

The Future of the European Social Model - Considerations, Challenges, Developments

A strategy paper of the European Region of ICSW
(originally drafted in 2005 and updated in August 2018)

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Part 1: Background and introduction

Some thirteen years ago, in June 2005, the European Region of the International Council on Social Welfare held its regular regional conference in Lucerne, Switzerland, with a focus on the future of the European Social Model in an ever-changing European and global society. This conference, with its contributions and highlights of the debates, was a stimulating thought-provoking event. The outcome emphasised that the European Social Model is built on the view of a socially cohesive society based on equal rights and solidarity. But to survive the challenges ahead, reforms were felt to be urgently needed to reconfirm the underlying basic values and consolidate the European Social Model as a balanced economic and social model for the future.

The same year 2005, the governing bodies of ICSW Europe continued working on the results of the Lucerne conference with the aim to develop considerations and recommendations on the Future of the European Social Model in order to create a framework for further direction and for giving ICSW a clearer profile at the European level. Interestingly it was quite unique that a European network was so explicitly supporting the European Social Model.

For the necessary clarity, the common understanding was that this model has not to be considered as a strict concept for a welfare system or a specific regime, but that it just provides an important set of values, social rights and objectives for balanced and just social policy making. The aim would be to achieve an inclusive European society with an actively participating civil society, based on respect and trust, on social justice and solidarity. At the same time ICSW Europe argued the need for modernisation, an open attitude to change and the firm resolution to address together new social problems.

The highlighted principles, issues and challenges– as presented in a strategic paper - should be intensely discussed in the national networks of the member organisations of ICSW Europe in order to explicitly help to safeguard, enrich and implement the model.

The President of the European Region of ICSW at that time, Hans van Ewijk, introduced the strategy paper with the following remarks:

“I am pleased to present to you the ICSW paper *Considerations and Challenges on the Future of the European Social Model*. This paper contributes to the debate on the future of the European Social Model and provides the framework and direction for the policies and actions of ICSW Europe in the years to come. (.....) It is the final result of a process of reflection and consultation through expert meetings on social rights, immigration and integration, social cohesion and social responsibilities. I hope this document will challenge (us all) to rethink the

future direction of Europe, to support the European Social Model and to take action for the implementation and concretisation of the overall principles and ideas expressed in this document”.

The authors of this agreed strategic paper were Dirk Jarré, then representative of the German Association for Public and Private Welfare (Deutscher Verein für öffentliche und private Fürsorge), and Walter Schmid, then representative of the Swiss Conference for Social Aid (Schweizerische Konferenz für Sozialhilfe).

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In the introduction it was pointed out that the presented strategic paper of the European Region of the International Council on Social Welfare is a proactive contribution to the current debate on the future of the European Social Model. It argues that this European Social Model constitutes an integral part of European historic, cultural and political heritage, expressing basic values and orientations of European society. As it is exposed to many external and internal challenges, the European Social Model needs major reforms. The paper aims to provide policy makers, major societal actors and the public at large with a better understanding of the European Social Model. In addition, it suggests elements for the orientation, the content and the process of the necessary reform discussions and ensuing measures.

It was emphasised that ICSW-Europe suggests a clear strategy to renew the European Social Model. This strategy should be designed as a broad political process aiming simultaneously at conceiving the necessary reforms and restoring trust of the people in social security and solidarity. Its key elements are:

- The reform of the Social Model has to respect economic and social aspects in an equal way and recognize that economic growth and social cohesion have to go hand in hand.
- Economic growth can be achieved by combining increased flexibility of the labour market with more reliable social security systems.
- Taxations and financing systems have to be developed in a more transparent and accountable way in order to increase social justice and ensure sustainability.
- Demographic changes should lead to a new distribution of rights and obligations between generations.
- A realistic immigration policy should be developed by taking into account the interests of receiving and sending countries as well as the interests of the migrants themselves.
- The consultation process on the European Social Model should engage a wide variety of actors in the economic and social field in the framework of an *Assembly on the Future of European Society*.

This contribution was then considered as particularly timely as the ratification process - with the negative plebiscites in France and in the Netherlands - of the Constitutional Treaty of the European Union (which became later the so-called *Lisbon Treaty*, signed in December 2007 and effective since December 2009) had put the European Social Model into the limelight of European political debates.

The document then contained two substantial chapters, which are still of high relevance – and are reproduced here with some minor adaptations. The first chapter (now part 2) focuses on the background and context of the European Social Model, to enable a better understanding of the Model. In the second chapter (now part 3) the authors outline the major considerations and

challenges that the European Social Model was facing at that time and they indicate directions for improvement.

In the present updated version, a new chapter (now part 4, drafted by Dirk Jarré) deals with the most recent social policy developments in the European Union that address a number of the challenges, already identified by the European Region of ICSW in 2005, and with still prevailing problems.

Part 2: Understanding the European Social Model

In current debates about globalisation politicians from the European Union and its member states often refer to “*The European Social Model*” and argue about its competitiveness in relation to other models at global level. However, they do not offer a clear definition or an unambiguous understanding. All we normally hear is that it encompasses a certain combination of, among others, strong democratic institutions and processes, a highly productive economy, social dialogue, solidarity, equal chances for all, a high level of social protection, as well as education and health care for all. This may be rather unsatisfactory but it leads us to say that there must, indeed, be something like **a European Social Model which is embedded in European society** with its fundamental values, convictions, goals, structures and ways of acting.

To reach a better understanding of what this European Social Model is all about, it is only of very limited help to analyse social policies and social protection systems in the individual countries of Europe. This would only lead to a classification of welfare state systems and give more evidence of the differences than of what these countries have in common. Instead, we should look at what the European Union, the most ambitious European economic, political and social integration project, has to tell us on the subject. The best sources of **significant elements for understanding the European Social Model** are the *Lisbon Strategy*, the project for a *Constitutional Treaty for the Future of Europe* and the *Council of Europe’s Strategy for Social Inclusion*.

Taking up the challenge of globalisation, European leaders committed the European Union in March 2000 to become “the most dynamic and competitive knowledge-based economy in the world capable of sustainable economic growth with more and better jobs and greater social cohesion, and respect for the environment” by 2010. Even though at first glance this so-called ***Lisbon Strategy*** looks like an economic policy objective, it was in fact a rather balanced project for the future of European society – based on three interdependent pillars, namely improved economic growth with increased employment, social cohesion and environmental sustainability. Each element of this *Lisbon strategy* is needed for the success of the whole as they support each other mutually. The *Lisbon Strategy* is meant to be the vision for European society to successfully compete at global level with other highly performing societies in order to ensure its long-term survival. (Nota bene: The *Lisbon Strategy* largely failed and thus did not achieve the envisaged objectives. It has now been replaced by the *Strategy 2020*).

While member states of the European Union try to develop common policies and to foster a common political agenda, a number of non-EU European countries are facing very different challenges. Former communist countries still have to struggle with the hardship of economic transformation. Countries in former Yugoslavia still have a long way to go towards reconciliation and reconstruction after a brutal civil war. Large scale poverty and emigration are part of their reality. The lack of operational systems and funds for social security make it

difficult to provide social protection for all those in need. It remains to be seen to which extent the existing framework of the European Social Model can give an answer to these problems. The experience of the new member states that recently joined the Union may be useful. The dialogue with European countries outside the Union is important. A test for future application of the European Social Model will be whether it can provide answers not only for the countries of the Union but beyond. Only in this case will it be **a truly pan-European model**.

The European Union has grown to include 25 member states, among which are eight Central and Eastern European countries of the former East Bloc. (Nota bene: finally, the number of member states reached 28 with 11 of them from the former Eastern Bloc). This enlargement coincides with a joint effort of the EU institutions and of the member states to base the future of the European Union on a *Constitutional Treaty* (that became finally the *Lisbon Treaty*) to make the EU more democratic, more transparent and more effective. This single text which replaces all the existing Treaties consists of three substantial parts: (I) the Treaty's fundamental provisions, including values and objectives, (II) The Charter of Fundamental Rights, and (III) The Union's policies.

The Treaty establishes the European Union as a union of the peoples and states of Europe open to all European states which respect its values and undertake to promote them jointly. In its preamble it states: "Convinced that, while remaining proud of their own national identities and history, the peoples of Europe are determined to transcend their ancient divisions, and, united ever more closely, to **forge a common destiny**". The Treaty mentions the following values on which the Union is based: "respect for human dignity, freedom, democracy, equality, the rule of law, and respect for human rights, including the rights of persons belonging to minorities – values common to the member states in a society in which pluralism, non-discrimination, tolerance, justice, solidarity and equality between women and men prevail".

"The **aim of the European Union** is to promote peace, values and the well-being of people. It offers its citizens an area of freedom, security and justice, and a single market in which competition is free and undistorted. It works for sustainable development of Europe based on balanced economic growth, a highly competitive social market economy, aiming at full employment and social progress and a high level of protection and improvement of the environment. It takes action to combat social exclusion and discrimination, to promote social justice and protection, equality between women and men, solidarity between generations and protection of the rights of the child. The Union promotes economic, social and territorial cohesion, and solidarity among its member states".

By incorporating the *Charter of Fundamental rights of the European Union*, proclaimed by the Union's political institutions in December 2000, the Treaty achieves a major breakthrough which allows the Union to have its own catalogue of rights for its citizens. These rights will have binding legal force and must be respected by institutions, bodies and agencies of the Union as well as by the member states when they implement the Union's legislation. The preamble of the Charter refers explicitly, among others, to the Social Charter of the Council of Europe while codifying additional social and economic rights in its section "Freedoms", "Equality" and "Solidarity".

In the Union's policies, the Treaty provides a horizontal '**social mainstreaming**' clause by stating "*in defining and implementing the policies and actions referred to in this part, the Union shall take into account requirements linked to the promotion of a high level of*

employment, the guarantee of adequate social protection, the fight against social exclusion, and a high level of education, training and protection of human health”. The principle of participatory democracy is mentioned as well: “The institution shall, by appropriate means, give citizens and representative associations the opportunity to make known and publicly exchange their views in all areas of Union action”.

On these grounds the European Social Model can be described more precisely. It includes important **social policy principles** of the individual European countries, pointing out their common denominators, and offers a vision to which all countries are committed to a higher or lesser degree. Thus, we can speak of a belief in the necessity of active social policy and social protection which provides the foundation for a great variety of systems and provisions. This is certainly true for the member states of the European Union but also provides a strong influence on European countries which are not or not yet members of the EU.

The European Social Model pursues essentially the following **main objectives**: to protect individuals and groups against the economic and social risks of life and changes in society; to secure adequate income and conditions to live a life in human dignity and with fullest possible participation in society; to combat discrimination and create equal opportunities for all; to avoid marginalisation and to integrate the socially excluded; to break the vicious circle transferring poverty from one generation to the next; and to diminish to a certain extent extreme gaps in the distribution of the wealth in society.

The European Social Model is based on **citizens’ individual and collective rights** embedded in a legal system. It has been developed, based on and inspired by international and intergovernmental agreements and compacts. Consequently, social justice is one of the basic principles. It tends more and more to be inclusive which means there are no longer privileged groups but all citizens potentially can benefit from it. Under the roof of social protection, it combines monetary social security systems with personal social services – both indispensable and complementing each other. The financing of social protection systems is assured either through taxes or by contributions, often a combination of both. It is not based on charity but on societal solidarity and on equality.

The European Social Model, operating in a national and thus territorial context, is based on trust and a broad consensus of the population, the political parties and the social partners of each country. It reflects the historical background, the specific culture and the traditions of the country and provides a particular legitimacy to the nation state which plays an important role in this. It also implies the basic conviction that a rights-based social policy is a major prerequisite for a functioning **participatory democracy** which, at the same time, is indispensable for a modern and effective social protection system. Without material security, good education, adequate health and equal opportunities there can hardly be ongoing and constructive involvement of the citizen in the governance of the community. However, the consensus around the European Social Model is weaker today than it used to be. For various reasons many people think it is going out of date and does not provide adequate response to the political and economic problems we are facing today.

The European Social Model combines the different roles of the main actors in European society: the state at its various levels, the market economy and civil society. Only the state has the capacity to guarantee fundamental rights of citizens, to determine the general interest, to create a socially cohesive environment and to set the rules for the necessary solidarity systems. The economy can be an efficient and effective provider of services to people on a free market. And civil society is called to voice people’s needs, to be their advocate and to

foster empowerment and volunteering. In this context **subsidiarity** is an important feature of the European Social Model.

The European Social Model connects economic and social affairs through the socially responsible market economy. It tries to marry competition with solidarity and social justice and aims at economic growth that strengthens social cohesion. Consequently economic, employment, educational, health and social policies are seen as interrelated and considered as mutually supportive. Expenditure in the areas of education, health and social protection are to be seen as **productive investments**. Social cohesion and security facilitate structural changes and people's readiness to accept risks and go for chances, and therefore increase the flexibility of the labour market. Solid labour legislation, state responsibility and an organised 'social dialogue' – the autonomous negotiations between employers and trade unions – form another pillar for this basic social agreement.

Part 3: Major considerations and challenges

It has to be acknowledged that despite considerable variations at national level, there are common elements in the social framework of European countries which can be referred to as a **European Social Model**. These elements include a specific value system, the recognised fundamental rights and the shared objectives of this society. It embraces as main features the principles and goals of life in human dignity, social justice and non-discrimination. Protection, social integration and social cohesion are important elements as is the possibility to enjoy a self-determined individual life, including options and choices as well as responsibilities. The model is based on the possibility of participation for all in a democratic society, on solidarity, equal chances and the creation of comparable living conditions.

The European Social Model is strongly interdependent with the European political culture and its institutions, European economic concepts and behaviour, European understanding of society and its relation with the individual, European philosophy and European vision of the future. Thus, it is part of a common European approach and determines specific rights and obligations of societal groups and of the citizens.

A number of important changes and developments present significant **challenges** to the European Social Model. Some of the key issues are: globalization of production, trade and consumption; ongoing trends of economic rationale towards liberalisation of markets and employment conditions; short term planning and investment strategies in most areas; growing dominance of individual profit creation over values of universal well-being; growing individualization and questioning of state authority; demographic changes caused by low fertility rates and longevity; increasing migration movements without appropriate integration mechanisms.

The **consequences** are also multidimensional: economic, social, structural, and, above all, political and psychological, and not fully assessed cultural effects. Increasing threats are, for example: unemployment and poverty; the widening gap between rich and poor, functional illiteracy, school drop-outs and the difficult access of young people to the labour market. We can further name crime and drug abuse; xenophobia and racism; indifference, loneliness and isolation. On the other hand, important socio-cultural features are eroding, like: trust in state authorities, in political parties and politicians; public institutions' capacities to act in the general interest; the possibility for individuals to combine their professional careers and

family life; solidarity in society and social security; public order and justice and trust in the reliability of social security systems.

The European Social Model has thus come under heavy pressure. The changes and challenges European society is presently facing have already led to significant uncertainties and a high degree of instability affecting both individuals and society at large, cause for serious worries. **Fear of change** prevents adjustment to changing circumstances, which, in turn, leads to protection of acquired privileges, further deterioration of the existing arrangement, and strong resistance to change. This inertia has to be overcome.

The **need for modernisation** within the framework of the European Social Model is now widely recognized. Areas where responses and solutions are urgently needed are: reforms of the various social security systems, including updated concepts of sustainability without losing solidarity; new orientation in employment policies, including adaptation of work-related regulations; new responses to demographic changes and enabling family and youth policies; courageous designs in immigration and integration policies; forward looking strategies for education, cultural identity and active citizenship.

However, the **actual approach** to address this precarious situation seems to be highly doubtful, unsatisfactory and does not inspire confidence in citizens as politicians focus mainly on reduction of cost and personnel and worry little about the goals and long-term effects. Thus, they are hardly connected to the real needs of society and the basic common ‘philosophy’ of the citizen.

General acceptance of the European Model must be based, in the first instance, on a clear **political commitment to address peoples' needs** and on trust in the reliability of social protection systems. This can only be achieved through a political process redressing imbalances and social injustice in an adequate manner. Progressive, effective and sustainable reforms have to take into account values and objectives commonly shared in *the* respective societies. Thus, a vision of the common future, which interconnects visions and aspirations with ethical norms and with economic, social and cultural conditions, can be developed. Such reforms have to propose structural changes and processes to reach the desired goals and make clear what are the advantages and responsibilities for citizens and social groups in society, including necessary costs and commitments.

All reforms should be based on the values and principles which characterize European society: full **respect of human dignity**, recognition and implementation of fundamental rights, social justice, solidarity, non-discrimination, equal opportunities, social inclusion and participation. These values and principles should be accepted and safeguarded during reforms. European values and principles – as embodied in the European Social Model – should be reinforced and made reality for all European citizens.

All reform policies should aim at **re-establishing trust** in public political and administrative management, in the reliability of security and care systems, in social responsibility of economic actors, and at building citizens’ confidence in the future of Europe. Such *social capital* has to be considered and nurtured as the main prerequisite and as the driving force of positive societal developments.

Reform debates should not only be transparent and based on participatory processes but also highly receptive to **successful experiences** in other countries. A recognition that others have fared better due to appropriate policies and that we can learn and benefit from their

achievements may be of considerable help. Intelligent assessment of success stories, good practices and ‘creative imitation’ are most helpful strategies.

Reform considerations have to be based on the understanding that macro-economic policies include social policies and are actually part of one whole. The “either-or-approach” is non-productive. In the long run there is no economic growth where there is no stability and social cohesion. A balance between **economic performance and social cohesion** is to the benefit of society at large. Social protection needs to be recognized as a productive factor. Labour market flexibility is perfectly compatible with social security – they can be complementary features serving the interests of the economy as well as the needs of the individual. Only people who feel safe are ready to take risks. In the past, effective social security systems have strongly supported structural economic changes.

All reform strategies should carefully consider the role and the **competencies of the state** at all levels and acknowledge that only state can guarantee and uphold basic and vital principles and conditions in a modern democratic European society – like guaranteeing fundamental rights, defining what is of general interest, enforcing rules for equal chances and fair competition, setting up solidarity systems, rebalancing inequalities through redistribution.

Reform policies need to be built on the **principle of sustainability**. They must strengthen the balance between the economic, the social and the environment (the original idea of the *Lisbon Strategy*). Thus, policies and strategies have to ensure that the resources, the potential and the options of Europe’s society are not endangered but rather developed – in particular in terms of natural resources, human capacities, entrepreneurship, innovation, and welfare. Decisions should not be determined solely by the choices of today’s generations but also by a careful assessment of the needs and the opportunities of the generations still to come.

Reforms of structures and processes will inevitably have financial effects but should not primarily be driven by **financial considerations**. The amount of taxes or investments are only of limited meaning as indicators. Reforms should take into consideration the positive effect of a socially cohesive society as a productive element. As various political levels (local, regional, national and European) have different responsibilities they need to have at their disposal adequate structural and financial means.

General and consequent reforms of taxation, financing and compensation systems need to be achieved. They should pursue the goal to make **taxation systems** transparent and understandable for all, more just and less subject to abuse, and, most importantly, justified in volume by the clear objectives of society. Public financing strategies need to be more focussed on investment in the areas of human capacities, in innovation processes, in enabling environment and in prevention of deficiencies.

There is also the need to reflect on new concepts of what should be considered as labour and which kind of activities (e.g. in the areas of caring, education, etc.) have to be recognized as productive contributions to society and thus should be directly remunerated. The **principle of flexibility** in working life should not only apply to the labour force but, first of all, to work places using the possibility of new technologies and management processes. This would allow people to better combine family life, raising children, caring obligations, professional work and leisure.

Moreover, people’s responsible choices in balancing education, work orientation, income, material security, risks and chances as well as quality of life should be extended by making

systems more reliable. Opportunities as well as dangers of options should become more transparent. The mainstreaming of **gender equality** must be one of the strongest features in this respect.

Demographic changes, such as low reproduction rates and ageing, do not need to be seen as a threat to society, to economic growth and stability of social security systems. This necessarily asks for forward looking reflection on the extent of working time, on retirement age, on productivity and quality of work, on the relationship between the use of the experience of the old and the drive for innovation and change of the young, as well as on the question what the added value of economic growth could be for society.

Europe urgently needs a concerted and responsible **immigration policy** which respects at the same time Europe's needs of foreign labour and the consequences for the countries of origin of immigrants. Immigration policies need to clearly address the issue of integration taking into account the principles of mutual cultural respect, societal diversity and social cohesion. Immigrants as well as the host society have to know that integration is a mutual responsibility which includes rights, duties and respect on both sides.

Another important area for substantial modernization is the sector of **personal social services**. In particular the principle of users' involvement needs to be fully recognized and implemented by service providers under the guidance of responsible authorities. This concerns all stages of conceiving and applying these services: the assessment of needs, the strategies of provision, the design of the services, the monitoring of their actual provision and, last but not least, their evaluation and possible readjustment.

The issue of **subsidiarity** needs to be carefully re-considered in the context of European integration – according to the slogan “Think global – act local”. As people's life realities are determined by local conditions their needs for help and care should likewise be conceived and organized locally. However, in order to guarantee the enjoyment of fundamental social rights and the principle of equal treatment for all, the European level has to define common social policies and strategies, to be then implemented at local level.

European policies and strategic concepts should not be limited to a restricted view of the situation of the members of the European Union. Europe is a cultural space in which all European nations have their importance and where the concepts, the needs, the thinking and the developments in one part of the region affect all the other parts. Consequently, a **strong and ongoing dialogue** between all European nations is indispensable and certainly the only reasonable way to go.

Societal reforms and development programmes can only be successful in the political process if they are subject of a broad and necessarily controversial public debate in society. This requires time and substantial investment in **general consultation processes**. The cycle of political mandates is usually too short to allow societal projects of such dimensions to find a general consensus. The limited capacity of national governments to achieve substantial and sustainable reforms necessitates alternative political and procedural strategies to prepare important changes, for example through the creation of an independent structure at European level where all concerned societal actors can engage in an in-depth debate on the future of European society. A European Assembly could be composed of representatives of national public authorities and parliaments, the financial and economic sector and civil society.

The work of such an *Assembly on the Future of European Society* commissioned by the European Council would not be subject to day-to-day political pressures. The Assembly could work in an independent way and could come up with a coherent manifest on reforms and on the future of European society which would become subject of broad public debates at European and national levels on “the society we want” before being decided upon by citizens through referenda.

It is evident that such an approach needs a sound **communication strategy** in order to inform citizens about challenges and opportunities, to guarantee transparency and accountability, to promote participative democracy and thus create for citizens a sense of ownership in shaping the future of their lives and of their children’s lives. Citizens need messages that can re-establish trust and confidence in the political system and its representatives and leaders, its advocates and providers. This is likewise true for governments at all levels, for parliamentarians and for organized civil society.

All **societal actors** must feel concern for the common good of society and its future development – despite the different and specific interests they may pursue. After all, their individual opportunities and successes are dependent on the state of health of society. Continuous investing in society in terms of ethical convictions, education, innovation, material means but also personal commitment and time is a precondition. Only wanting to benefit and not actively contribute to the common good will erode its objectives and potential, and destroy society.

Finally, it has to be clearly acknowledged that globalisation constitutes not only a threat but offers at the same time great opportunities. Europe needs not only to be competitive in the global economic market in order to survive. More importantly, Europe needs to demonstrate that its specific European Social Model is a highly successful one which can hold its own in **international competition**. Globalisation offers an outstanding opportunity to redesign structures, arrangements and procedures in European society. This important process needs to start right now.

Part 4: Recent EU social policy developments and prevailing problems

Even though the European Union failed to agree on the *Draft Treaty Establishing a Constitution for Europe* – due to the French and Dutch votes as well as the resistance of the United Kingdom against further integration of the Union – the replacing *Lisbon Treaty* meant a considerable advancement and success by a serious modernisation and better coherence of primary law of the European Union.

Important changes in governance were made in terms of more democratic and transparent processes, in strengthening the position of the European Parliament, especially through the principle of co-decision, in the fact that the role of social partners is emphasised and diversity receives more attention, while the concepts of “subsidiarity” and “proportionality” are gaining in importance.

Very importantly, the *Charter of Fundamental Rights of the European Union* became an integral part of the Treaty (primary law) and article 11 on *Participatory Democracy*, containing the *European Citizens’ Initiative*, meant a significant step forward in giving citizens a voice. Also, the goal of “improving the life of Europeans” through measures regarding freedom, security, justice, energy policy, public health, civil protection, climate

change, services of general interest, research, territorial cohesion, humanitarian aid, sports, etc. came into much better focus.

Having learned a lesson from the lack of success of the overambitious and at the same time very vague *Lisbon Strategy* of the previous decade, the European Union finally designed new objectives through the *Europe 2020 Strategy for smart, sustainable and inclusive growth* with three mutually reinforcing priorities, namely (1) smart growth: developing an economy based on knowledge and innovation; (2) sustainable growth: a more resource efficient, greener, more competitive economy; (3) inclusive growth: a high-employment economy creating social & territorial cohesion.

To define where the EU wants to be by 2020, five EU headline targets are set: (1) 75 % of the population aged 20-64 should be employed; (2) 3% of the EU's GDP should be invested in R&D; (3) the "20/20/20" climate/energy targets should be met; (4) the share of early school leavers should be under 10% (at least 40% of the younger generation should have a tertiary degree); and (5) 20 million less people should be at risk of poverty. Obviously, these goals and targets are – each in itself and all in combination – of very high significance for the further development of European society and for the future of the European Social Model.

The structural, political and institutional crisis of the European Union together with the important loss of trust and support by a growing number of EU citizens lead, during the last years, to new reflections and debates - including in particular social policy aspects - that potentially can trigger off quite positive long-term developments. Three main initiatives have to be mentioned here: (1) the European Commission's *White Paper on the Future of Europe* of March 2017; (2) the European Union's efforts to establish a *European Pillar of Social Rights*; and (3) the "Meseberg Declaration" of the Franco-German Council of Ministers of 19 June 2018 under the title "Renewing Europe's promises of security and prosperity".

The Commission's *White Paper on the Future of Europe* presents five very different possible scenarios as options for the future development of the European Union on the twenty-seven member states (without the United Kingdom) – in brief: (1) carrying on; (2) nothing but the single market; (3) those who want to do more do more; (4) doing less more efficiently; and (5) doing much more together. In its presentation, the Commission point out what the different scenarios could mean in practice and where it sees the pros and cons of each option. All these alternative choices can be supported by the certainly limited but significant tools the EU has at hand, according to the Treaty: by legislation, by funding, by guidance and by cooperation. In each of these areas, but in particular in the field of cooperation, dialogue with social partners and engaging with civil society are seen as of decisive importance.

The *European Pillar of Social Rights*, proclaimed by EU leaders as a priority policy area under the slogan "Building a more inclusive and fairer European Union" at the Social Summit in Gothenburg, Sweden, on 17 November 2017, aims at securing and delivering new and more effective rights of EU citizens in a fast-changing world – among others the rights to protection, opportunities and resources that ensure living in dignity. It builds on 20 key principles that are structured around three main categories, as follows:

Chapter I "Equal opportunities and access to the labour market" comprises: (1) Education, training and life-long learning; (2) Gender equality; (3) Equal opportunities; and (4) Active support to employment.

Chapter II "Fair working conditions" contains the elements: (5) Secure and adaptable employment; (6) Wages; (7) Information about employment conditions and protection in case

of dismissals; (8) Social dialogue and involvement of workers; (9) Work-life balance; and (10) Healthy, safe and well-adapted work environment and data protection. Chapter III “Social protection and inclusion” covers: (11) Childcare and support to children; (12) Social protection; (13) Unemployment benefits; (14) Minimum income; (15) Old age income and pensions; (16) Health care; (17) Inclusion of people with disabilities; (18) Long-term care; (19) Housing and assistance for the homeless; and (20) Access to essential services.

Delivering on these principles and rights defined in the *European Pillar of Social Rights* is a joint responsibility of Member States, EU institutions, social partners and other stakeholders. This combination of diverse responsible actors offers at the same time enormous opportunities and great challenges. In contrast to the *Charter of Fundamental Rights of the European Union* which represents EU primary law binding the Union’s institutions in all its acting and the member states when they implement EU legislation, the *European Pillar of Social Rights* is, so far, an only proclaimed and legally not binding political action agreement, still subject to extensive negotiations about its concrete implementation. But the extension of the areas of its concerns and the inclusion of all relevant societal stakeholders in the responsibility of its delivery is also an appreciable chance for social innovation, creative mutual learning, monitoring and evaluation. In conjunction with the *European Semester* process the *European Pillar of Social Rights* may be developed as an effective tool for delivering Social Europe.

In the the recent so-called “Meseberg Declaration” of June 2018 it is stated that “France and Germany share a common ambition for the European project: a democratic, sovereign and united Europe, a competitive Europe, a Europe that is a basis for prosperity and defends its economic and social model and cultural diversity, a Europe that promotes an open society, based on shared values of pluralism, solidarity and justice, upholding the rule of law everywhere in the EU and promoting it abroad, a Europe that is (.....) a leader in the fight against climate change, a Europe that successfully addresses the migration challenge. In reforming Europe, we should listen to the voices of our citizens. France and Germany are therefore committed to pursue the citizens’ consultations on Europe in order to keep the democratic debate alive ahead of the next European elections”.

If these two very important member states truly consider themselves as responsible co-operative motors of the European Union and if they pursue not only their commitment “to pursue the citizens’ consultations on Europe” but grant civil society an important role in social policy making at European level, this could potentially open a qualitatively new and key chapter in the shaping of the future of Europe and the development of the European Social Model.

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To end with and to further stimulate the thinking and the debate in the European Region of the International Council on Social Welfare – and other concerned civil society organisations in the field of social affairs - some reflections on possibilities and limitations of European social policy making seem to be opportune. They may be useful in the development of clear objectives and strategic concepts concerning lobbying, pressuring, cooperating or supporting national and European policy makers as well as the European institutions in their efforts to shape the future of European society and the European Social Model.

Social policy is still predominantly a nation-state matter. This makes it very difficult to harmonise social policy between EU member states or even lead to an integrated European

Union Social Policy reality that guarantees equal social rights, comparative social protection, quality treatment and benefits for all throughout the whole European Union.

Member states still show keen interest in maintaining sovereign decision-making rights in the European Union through:

- voting by unanimity on, inter alia, social security and social assistance issues,
- voting by qualified majority on i.a. working conditions, equality of women and men,
- excluding EU competence on i.a. salaries, legislation on striking, workers' associations.

This division in voting rules, enshrined in the Treaty, often constitutes serious barriers – or even blockages – in the advancement of the European integration process.

But it is also true that competences of the European Union increasingly cover a large area of social issues such as:

- the free movement of workers and social security for migrant workers,
- equal treatment for women and men,
- employment legislation, working conditions, and health and safety at work,
- public health programmes,
- young people - and older person,
- poverty, social exclusion and disadvantaged groups,
- employment for the disabled,
- vocational training in particular for the long-term unemployed,
- certain social protection measures and benefits.

The social dimension of European integration has witnessed a slow, long but after all progressive process stimulated by Treaty revisions, secondary law like directives (and their transposition into national legislation), the *Community Social Charter*, the *Social Protocol*, various *Social Action Programmes*, the *Open Method of Coordination*, the implementation of the *European Semester* with its national reporting and country-specific recommendations – and, very importantly, the judgements of the European Court of Justice. These have profoundly influenced not only the goals and the content of EU social policy but also - and in particular - the mode of governance and the degree of responsibilities of the actors involved.

While in its social policy initiatives the European Commission tries to set common targets to be achieved, it mainly leaves – according to the principle of subsidiarity - the ways and means to achieve these to the Member States, in order to respect the traditional diversity of social welfare systems with their varying ideologies, structures, interests, institutions, actors and administrative practices.

However, one can clearly notice that over time not only remarkable goal convergence and outcome convergences happen, but also that a certain helpful alignment of processes takes place. This is certainly a precondition for further European integration and might be considered as a chance for the building of a true European Social Union.

Still there are major obstacles to achieve such an integrated European Social Space. They lie, on the one side, in the very different economic performance of the member states of the European Union and, on the other side, in the unwillingness of national governments and political power elites to renounce to their privilege to regulate political, economic and social

conflicts and to profoundly shape society through social policy decisions and social benefits allocations.

Thus, it is of paramount importance to make national governments and the political power elites fully understand that without the cooperation and the support of civil society they will neither be able to live up to their responsibilities, nor to uphold their full political influence, nor to insure an ongoing success of the European integration process so essential for the peace and the well-being of present European society, for the globe at large, and for the generations still to come.

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