

Editorial

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The NextGenerationEU recovery plan, alongside investments disbursed from the Union's long-term budget, represents the largest stimulus package ever financed by the EU. Designed to address the economic and social disruption caused by the Covid-19 pandemic, it involves more than 800 billion euros in grants and loans to support reforms and investments in the Member States. It encompasses seven financial programmes, the Recovery and Resilience Facility (RRF) being by far the largest.

The social dimension of the RRF is the subject of this special Issue of the *Italian Labour Law e-Journal*, which is the product of a joint project with the European Trade Union Institute (ETUI). It aims at providing a comprehensive overview of the national Recovery and Resilience Plans (RRP), in which the Member States have been asked to outline how they plan to invest the funds, in compliance with the targets laid down by the RRF. We believe that such an extensive review will prove to be a very useful instrument for tracing the course of European social policy in the wake of the pandemic. It will help us to understand whether the EU's complicated governance architecture, enriched by the RRF, may effectively enable the EU to attain the social and labour policy targets set out in the Porto Declaration and in the European Pillar of Social Rights; in particular, the creation of more inclusive labour markets and improved social protection systems, leading to a fairer society.

In the first three contributions to this special issue, the different aspects of this question are explored from an EU perspective. In the opening article, Sonja Bekker explains that the RRF has become part of the EU's multi-level governance, in which the European and national players interact with a view to achieving various targets. For its social component, it is tied to other governance instruments, namely the European Pillar of Social Rights (EPSR) and the EU Semester. There are several linkages between the RRF and those instruments. The fact that conditions attached to the loans and grants included the implementation of the 2019 and 2020 Country-Specific Recommendations (CSRs), covering many topics related to social policy, are an example of this. Another is the inclusion of Pillar principles into RRF objectives, which have to be taken into account by the Commission when assessing the

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RRPs. This seems to entail a new design for EU governance, involving a different interplay between its instruments (ruled-based, coordination-based, monetary-based), which can lead to a new way of developing (better) socioeconomic policies at the national level.

Francesco Corti, Tomas Ruiz and Alessandro Liscai explore the social dimension of the NGEU from a social investment perspective. Their contribution shows that, after decades of underinvestment, especially during the austerity imposed in the wake of the Great Recession, the RRF has the potential to relaunch public social investment in Europe. The article shows that this has occurred especially in those Member States with limited fiscal capacity (Belgium, Italy, Portugal and Spain), which were also among the states that were most subject to austerity interventions during the Euro Crisis. The analysis shows that in these states, RRF resources were largely channelled into new projects. By contrast, the RRF's impact on social investments appears to be less strong in states with greater fiscal capacity, such as Austria and Germany, where the RRF has predominantly targeted investments that were already in the pipeline. All in all, the study conducted in the article concludes that the RRF has had a positive effect, as it enabled social investments where past spending cuts had resulted in infrastructure problems over the years.

The third 'horizontal' contribution, by Silvia Rainone, evaluates the NGEU from the point of view of its effectiveness in bringing the Union closer to achieving its social objectives. This contribution discusses the remarkable novelties introduced by the RRF: enhanced support for public investments, a different (and more nuanced) approach to macroeconomic and fiscal conditionality, and the integration of the European Pillar of Social Rights in the recovery strategy. These elements indicate that the EU has approached the crisis in a decidedly different way from the years of the Great Recession, this time leaving more space for redistributive and protective initiatives in the social and labour sphere. The analysis of the various RRFs, however, shows that the broader room to manoeuvre has not been used effectively to introduce decommodifying measures, with most of the initiatives aimed at active labour market policies. As a result, the Union appears better equipped to realise its targets regarding employment rate growth rather than objectives related to the promotion of better working conditions and combating poverty and social exclusion.

The social impact of the RRF is approached in a national perspective in the second section of the issue, composed by national reports written by national experts in social law. All the national reports follow an established structure based on the same research questions. After providing a general framework pointing out the country's position vis-à-vis the NGEU, the reports move to an overview of national recovery and resilience plans. They give an account of the amounts requested in grants and loans and their distribution among the various reforms and investments proposed. They also point out which of those reforms may have an impact on the labour market, employment protection, social protection and social assistance.

In exploring the social dimension and labour dimensions of the RRFs, the reports consider the outcomes of the multi-level dialogue between national governments and the EU institutions. They also investigate the level of commitment of the measures adopted within the RRF to the principles of the EPSR, the Social Scoreboard, and the 2019 and 2020 CSRs.

Finally, the reports compare the response to the Covid crisis with that to the Great Recession. It aims to bring out whether and how the NGEU and the RRP have set management of the economic and financial effects of the current crisis on a different pathway than during the 2011 Euro Crisis. To that end the reports consider the fiscal and macroeconomic recommendations in the context of the in-depth reviews carried out by the Commission since the Covid-19 pandemic occurred (including the 2022 Spring Package) and their impact on social and employment protection policies. They also investigate other factors that may be distinct with the former crisis, such as the involvement of social partners in the elaboration and implementation of the RRP. Some final considerations are then included in all the reports, seeking traces of an opening towards a growth model in which social and employment policies are more than merely functionally subordinate to fiscal and macroeconomic priorities.

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