

Consistent, Inclusive and Co-operative Governance – addressing poverty and social inclusion in Europe

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(Check Against Delivery)

SUMMARY OF KEY MESSAGES:

To rebuild a social Europe that ensures the well-being of all, the EU needs consistent, inclusive and cooperative governance:

- 1) **CONSISTENT GOVERNANCE** - Reaffirm the coherence of European policies, recalling that growth has to be inclusive along with being smart and sustainable
- 2) **INCLUSIVE GOVERNANCE** - Prioritise the achievement of the Europe 2020 poverty target and put in place an integrated EU Anti-Poverty and Social Inclusion Strategy
- 3) **COOPERATIVE GOVERNANCE** – Ensure policy making and implementation is democratic and legitimate through meaningful and structured involvement of civil society

On behalf of Social Platform, the European network of 47 social NGOs, thank you very much for the possibility to contribute to this panel today.

This is the Third Annual Convention of the European Platform Against Poverty and Social Exclusion and it should be a chance to take stock of how we are progressing in reaching the Europe 2020 target of lifting 20 million people out of poverty and to have a true discussion about how we are doing and what else there needs to be done.

Regardless of how this analysis is or is not presented over the next two days, we know how progress is going: there is no progress. Instead of moving towards the reduction of poverty we have increasing poverty across Europe. And the European Commission acknowledges this in its latest quarterly situation analysis¹ as well as in the 2014 Annual Growth Survey². We also know that there is increasing evidence of social contagion, increasing evidence of the impact of austerity on our social protection systems and our social and public services. The current economic situation is being used as a structural excuse to reduce rights or where the social impact of the crisis gives rise to increasing xenophobia, racism, gender inequalities and discrimination.

That is the reality in Europe today – **and if we try to present it as anything other than a breakdown of the social values that are supposedly enshrined in the treaties, then we are not only kidding ourselves but insulting the millions of people in Europe who are finding themselves experiencing poverty or are at risk of poverty.**

Much has been said recently in speeches from the EU leadership about how we have worked together – people across Europe and the political leaders of the EU and member states - to exit the crisis together. Members of Social Platform would like to know: **on what basis are such statements being made?** When were the people of Europe asked if fiscal consolidation was the way to address the crisis? When were the people of Europe asked if increased conditionality on social benefit systems would take us out of the crisis? When were

¹ European Commission, *Employment and Social Situation Quarterly Review*, October 2, p. 5.

² "the broad social situation remains depressed" and that "the situation is not expected to improve rapidly and inequalities may rise".

the people of Europe asked if ensuring economic growth by reducing social welfare was the way out of the crisis?

As Social Platform we find this approach of saying 'we are all in this together' very strange as it is not at all borne out by the research done on many Europeans' current view of the European Union which shows that **confidence and trust are waning and we need to be aware of what this means for the forthcoming European elections.**

So our concern is that what we are seeing at the moment is that current policies and European processes are insufficient to reverse the breakdown of social Europe.

Take for example the 2014 Annual Growth Survey. It identifies *Tackling unemployment and the social consequences of the crisis* as one of its key priorities, but is missing for the third time in a row the necessary **ambitious** recommendations and guidelines to turn this into a real priority for Member States. Yes, there is policy guidance in the Social Investment Package and yes, we now have the Social Scoreboard in the draft Joint Employment Report, but without strategic pressure and policy focus across the socio economic spectrum of EU policy we will not move forward as quickly or as effectively as is needed.

There needs to be much more ambitious and quick action and the European Commission must use the tools and processes at its disposal to put pressure on member states to deliver on social policies.

To do this we need to act in three ways that are related to our understanding of governance: consistent, inclusive and cooperative governance.

I. Consistent governance means that we must ensure the coherence of policies set at a European and indeed a member state level.

Is the Europe 2020 Strategy, and in particular the poverty objective coherent with current economic policy? Macro-economic objectives should not prevent the implementation of social objectives; rather they should be supporting them. Consistent governance also means that the preservation and enabling of fundamental rights must be addressed. Member states cannot commit to fundamental rights with their social hand and then withdraw them with their economic hand. When we see this year's Annual Growth Survey we are really concerned that, with all the best will in the world of some parts of the European Commission, we are going to see another cycle with the focus being firmly on economic growth without a balancing social dimension and respect for fundamental rights.

II. That is why secondly we need to ensure inclusive governance - we cannot go on with the current policy approach and expect it to bring about a solution for the still increasing amount of people living in poverty and experiencing exclusion.

We now have the Social Investment Package and the Communication on the Social Dimension of the EMU and they are largely welcomed. But it would be ludicrous to think that this is it; that if the content of the SIP in particular was to be implemented widely and with enthusiasm that we would fully address poverty and exclusion. We will not because the SIP is not a fully comprehensive strategy to address poverty and social exclusion: it is one element of it – and an important one – but if, for example, the SIP gives guidance on how member states can revise or develop their social policies but those social policies exist in isolation from macro-economic objectives then they will not be the effective policies they could be. **There must be an integrated poverty and social exclusion strategy** that is implemented through actions across the policy spectrum. Such a strategy cannot be solely focused on getting people into work as employment will not lift all people out of poverty or social exclusion. We need a full active inclusion approach as well as actions to ensure there is decent work. Also, such a strategy must not be built on conditionality – this has become a dangerous key word that, at times, results in the punitive withdrawal of basic benefits and services from people who are not in employment.

III. Thirdly we need to have **co-operative governance – policy making and implementation must be democratic and legitimate through the meaningful and structured involvement of civil society and people who experience poverty.**

Currently the involvement of civil society, let alone people who experience poverty, in for example the processes of the European Semester are pretty disappointing. Member states do not want to consult – or if they do consult it is a poorly designed process lacking in quality engagement. **Decision making processes need to be opened up to social NGOs ready to play their role in their areas of expertise,** in European governance and in the implementation of the economic and social priorities of the EU. This will enable policy makers to tap into the existing, on the ground knowledge of NGOs and will give a voice to those who are directly impacted by fiscal, economic and social policy reforms. Such stakeholder involvement will not only improve policies at local, regional and national level but it will also improve the implementation of such policies through services and systems that will be inclusive and sustainable, that can be targeted or universal, that can be flexible and can be a stronger safety net when sudden shocks hit.

Much will be made in the coming months of engaging people across Europe in the elections. Why should we engage in the elections if we are not welcome to engage elsewhere? Europeans are not here to justify the European project nor are civil society and other stakeholders here to sell the European project and the current policy agenda. We are here to participate and to shape, and to ensure that poverty and social exclusion are addressed in a way that puts the well-being of people first; in a way that addresses the structural causes of poverty and social exclusion and provides realistic, tailored, rights based policies and actions.

We cannot afford to wait for change to come around. We need to act now and take the necessary steps to reverse the current deterioration of social Europe through consistent, inclusive and cooperative governance.