



## School of Business

### Research Seminar Series 2021-2022

*“Has the European Semester become a driver of national pension policy?”*

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#### **Paper Abstract**

The European Union’s ageing societies poses major policy challenges for pension systems. Since both the economies and the societies of Member States are increasingly integrated, the success and failure of national pension policies and reforms has an ever-increasing impact beyond national borders and on the smooth running of the European Monetary Union. This means that pensions are increasingly becoming a matter of common concern in the EU and have earned a place on the European Commission’s policy agenda. Planning for policy harmonisation, and the Europe 2020 growth and jobs strategy, calls for deeper integration and coordination of economic and budgetary policies. However, notwithstanding that the EU acts in the regulatory domain regarding pensions, the subsidiarity principle and member state autonomy over taxes, limits the EU’s power regarding social security.

This paper is a comparative study of recent pension system reforms in the Netherlands and Ireland to analyse how the European Semester influences pension reform in each country. It examines how pension reform is framed in the European Semester process, through analysing the Annual Growth Surveys (AGS), and the Country Specific Requirements (CSR) for the Netherlands and Ireland. As a theoretical lens to understand the discursive processes in the AGSs and CSRs, this paper employs discursive institutionalism (DI). While institutionalism is concerned with how institutions shape and influence outcomes, DI concerns ideas, and how they are communicated through discourse. Using the DI framework, we identify the form and type of ideas that flow from the EU to its Member States in its AGSs and CSRs and which ideas are implemented as policy. We find that there is a divergence in effectiveness between cognitive and normative ideas in EU discourse, - cognitive ideas are privileged over normative ideas. This divergence needs to be addressed if social sustainability is to be elevated to equal cost containment as a philosophical underpinning of pension reform.