

Anglo-American Neoliberalism: A Cornerstone of The European Governance and A Convergence Tool of Employment Policies Within Member States

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Abstract

The economic policies implemented by Ronald Reagan in the United States of America (USA) and Margaret Thatcher in the United Kingdom (UK) during the 1980s had a significant impact on European governance policies in the late 1990s. These policies were based on neoliberal strategies with the objective of achieving continuous economic growth, and this was also the case with employment policies. This paper examines the impact of Anglo-American neoliberalism on the process of European Union (EU) labour market convergence. A study of the European Union archives related to employment policies reveals several key dimensions. The methodology is based on an analytical framework which is used to evaluate the impact of the European Employment Strategy (EES) on the British labour market, taking into account both European objectives and British priorities in terms of employment. The UK's measures implemented during the period between 1997 and 2011 are identified and evaluated using the analytical grid. The results provide an overview of the influence of neoliberal values on European directives from the Maastricht Treaty to the Amsterdam Treaty. The Open Method of Coordination (OMC), a convergence tool, is based on the implementation of supply-side economic policies, free market principles, efficiency, and flexibility, which were previously advocated by Margaret Thatcher and Ronald Reagan. The concept refers to the limited role of the state in neoliberal ideology. Each member state maintains sovereignty over its employment policies, with the European Commission providing only non-binding guidelines. This paper aims to address the efficiency of the EU in implementing neoliberal instruments to impact convergence and governance related to employment policies, despite varying labour market institutions across different countries.

Keywords: Anglo-American neoliberalism; governance; employment policy; European convergence; open method of coordination