

The EU Communication 'Union of Skills': A Further Step toward Embedding Skills Policies within a Competitiveness-Oriented Economic Rationality

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Abstract

The European Commission's Union of Skills, published on March 5, 2025, is presented as a strategic response to what is increasingly described as a multidimensional skills crisis, within a global context marked by growing uncertainty, geopolitical tensions, technological and environmental transformations, and deepening social inequalities. Within this framework, the EU appears to prioritize competitiveness by adopting an integrated approach to education, training, and employment policies, aligning them with economic priorities in an increasingly competitive international environment. This study critically examines the limitations of such a strategy, focusing on its strong emphasis on the economic function of education, often at the expense of its broader roles in fostering critical thinking, promoting social inclusion, and enhancing democratic participation. The initiative primarily centers on the concept of human capital development as an investment process, promoting a narrow linkage between skills and the short term needs of the labor market. In this light, skills policies are integrated into the EU's broader strategic narrative for green and digital transition, reinforcing the view that lifelong learning and continuous skills development are key drivers of productivity and innovation. However, the technocratic and instrumentalist perspective shaping EU skills policy -despite its rhetorical commitment to social justice- may risk reinforcing existing social inequalities, particularly when it fails to account for the differentiated needs and socio-economic specificities of member states and social groups. The study highlights that the Union of Skills represents both a continuation and evolution of previous EU strategies, while also introducing new, increasingly concentrated governance structures. These may further entrench the link between education and macroeconomic goals and push national policies toward convergence under a common European trajectory. Against this backdrop, the key question remains whether this policy framework can be re-signified in ways that go beyond competitiveness to genuinely promote democratic well-being, social cohesion, and personal self-actualization. The study ultimately argues for a new, holistic and human-centered -as opposed to business-centered- approach to skills policy—one grounded in the principles of social justice, solidarity, and democracy. Education should not be confined to a purely instrumental role; as Paulo Freire once wrote, it must remain a practice of freedom—nurturing active participation and meaningful social progress.

Key words

skills, inequality, education, lifelong learning, labor market

Thirsty for national profit, nations, and their systems of education, are heedlessly discarding skills that are needed to keep democracies alive. If this trend continues, nations all over the world will soon be producing generations of useful machines, rather than complete citizens who can think for themselves, criticize tradition, and understand the significance of another person's sufferings and achievements. The future of the world's democracies hangs in the balance. (p. 2)

— Martha Nussbaum, "Not for Profit: Why Democracy Needs the Humanities"

1. Introduction

The complex dynamics of the international political scene, geopolitical tensions, escalating rivalries, the climate crisis, and deepening social inequalities are generating an environment of uncertainty that disrupts traditional balances. The European Union (EU) is confronted with ongoing and significant crises that undermine temporary and fragile economic stability, shift political power, fracture the illusion of social cohesion, and erode democratic values. In recent years, skills policies have been regarded as part of the strategic response to these challenges, aiming to adapt individuals to the demands of an ever-evolving labor market and to prepare EU citizens for the employment challenges of the future.

The European Commission's (2025b) *Union of Skills* Communication claims to address these challenges by emphasizing the importance of securing a modern and skilled workforce that will enhance the EU's competitiveness and economic resilience. In practice, this initiative seeks to highlight the urgent need for strategic approaches to lifelong learning for adults that respond to the future demands of an ever-changing labor market. Its objective is to achieve the greatest possible convergence of education, training, and employment policies across Member States, with the hope that EU citizens will thereby be able to meet the demands of an increasingly volatile economic and technological environment.

This initiative, as will be further illustrated, incorporates a business-oriented and technocratic approach in which knowledge, skills and competences are not primarily viewed as tools for social inclusion or personal development, but rather as means to enhance productivity, innovation, and adaptability to the priorities of prevailing macroeconomic policies. Within this rationale, the concept of "human capital" occupies a central position. Education and training are primarily perceived as individual investments aimed at securing future employment and income. Workers' skills are presented as a fundamental prerequisite for the EU's competitiveness, particularly in the context of the "green" and digital transitions. The emphasis on strengthening the international competitiveness of the European economy is presented as a key priority, without sufficiently addressing the power imbalances and unequal dynamics among the various European economies, nor the human-centered and social dimension of education and training. Inevitably, this raises a fundamental question about the nature and purpose of education in a democratic society. Martha Nussbaum (2010) emphasizes that an exclusive focus on skills related to economic growth leads to a deeper crisis: the erosion of democratic foundations, warning of the danger of neglecting the role of education in cultivating critical thinking, empathy, and civic participation.

The Union of Skills initiative is closely linked to the European Union's most recent analyses on competitiveness, adopting a technocratic lens that emphasizes the importance of aligning skills policies with the twin transitions: decarbonization and digitalization. However, this model is not without limitations. The need to substantially strengthen the social dimension in the development of knowledge and skills remains critical, and the key question that arises is whether this policy will succeed in addressing the real needs of all European citizens or whether it risks reinforcing inequalities and regional disparities.

Within the context of the ongoing dialogue surrounding this policy, its critical and reflective assessment is essential. There is a significant risk that it may fail to meet the needs of diverse social groups or lead to institutional and social impasses. The present study aims to analyze the Union of Skills initiative and critically examine the goals and policies it encompasses. Its objective is to highlight its key dimensions, decode its underlying rationale, and identify the potential risks and limitations that may emerge during its implementation.

2. Developing an Analytical Framework for Assessing the Union of Skills Communication

To fully grasp the spirit of the *Union of Skills* Communication, one must situate it within the theoretical tradition from which it originates, study it in parallel with related policy texts, and take into account the factual circumstances prevailing at the time of its publication.

The European Union is undeniably standing at the threshold of significant challenges. The escalation of international rivalries and geopolitical tensions poses a threat to global peace. Intense trade and economic wars over the control of raw materials, energy sources, consumer markets, and human labor have intensified. Ongoing armed conflicts are causing enormous human suffering and the destruction of infrastructure essential for human survival. These conflicts -compounded by fear and insecurity- are driving forced migration and placing additional strain on public finances through rising military expenditures, often at the expense of critical sectors such as education, social welfare, and health. Additionally, these conflicts have lasting consequences for mental health, particularly among young people. They negatively impact transportation, international trade, and energy security and sufficiency by fragmenting value chains.

The climate crisis is rapidly deteriorating human living conditions, inflicting irreversible damage on surrounding natural ecosystems and frequently generating substantial emergency costs for national budgets. At the same time, rapid technological advancement in our increasingly networked world -including the accumulation of vast data sets and their algorithmic management, the digitization of ever more aspects of daily life, and the proliferation of artificial intelligence applications- is profoundly transforming both the nature and content of work. These developments result in job displacement and the emergence of new professions, exacerbate educational and income inequalities, and contribute to the spread of misinformation and ideological manipulation. Demographic trends in most European countries are heavily skewed toward an aging population, with serious implications for the availability of working-age individuals and the sustainability of social security and healthcare systems. Systems of governance are experiencing a crisis of effectiveness, having lost a significant degree of public trust. Meanwhile, racism, xenophobia, and neo-fascist far-right populism -phenomena thought to have been relegated to Europe's past- have re-emerged, with their proponents frequently contending for electoral success and positions in government. Regional disparities continue to widen rather than close. This complex of issues constitutes the dominant, negative dimension of contemporary reality, which inevitably shapes public discourse and informs both national and EU-level policy agendas.

The objectives and content of the *Union of Skills* Communication are closely aligned with the aforementioned trends and are directly connected to specific official EU documents, as well as to specialized studies and recent research findings (see OECD, 2024a; 2024b; 2024c; 2025). Without considering the perspective offered by these texts, the rationale underlying the *Union of Skills* Communication cannot be fully understood. The first and most significant connection to highlight is that the *Union of Skills* Communication follows -not only chronologically but, more importantly, in terms of substance- the orientations and guidelines

set out in the European Commission's *Competitiveness Compass* Communication. This, in turn, echoes the assessments and recommendations of the Letta and Draghi reports, incorporating a substantial portion of their insights and proposals.

In 2024, former Italian Prime Minister Enrico Letta published a report titled "Much More Than a Market". The Letta Report (2024) focuses on the expansion and deepening of the single internal market as a means of responding both to emerging international challenges and to the persistent inefficiencies within European economies. Among other recommendations, it proposed measures to streamline capital markets, unify and simplify the regulatory framework for businesses, improve EU regulations to support the digital economy, establish common cybersecurity standards, and integrate research, education, and innovation as core pillars of the single market—with a particular emphasis on prioritizing investment in these sectors.

This was followed by the publication of the report by former President of the European Central Bank, Mario Draghi, in September 2024, released in two parts under the title *The Future of European Competitiveness* (Draghi 2024a, 2024b). The report emphatically describes the current juncture as an "existential challenge" for the future of the EU. Its primary focus is the international competitiveness of the European economy as a whole. The report argues that Europe's persistently sluggish growth -driven by an unsatisfactory rate of productivity increase- has caused the European economy to fall significantly behind its global competitors, particularly in the domain of technological innovation, which is identified as a key engine of modern economic development. The issues addressed and the initiatives proposed in the report span a wide range of areas: the issuance of common debt to finance increased investment particularly in energy, the green economy, and technological innovation; the integration of capital and financial markets; the continuation and intensification of decarbonization policies; the transition to a circular economy and self-sufficiency in raw materials; the reduction of the EU's dependence on imports; the establishment of a unified strategic orientation and a common regulatory framework for European industry; the creation of a common fund for European defense; the further enhancement of human capital through expanded worker training programs; and the reform of EU decision-making processes to reduce obstacles and accelerate policy implementation. The Draghi Report also contains extensive references to the role and importance of human capital skills in the development of the European economy.

The two reports converge on key issues, concluding that the international geopolitical and economic environment has undergone radical change, while the EU has so far delayed and failed to adequately respond to these transformations. As a result, unless immediate action is taken, the consequences for European economies and societies will soon be highly detrimental. The conclusions of both reports were swiftly reflected in the *New European Competitiveness Deal* (Council of the EU, 2024), and most notably in the Communication *Competitiveness Compass* for the European Union.

This specific Communication from the European Commission, issued in January 2025, opens by acknowledging the EU's long-standing competitiveness problem in comparison to the United States and China. According to the Commission, this insufficient competitiveness stems from the "persistent gap in productivity growth" (European Commission, 2025a, p. 1), the primary cause of which is identified as a lack of innovation. Thus, increasing productivity is set as a central objective, while the capacity for innovation, competition, and economic growth is considered a prerequisite for the digital and green transitions. The Communication ultimately concludes that Europe requires a new competitiveness model based on productivity driven by innovation. Consequently, policies must focus on removing obstacles to growth and investing in innovation and in the skills of the workforce. The Communication fully adopts the

competitiveness enhancement proposals outlined in the Draghi Report and places strong emphasis on the critical prerequisite of “skills promotion” (European Commission, 2025a, p. 3), announcing the forthcoming publication of the *Union of Skills* Communication. Its aims include addressing skills gaps and labor shortages, ensuring alignment between skills and labor market needs, facilitating mobility within the internal market, and attracting more talent from third countries. As will be demonstrated in the analysis of the *Union of Skills* Communication that follows, the *Competitiveness Compass* serves as the primary reference point for shaping the goals, orientations, and initiatives related to skills policy.

In addition, the *Union of Skills* Communication builds upon and further develops previous EU policy documents on skills. At least, two foundational texts must be considered: The Communication *A New Skills Agenda for Europe. Working together to strengthen human capital, employability and competitiveness* (European Commission, 2016), and the subsequent version of the same five-year program, published in 2020 under the title *European Skills Agenda for sustainable competitiveness, social fairness and resilience* (European Commission, 2020). In the latter -and still active- version of the *European Skills Agenda*, part of the implementation of which coincided with the experience and consequences of the pandemic, the emphasis was placed on supporting the green and digital transitions with the appropriate skills. At the same time, the principles of sustainability, resilience, and social justice were upgraded, though primarily at a rhetorical level. The competitiveness dimension has always been a consistent point of focus in EU skills policies, although the degree of emphasis placed on it has varied.

3. Pillars and Content of the *Union of Skills* Communication

This section provides a preliminary overview and analysis of the pillars and proposed actions outlined in the European Commission’s *Union of Skills* Communication. This initiative is intended to serve as a catalyst for coordinating education, training, and employment policies across the European Union, with the overarching aim of strengthening the EU’s global competitiveness. More specifically, on March 5, 2025, the European Commission introduced the *Union of Skills* initiative in a document structured into six sections (European Commission, 2025b):

- i. The problem: the need for more and better skills
- ii. The objectives of the Union of Skills
- iii. The key pillars of the Union of Skills
- iv. Investing in education and skills – mobilizing public and private investment
- v. Governance
- vi. Conclusions – the way forward

3.1. The “skills crisis” in Europe as the Starting Point of the Communication

The starting point for the *Union of Skills* Communication is the emerging “skills crisis” in Europe, which is identified as one of the most significant challenges currently facing the EU, as rapid technological advances and demographic shifts are profoundly reshaping the labor market. Moreover, shortages in specialized skills are affecting the EU’s innovation capacity and competitiveness, necessitating coordinated action at the level of Member States. As emphasized in the Communication, in recent years the EU has been experiencing a skills shortage problem, which is linked to technological progress, digitalization, and structural transformations in the labor market. Businesses across various sectors are struggling to find

personnel with the necessary competencies, especially in fields such as artificial intelligence, quantum computing, and the green economy.

According to the Communication, serious shortages of highly skilled graduates from both higher education and vocational training are evident across various levels and subsystems of education in Europe. While continuous upskilling throughout one's professional life is essential, many regions and social groups -such as persons with disabilities or those with a migrant background - encounter barriers to accessing educational opportunities, leading to untapped talent across the EU. Europe also lags behind in core competencies, as highlighted by PISA results and the widespread lack of digital skills among young people. Many occupations currently experiencing shortages in the EU require vocational qualifications, and the need to renew the workforce is particularly acute in sectors such as agriculture and fisheries.

Despite the high projected demand for highly skilled professions by 2035, Europe is not producing a sufficient number of talented graduates. While continuous adult training is essential, participation remains low, with fewer than 40% of adults engaged in education or training, a figure that is even lower among individuals with low skill levels. Although the demand for digital skills is steadily increasing, nearly half of the adult population still lacks them. Furthermore, men continue to dominate the fields of science, technology, engineering, and mathematics (STEM), which influences the structure of the labor market and constrains the EU's innovation potential. The lack of financial and entrepreneurial skills limits the capacity of startups to scale, while the EU remains less attractive to talent from third countries compared to other OECD countries. Additionally, improved mapping of labor market needs and vocational training requirements -particularly in critical sectors- is necessary to enhance preparedness for future disasters and crises. The Communication also highlights the inability of education systems to keep pace with the speed of technological change (European Commission, 2025b).

Within this context, the Communication highlights the shortage of professionals in STEM fields, referring both to the lack of specialized scientific personnel in critical industrial sectors of the green economy and information technology, and to the shortage of qualified teachers in mathematics and the natural sciences. Particular emphasis is placed on the issue of discrepancies among Member States regarding the recognition of skills and the transferability of qualifications (such as diplomas and degrees), which hampers internal mobility and, consequently, the optimal utilization of the workforce. These shortages are seen as not only undermining the competitiveness of the European economy, but also impeding social inclusion and sustainable development. The assessment of the current state of affairs concludes with several noteworthy references to the fragmented governance of skills development systems. Although skills policies are closely interconnected with education, employment, the economy, and social inclusion, they are often administered by different ministries or agencies operating with divergent priorities at national and regional levels.

The lack of a coordinated approach among various stakeholders -such as education systems, industry, public employment services, and civil society- creates barriers to efficient investment and information flow regarding skills needs. The absence of integration and cooperation among organizations involved in skills development makes it difficult to align the supply of skills with labor market demand and further complicates the management of migration. The Communication stresses the need for action at the EU level, as the challenges are too significant to be addressed solely by individual Member States. The EU is seen as capable of accelerating the transformation of skills and education, reducing skills gaps, and addressing decision-making inefficiencies. As becomes evident, a shift is taking place in the coordination and implementation of skills strategies, with power increasingly being

transferred from individual member states -which may pursue divergent policy contents and implementation forms toward central EU institutions. This transition aims to foster a more unified, "common" approach in terms of objectives, strategic pillars, and intervention measures.

3.2. The Stated Objectives of the *Union of Skills*

The *Union of Skills* Communication states that its primary objective is "for everyone in Europe, regardless of where they are, to have the opportunity to build solid skill foundations and participate in lifelong skill upgrading and reskilling, in accordance with the European Pillar of Social Rights" (European Commission, 2025b, p. 4). Supporting European education systems to provide equal opportunities for education to citizens, adopting European values such as democracy and human rights, and ensuring access to quality employment are some of the specific aims of the first general objective of the *Union of Skills*. The second key objective is to support businesses in becoming competitive and resilient. This is accompanied by a call for employers to increase investment in the skills of their workforce. The third key objective refers to the urgent need for skills and qualifications, wherever and however they are obtained within Europe, to be transparent, trustworthy, and recognized across the single market.

3.3. The Key Strategic Pillars of the Communication

The "Union of Skills" initiative is structured around four main pillars of intervention:

- i. Skill Development for Quality Jobs and Lives: The focus is on enhancing foundational skills (literacy, mathematics, digital skills) and increasing the participation of women in STEM professions.*
- ii. Upgrading Skills and Reskilling: This pillar aims to shape a more flexible workforce, with a particular emphasis on low- and medium-skilled workers and the use of micro-credentials to validate new skills. The "Pact for Skills" (European Commission, 2020) strengthens cooperation between educational institutions and businesses for the continuous upgrading of workers.*
- iii. Skills Mobility: This involves the creation of a "Skills Portability" mechanism to facilitate the free movement of individuals across the EU and the recognition of qualifications between Member States.*
- iv. Attracting, Developing, and Retaining Talent: Through the "EU Talent Pool," this pillar aims to attract specialized labor from third countries, facilitating legal migration and the integration of skilled professionals into the EU labor market.*

The Communication further examines each of the four intervention pillars, outlining the main characteristics of the current situation, defining the corresponding actions, expected deliverable outcomes, and setting quantitative targets and specific implementation timelines. In summary, the proposed interventions are as follows:

- *Development of Basic Skills:* Implementation of the "Basic Skills Support Scheme" pilot program to enhance skills in literacy, mathematics, science, and digital media.
- *Strengthening STEM Fields:* Promotion of skills in science, technology, engineering, and mathematics (STEM), with the goal of increasing the participation of women in these fields.
- *Vocational Education and Training (VET):* Modernization of the vocational education and training strategy (VET) to increase its attractiveness and quality.

- *Continuous Skills Upgrading*: Expansion of the use of micro-credentials for flexible learning solutions and strengthening the "Pact for Skills" to support workers in strategic sectors.
- *Enhancing Workers' Mobility*: Promotion of the "Skills Portability" initiative to facilitate the recognition of skills and qualifications across the EU.
- *Attracting and Retaining Talent*: Creation of the "EU Talent Pool" for recruiting workers from third countries and the development of a visa strategy to attract top students, workers, and researchers.

The initiative aims to align the skills of European citizens with the needs of the digital and green transition, ensuring their competitiveness in a global economic space.

Regarding the issue of mobilizing significant financial resources, the *Union of Skills* Communication emphasizes that skills development is an investment that delivers multiple benefits (European Commission, 2025b) and refers to the available resources for the implementation of the initiative during the period 2021-2027. Specifically, the European Social Fund (ESF+) allocates €42 billion for skills development, the Recovery Fund allocates €67.7 billion for human capital and infrastructure, the European Regional Development Fund allocates €8.7 billion, Erasmus+ allocates €26.1 billion, the Just Transition Fund allocates €2.3 billion, and InvestEU allocates over €1 billion. The European Commission is committed to continuing financial support for skills development actions and urges member states to increase relevant spending in their national budgets. At the same time, cooperation with the private sector is being strengthened to promote investments in training and professional development. To this end, the "EU Invest in Talent" platform will be established in collaboration with the European Investment Bank, which will combine EU financial resources with private investments.

Finally, it is argued that the successful implementation of the *Union of Skills* initiative requires collective responsibility, investment, and the effective execution of reforms. Consequently, robust governance is expected to serve as a key instrument, based on insights from the *European Skills Intelligence Observatory*, which will provide data and forecasts on skills and enable the timely identification of shortages in critical sectors. In addition, a *European Skills High-Level Board* will be established, bringing together educational institutions, employers, and social partners, with the aim of offering comprehensive skills-related information to policymakers. Based on the Observatory's recommendations, the Board will ensure coordinated actions to strengthen human capital. These two bodies are expected to guide the common European skills strategies, fostering cooperation among member states, educational providers, and industry, with the aim of enhancing the European labor market. Within the framework of the *European Semester*, a dedicated recommendation on human capital will be developed, focusing on structural issues in education and skills, thereby shaping a new agenda that links skills policies to the competitiveness of the European economy.

4. Preliminary Critical Assessment of the Union of Skills Communication

As previously noted, the *Union of Skills* Communication is closely aligned with the rationale and proposals outlined in the *Competitiveness Compass* Communication. Consequently, it adopts a strategic orientation whereby skills are presented not as a means for social inclusion or personal development, but rather as a critical factor in labor productivity. The connection between skills policy and the digital and green transitions of the economy is framed as an unquestionable necessity, while enhancing competitiveness is positioned as the overriding

imperative. However, this policy intervention is neither neutral nor self-evident. On the contrary, it clearly reflects a further shift of the EU towards a more technocratic and business-driven approach. Within this framework, the broader set of concepts—knowledge, skills, competences, and attitudes—which together constitute key dimensions of human labor capacity, and which are today subsumed under the dominant notion of “skills,” are increasingly perceived and evaluated primarily in terms of their utility for the economy. This raises critical questions regarding how “excellence” in education and training is defined, who determines which skills are valuable, and ultimately, whom these policies are designed to serve. The assessment of the *Union of Skills* Communication that follows attempts a preliminary critical reading of its ideological and political underpinnings, as well as of the potential constraints it introduces in the design of public policies for education and employment in Europe.

4.1 Improving Productivity and Competitiveness Underpins all other Objectives of Skills Policies

According to the European Commission, “human capital” (Becker, 1994; Schultz, 1961) constitutes the cornerstone of Europe’s competitiveness and economic resilience. As a result, skills are emphasized as a critical factor in enhancing these dimensions, thus necessitating a new approach that integrates education, training, and employment policies within a unified strategic framework. Within this context, competitiveness is placed at the core of policy interventions, and the Union of Skills initiative declares that it is based on -and further advances- five main priorities: fostering innovation, decarbonising the economy, strengthening preparedness for future challenges, defending democracy, and consolidating social justice. Within this broad set of objectives, an early footnote in the *Union of Skills* Communication states that “skills should be understood throughout this Communication in a broad sense. They include skills, knowledge and competences for life, far beyond those required for the labour market” (European Commission, 2025b, p. 1). However, despite this claim, the vast majority of references in the document link skills almost exclusively to economic competitiveness.

This connection between skills and productivity - competitiveness is not new, as it can be found in earlier EU documents on skills (European Commission, 2016; 2020). However, it does not receive the almost exclusive focus that characterizes the current Communication. Traditionally, skill development policies are linked both to education and training policies and to so-called “active labor market policies”. In the *Union of Skills* document, this association is extended and shifted. According to the logic of this Communication, skills are primarily linked to worker productivity and the competitiveness of European economies. It is now clear that, in the context of escalating economic competition and technological and trade wars of our time, the priorities regarding the acquisition of knowledge and skills are fully subordinated to the needs of European capitalist economies and more specifically, the powerful Central European economies that play a leading role in shaping the economic policy directions of EU member states.

4.2 Negative Impact on the Entire Education System

This development appears to affect not only vocationally oriented education -such as VET and continuous vocational training, where such influence might be expected- but the entire education system. From this perspective, given the limited available resources and means, as well as the partial redirection of state expenditures towards the European defense industry, the outlook is not optimistic for general education, especially adult education, as financial resources will be directed with absolute priority towards skills development “according to the needs of the economy and the labor market”. Furthermore, it is well-established by other official European documents that while much is said and written about social justice, social

inclusion, the development of active citizenship, and balanced development between general and vocational education, little of this is incorporated into definitive plans and, ultimately, financed and implemented. More broadly, the excessive emphasis on "lifelong learning for labor market needs" has, to some extent, shifted policy and funding priorities from formal education towards non-formal vocational training for workers and the unemployed (upskilling – reskilling). Therefore, the practical downgrading of the importance of initial education and, more broadly, of the formal educational system, whose negative outcomes are repeatedly observed today, is not unrelated to this "shift towards lifelong learning" that has characterized European policies over the last three decades.

4.3. New Governance Model: From Fragmentation to Centralization

Another notable shift observed in the text, when compared to earlier references, is the assessment that the fragmentation of skill development systems among member states does not benefit overall European competitiveness. Consequently, the diversity of approaches and the pluralism of educational systems no longer seem to be perceived as advantages, as EU institutions argued for decades. According to the current reasoning, there should be an intensification and acceleration of the convergence of different national education and training systems, particularly skill development strategies, based on common European guidelines and urgent priorities, especially in the area of qualifications recognition. The primary reason for this is to facilitate the seamless mobility of students, researchers, and employees / workers within the European territory, in order to minimize the barriers for businesses to utilize, with the greatest ease, human resources within the single internal labor market.

Additionally, a new and distinct element should be considered that the Communication assesses the fragmentation of policies and available resources as a problem not only between the Union's member states, but also within countries themselves, where the fragmentation of roles, responsibilities, and competencies between different bodies hinders the effective implementation and monitoring of skill policies. While this assessment is valid, it could lead to greater centralization of decision-making. The uncertainty increases due to the decision to strengthen the governance and coordination mechanism of skill systems through the establishment of central organizations – reference points such as the *Observatory* and the *High-Level Council*, bodies and institutions expected to play a decisive role in navigating national skill policies. From this perspective, the space available to member states for developing skills strategies tailored to their own national specificities appears increasingly constrained, as both material and intangible resources are concentrated in the service of centralized, "common" European policy objectives. Thus, within the current European division of productive activities, this dynamic heightens the risk that countries like Greece will become further entrenched in a low-to-medium skills economy, focused on service sectors and specializations with limited added value.

4.4. Selected Critical Reflections on Key Observations and Proposals of the Union of Skills Communication

4.4.1. Comments on the Section "The Problem: The Need for More and Better Skills."

The Communication opens by identifying three key challenges that define the current state of skills in the EU: (a) a shortage of skills and the pressing need for more and better skills; (b) a lag in the pace of transformation between the economy and technology on one hand, and education on the other; and (c) fragmented governance and insufficient information regarding skills.

Although the first section of the Communication highlights certain data that reliably present the state of education and vocational training in EU countries, the causes are neither

sufficiently investigated nor analyzed, nor are the proposed improvement interventions adequately substantiated. It appears that the text, in conjunction with other related documents on skills and competitiveness, accepts certain general assumptions and theoretical premises as self-evident. Without a doubt, the theoretical support for the ideas and proposals regarding the role of skills throughout the text is based on the axioms of neoclassical economics concerning the role of human capital and innovation in economic development. Furthermore, the presentation of skills-related problems is primarily done in terms of quantitative assessment of sizes and comparisons of specific indicators between countries. There is no mention of issues related to the quality of skills development, such as the quality of teaching and learning. Also, the focus is placed only on a small portion of the spectrum of knowledge, skills, and competencies required by workers and, more generally, citizens in our unstable and uncertain era. References to "which skills individuals need" are briefly limited to the areas of digital, green, transversal/soft, and entrepreneurial skills.

In the subsection presenting the "speed gap between economic/technological transformation and education", the main cause of the problems is typically identified as the inadequacies of the educational systems, which lag behind the rapid technological transformations in the economy and labor market. The inability of the productive system, in countries like Greece, to make use of the high skills acquired by individuals through participation in higher education and, more generally, the demand side of the labor market -both in its quantitative and qualitative dimensions- is left unaddressed. The Communication, with the exception of the final paragraph, where there is a brief reference, does not seem to acknowledge the need to turn attention to the demand side of skills (businesses, employers), likely assuming that anything outside the realm of state education and employment policies falls outside the scope of public and social interventions.

From this perspective, the very relevant and significant question for Greece -under what conditions could public and private investments develop dynamic economic sectors by utilizing the country's scientific potential in high added value- productive activities- is entirely bypassed. Consequently, policy interventions on skills are limited to the supply side of skills from individuals, treating education as a dependent variable of the economy. Thus, the political management of the various issues regarding skills is reduced to the "obligation of education to adapt to the needs of businesses". In this way, a primarily economic weakness of many governments and economic units in utilizing the available high-level skills in more productive entrepreneurial prospects is perceived as a failure of educational systems and individuals to adapt to the needs of labor markets. Therefore, a primarily political and economic issue is transformed into an "educational failure" (Lintzeris, 2024).

Another important aspect is that the logic of the Communication seems to completely overlook the factor of potential differences between the Member States in terms of the structure and functioning of skills development systems. Focusing on the case of Greece, it becomes clear that some of the assessments used to describe the EU's skills challenges either do not apply or do so to a far lesser extent than in other European contexts. One such example is the "increasing challenge regarding the demand for specialized talent in STEM fields, particularly in strategic areas such as clean and circular technologies, digital technologies, aerospace, and defense" (European Commission, 2025b, p. 4). However, the Greek economy — as evidenced by reliable statistical data — does not offer a sufficient number of high-skill job opportunities in technologically advanced productive sectors. The majority of job vacancies in the labor market, at least from a quantitative standpoint, are concentrated in occupations that require medium or even low levels of skill. These roles, however, are essential for sustaining key sectors of the Greek economy, such as tourism, transport, trade, and the agri-food chain. From this perspective, such skills should neither be undervalued nor their contribution to the overall economic output minimized. In this sense, the "fetishization

of high skills" reflected in the Communication is neither accurate nor aligned with the productive reality of Greece. As a result, it does not support the development of policies that are responsive to the actual needs and realistic future prospects of the country's economic and social structure.

The lack of specialized educators "in mathematics and the natural sciences, which highlights the urgent need to attract new, high-level educators and trainers, and better support them through continuous professional development in these critical areas" (European Commission, 2025b, p. 4) is correctly identified as a problem. This applies to Greece as well, but although it has been pointed out many times, it does not seem to be a priority of government policies. On the contrary, educators face a lack of incentives for professional growth, persistently low wages, and limited opportunities for training and adaptation to evolving demands in their work such as the integration of e-learning tools and artificial intelligence in education.

The subsection of the Communication titled "Fragmented Governance and Information on Skills" is of particular interest and may lead in the near future to significant changes in the models of organizing and managing skills policies. This is an issue that also applies to Greece, and indeed to a significant extent, primarily manifested in the relative ambiguity or overlap of responsibilities between the Ministries of Education and Labor, particularly regarding the field of continuing vocational training, where the greatest problems of educational quality and effectiveness can be identified (Kokkos et al., 2024). Arguably even more critical is the fragmentation within the "skills chain", encompassing the initial diagnosis of needs and skill mismatches, skill acquisition, activation, and matching. Notably, the findings from skills needs assessments, which are drawn from diverse sources, are insufficiently communicated or synchronized with the design and operation of educational institutions, such as the timely development of appropriate programs or the adaptation of educational content.

4.4.2. Comments on the Key Strategic Pillars of the Union of Skills

The Union of Skills is built upon four key pillars: (a) developing skills for quality jobs and lives through a robust educational foundation with an inclusive lifelong learning approach; (b) upgrading and reskilling the workforce to support the digital and green transitions; (c) facilitating the circulation of skills through the free movement of individuals across the EU; and (d) attracting, developing, and retaining talent (European Commission, 2025b, p. 5). These pillars are consistent with earlier policies in the skills domain, particularly the European Skills Agenda 2020–2025 (European Commission, 2020), especially in relation to points (a) and (b). Although points (c) and (d) have been previously addressed in various forms, albeit with less emphasis, they now reemerge as prominent priorities. Notably, point (c) the circulation of skills essentially constitutes an "intra-EU dimension" of point (d), as policies facilitating workforce mobility also promote the attraction of highly educated individuals, thereby enabling a more effective distribution of skilled workers across European economies and labor markets.

However, the issue of the mobility of students, researchers, and workers within the EU requires particular attention, especially for a country like Greece. It is a fact that measures to enhance intra-EU mobility of employees are a key aspect of policies aimed at optimally utilizing human resources to meet labor needs at the overall European level. Owing to the structure of its economy -which provides limited opportunities for high-skilled, high-wage employment- Greece tends to "export" its scientific talent to more advanced EU economies (brain drain), while at the same time "importing" low-skilled workers who nonetheless remain essential to key sectors such as agriculture, tourism, and construction. Therefore, while facilitating intra-EU mobility of workers may be beneficial at an individual level, it could pose a "problem" at the national economy level for societies that cannot productively utilize their available scientific talent. This reality risks trapping the Greek economy in a state of

dominance by low and medium-skill productive activities and reproducing the vicious cycle of brain drain.

In the section titled "Building Skills for Life through a Strong Educational Foundation", the Communication asserts that "the sharp decline in basic skills among our youth -including digital skills- is a ticking time bomb for our educational systems and for Europe's competitiveness" (p. 6). This statement underscores the consequences of the ongoing degradation of public education systems: more young people staying in education for longer periods, but with lower-quality studies and deficient learning outcomes for a large proportion of the student population. Furthermore, as a consequence of the decline in quality and effectiveness of studies in formal education, a relative disconnect occurs between the level of educational qualifications (formal credentials) and the level of skills corresponding to these qualifications. This erosion of the signaling function of educational credentials with respect to labor market demands constitutes a negative development that complicates the school-to-work transition and further destabilizes the position of workers, who are often considered the weak part in labor contract negotiations.

Greater attention is also required for the increasing socio-economic inequalities, gender and ethnic diversities, and all other forms of discrimination. Moreover, there is strong research evidence that lifelong learning -and specifically adult education and training- increases rather than reduces inequalities, to the extent that it primarily benefits those who need it the least, while those who need it the most are deprived of it (Karalis, 2020). Therefore, "positive discrimination" is needed in favor of individuals with low skills and insufficient educational backgrounds. Additionally, there is a need for the revitalization of active methods in adult education and training, an element that has been severely impacted by the sudden and widespread dissemination of distance learning methods using inadequate digital tools (misleadingly termed "e-learning"), which in no way guarantee adherence to the principles of participatory adult education (Kokkos et al., 2024). Furthermore, a substantial expansion of adult education subject areas is required, aiming at the reawakening of general adult education in areas such as combating digital misinformation, developing critical thinking, social solidarity, understanding and coexisting with diversity, cultural and artistic renewal, and fostering historical awareness.

The *Union of Skills* document is based on evidence derived from tracking specific indicators and ad hoc studies and research. The primary method for documenting policies is the collection of quantitative data on selected indicators from EU member states, the extraction of average values, and the presentation of each country's position in relation to the others or in relation to the specific quantitative policy target. Negative deviations from the average - and even more so, deviations from the performance of the "successful countries" on each indicator- are automatically considered as "problematic situations" at the national level, hindering the achievement of "common European goals." Any differences or particularities contributing to these deviations are not investigated, nor is there room for alternative interpretations. However, in skills policies and more broadly in educational and social policies, the principle of "one size fits all" does not apply, nor can simplistic, one-sided answers solve the complex social puzzles. For example, Greece ranks "high" (i.e., at a satisfactory level) on the indicator of youth participation in higher education, but this leads to an increase in the number of so-called "over-educated" individuals (compared to a static view of the needs of the Greek employment structure), which in turn causes an imbalance between the supply and demand for skills. This factor -seen as negative- significantly lowers Greece's ranking on the *Skill Mismatch* section of the *European Skills Index* of Cedefop. Therefore, quantitative data come with interpretative prerequisites for understanding and require comprehensive critical consideration and correlation with complex social and educational variables before being

superficially classified as "negative" or "positive" factors, receiving the desired political priority or conversely, falling into operational obscurity.

It is worth noting that the *Union of Skills* document makes no reference to a critical evaluation of the outcomes of existing policies or their broader impacts. The well-documented cycle of target-setting, insufficient achievement of objectives, absence of meaningful policy assessment, and renewed goal-setting -ostensibly under the banner of evidence-based policymaking- continues largely unchallenged.

In conclusion, the document's one-dimensional emphasis on linking skills to labor productivity and, ultimately, to the enhancement of competitiveness, positions the entire framework of formal, non-formal, and informal learning within the logic of prevailing economic orthodoxy—or more accurately, within the logic of a capitalist-oriented economic model.

5. Final Reflections

The goals and proposals outlined in the *Union of Skills* Communication, in addition to being influenced by the EU's existing skills strategies, have been significantly shaped by institutional documents such as the recent *Competitiveness Compass* Communication. These documents reflect the EU's intended large-scale policy shift in response to the declining global position and prospects of Europe in the context of contemporary international developments. This transformation cannot be overlooked, as education systems function not only as mechanisms for the transmission of knowledge but also as arenas of social and political negotiation. In the current context, education is primarily regarded as a tool for the production of human capital for the economy, and less as a space for critical thinking and social participation.

In conclusion, let us return to the initial question: Does the Union of Skills Communication represent a smooth and expected continuation of the same skills policies that have been implemented for at least the past decade, or rather a major escalation and transition to a new level? In our view, it is neither and perhaps both. In many respects, the Communication represents a continuation and further development of already familiar European skills policies. This becomes evident when comparing the content of the key Communications and Recommendations of the EU on skills (European Commission, 2026; 2020; 2025b). At the same time, however, it introduces new focal points for policy priorities, focal points that may lead to a qualitative shift in the patterns of policies followed thus far. Particularly in areas such as the new governance model for skills systems, significant changes appear to be emerging.

In any case, a crucial point is that the content of the Communication, as well as the timing of its publication, is directly linked to the particularly critical juncture for the trajectory of the EU and, more broadly, for international relations. From this perspective, the axes and policy priorities set out in the document are by no means guaranteed to remain stable within the rapidly changing context of escalating economic competition. What is now beyond doubt - even for the most skeptical observer- is that skills policies are more tightly constrained than ever before by the goals and priorities of macroeconomic policy. This condition does not bode well for the future of educational systems.

The Union of Skills initiative embodies the imperative of an effort to reshape European skills policies by seeking to align and integrate them into a unified strategy for economic growth. However, the notion of "union" put forward by the Commission raises critical questions about the actual scope of this integration, the political weight it carries, and the strategies emerging from this initiative. In the present study, we focused on the near-total linkage being established between skills and competitiveness. While we do not overlook the challenges the EU is facing -such as those related to growth and productivity- we argue that the exclusive

association of education and training policies with the competitiveness of the economy more broadly entails serious risks and limitations, even within the very framework it seeks to advance.

The critique of the unilateral conception of education as a tool for the production of human capital highlights the need to balance skills strategies with the promotion of social policies aimed at addressing inequalities, fostering collective solidarity, and supporting individual development and autonomy within a framework of peace and social cooperation. The restructuring of existing skills policies could, under certain conditions, represent an opportunity to integrate social and political dimensions into education, an education that, beyond its technocratic orientation, must also embrace the values of social justice, cooperation and solidarity.

The need for a new, expanded conception of education and skills policies becomes imperative. Such an approach must combine the necessary economic development with the strengthening of social cohesion, environmental protection, addressing social and income inequalities, and encouraging conscious political participation, offering all citizens the opportunity to develop personally and contribute to the creation of a fairer society. Balanced and equitable development within the framework of economic democracy requires not only the development of economic and entrepreneurial skills but also the enhancement of democratic values and critical thinking. In contrast, the *Union of Skills* essentially presents itself as a tool for economic continuity while overlooking the role of education as a space for political and value transmission. Thus, as European skills policy shifts toward a technocratic, instrumental approach, the question posed by Paulo Freire (1970) arises: is education an act of freedom or a means of adjustment and conformity? In any case, European skills policy must move beyond narrow economic needs and seriously incorporate the dimension of social well-being. Skills policy cannot remain merely a tool for economic reproduction but must integrate the philosophy of education as an act of freedom and political responsibility.

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