

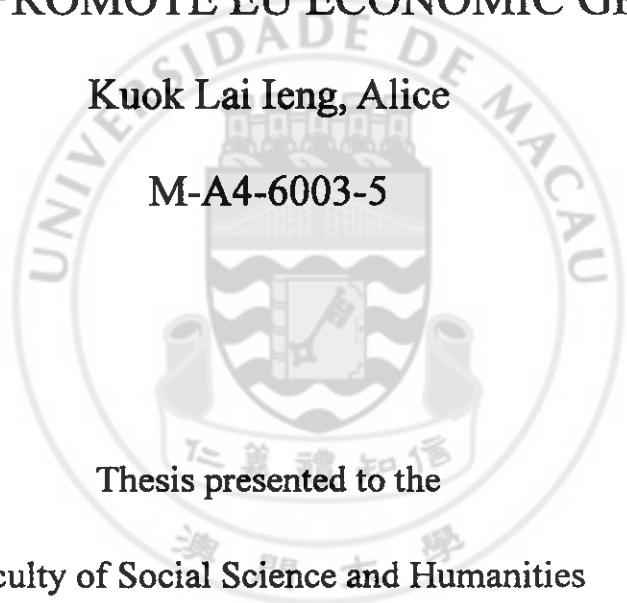
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**DO THE EMPLOYMENT POLICIES OF THE LISBON
STRATEGY PROMOTE EU ECONOMIC GROWTH?**

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Executive Summary

European citizens identify the fight against unemployment as one of the challenges of the European Union (EU). The EU spends a lot of time and money on its employment policy and full employment is the target which they are working hard to achieve. Therefore, I will make a hypothesis based on answering the question, “Do the employment policies of the Lisbon Strategy promote EU economic growth?”

My dissertation is not a study about economics; it is an analysis of how EU institutes work and whether they are up to their claims in employment. My work objective is to prove that employment is crucial for economic development; I will demonstrate the challenges that the EU encountered. The challenges are the EU identity and the asymmetry of its political architecture which are difficult for the EU to deliver some of its promises contained in the social dimension and relating to full employment. Then the external challenges of globalisation, enlargement and the widening gap with the EU’s main competitor countries, and the internal challenges of change in demography and lack of coordination from the Member States. In addition, I will point out the importance of employment. Therefore, in the 1990s, the European Employment Policy became the priority in the EU. The EU started to examine and study employment when Delors White Paper on “Growth, Competitiveness, and Employment” launched in December 1993, and also the decisions from Essen

Employment Summit in 1994. Moreover, employment is introduced in the Amsterdam Treaty, which the European Employment Strategy (EES) is established in the Luxembourg Jobs Summit in 1997. Finally, the Lisbon Strategy was launched at the Lisbon Summit in March 2000 and having the goal of becoming “the most competitive and dynamic knowledge-based economy with sustainable growth, more and better jobs and greater social cohesion”.¹ The employment policies of the Lisbon Strategy are first implemented through the Open Method of Coordination (OMC). I will list out its success and criticisms for elucidating its implementation. Employment guidelines are passed by the European Commission and they are being discussed by the social actors and trade unions for the implementation of the Member States. Then, the Lisbon Strategy for Growth and Job was relaunched in 2005 after the review and recommendation from the KOK Commission, and it shows that Europe did enjoy impressive job creation and growth in 2006.

In order to make my view more presentable, I will use four selected Member States which are the close followers of the EES: Germany, the United Kingdom, Spain and Finland for explanation and to prove that the employment policies of the Lisbon Strategy have had a positive impact in increasing employment and contributing to the promotion of the economic growth.

¹ European Council 2000:2

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