opinion on the 2020 Stability Programme of Cyprus

[35] Recommendation for a COUNCIL RECOMMENDATION on the 2020 National Reform Programme of Greece and delivering a Council opinion on the 2020 Stability Programme of Greece

[36] Recommendation for a COUNCIL RECOMMENDATION on the 2020 National Reform Programme of France and delivering a Council opinion on the 2020 Stability Programme of France

[37] Recommendation for a COUNCIL RECOMMENDATION on the 2020 National Reform Programme of Croatia and delivering a Council opinion on the 2020 Convergence Programme of Croatia

[38] Recommendation for a COUNCIL RECOMMENDATION on the 2020 National Reform Programme of Italy and delivering a Council opinion on the 2020 Stability Programme of Italy

[39] Recommendation for a COUNCIL RECOMMENDATION on the 2020 National Reform Programme of Malta and delivering a Council opinion on the 2020 Stability Programme of Malta

[40] Recommendation for a COUNCIL RECOMMENDATION on the 2020 National Reform Programme of Cyprus and delivering a Council opinion on the 2020 Stability Programme of Cyprus

Summary

The European Semester provides an avenue for Creative and Cultural Sector advocates to lobby for better working conditions to support artists and cultural professionals. Such professionals are frequently subject to temporary projects and short-term contracts, and also frequently lack the kinds of social security policies and working protections that help to foster sustainable working conditions. While the Semester began as a largely macroeconomic surveillance tool, designed to stabilize the euro area in response to sovereign debt crisis, it engages with Country-Specific Recommendations on topics involving labour laws, wages, and welfare policies. For this reason, the Semester can be helpful towards encouraging and fostering a convergence of working conditions for CCS professionals across the European Union.

The recent Recovery and Resilience Facility – an EU financial rescue tool coming on the heels of the COVID-19 pandemic – works with the existing framework and schedule of the European Semester to gather information on national reports. Because the RRF provides loans and grants for member states, and because it accompanies the recommendations of the Semester’s CSRs, there is increased opportunity for the EU to encourage and support more structural changes related to CCS working conditions. This is a valuable development, as it utilizes a supranational mechanism that promotes a healthy degree of convergence but still does not breach EU legal obligations of subsidiarity by intruding into the sovereign domestic spheres of fiscal policy decisions. There is hope that the financial incentives provided by the RRF may help to motivate member states to undertake parallel reforms of CCS working conditions together.

The report summarizes the key policy areas under the Semester’s purview, and outlines the central EU offices where advocacy for CCS working conditions might be best targeted. The central findings for this report are as follows:

- The Semester as macroeconomic coordination mechanism at the EU-level is relevant because of its objectives towards promoting convergence and stability among the highly divergent fiscal and social policies of EU member states. For CCS, this is potentially useful as the coordinative aspect of the Semester provides the topical purview of addressing the need for more effective working supports for CCS across the entire Union.
- Research on the utility and the effectiveness of Semester activities to date suggest that national responses to CSRs vary enormously in terms of implementation rates, member state responses, and time periods. Newer research also suggests that local actors utilize CSR content as leverage when CSRs serve the existing interests of domestic actors, but are also likely to ignore CSR prescriptions when the content contrasts with existing interests. This finding suggests that the Semester’s tools do indeed hold possibilities for CCS advocates, but that advocacy should not concentrate at the EU-level alone, and should instead work in tandem with well-placed domestic governing actors.
- The recent Recovery and Resilience Facility, designed in response to the COVID-19 pandemic, provides loans and grant to member states to help with pandemic-related economic fallout. The RRF requires each member states to prepare National Recovery and Resilience Plans detailing how the funds will be used, and how these funds are in line with EU headline goals relating to (among other areas) Digital Europe. The preparation of these plans has been incorporated with the Semester cycle and existing national responses to Semester tools. Because of the money involved in the RRF, this report suggests that the current moment is a ripe one for CCS advocates trying to utilize the Semester and CSRs for furthering working supports for cultural professionals, as the provision of funds to national reform programmes is likely to ‘harden’ somewhat the existing soft framework of Semester monitoring and surveillance.
- The most salient areas for CCS advocates to contact are: Representative Offices of the European Commission in each member state (for the purpose of establishing a presence and a relationship with EU-national sources of dialogue in each country); the Council of the EU committee configuration on Employment and Social Affairs (for the purpose of encouraging member state representatives to focus on employment support policies for workers in temporary, precarious, and fragmented areas of labour); and national governmental ministries of culture (the most direct source of input for domestic policy-making on the topics of public spending and taxation related to CCS).

