European Social Policy Forum

Brussels, 24-26 June 1998

Summary Report

Edited by Mark Carley

This Report is published jointly by the European Foundation for the Improvement of Living and Working Conditions and the European Commission's Directorate-General for Employment, Industrial Relations and Social Affairs.
Foreword

I am pleased to present the official report of the second European Social Policy Forum which took place in Brussels in June 1998.

The Forum brought together over 1500 people from NGOs, the social partners, employers, Member State governments, regional and local authorities and research institutes. Participants came from all over the European Union. Our aim was to provide a real forum and meeting place for the exchange of views on key social policy issues. I think this report reflects the success of the Forum in meeting these objectives – the debates were stimulating, frank and open, and centred on key themes at the heart of our concerns – employment; the future of social protection, and how we can promote participation and a feeling of citizenship in Europe.

Supporting these main themes were timely discussions and debate on the financing and role of NGOs; the Open Forum which discussed the possibility of a European Bill of Rights; and a major exhibition by the NGOs and Social Partners.

The high quality of the debate, as reported in this document, is testimony to the commitment of the European institutions and our civil society partners to work together to build a Social Europe in practice and not just in theory.

The success of an event of the size of the European Social Policy Forum depends on many people. There are too many to thank individually, however I would like to express particular thanks to all of those people from the trade unions, employers and non-governmental organisations who came to Brussels to contribute their own views and those of the people they represent. They ensured that the Forum was as representative as possible and a model of civil dialogue in action.
INTRODUCTION

On 24-26 June 1998, some 1,300 representatives of non-governmental organisations and other voluntary bodies, trade unions, employers’ associations, national governments and authorities and the institutions of the European Union met at the Heysel exhibition complex in Brussels. For three days, the participants heard and delivered speeches and presentations; took part in seminars, round tables and question-and-answer sessions; engaged in debates both formal and informal (on occasions heated); watched videos and computer demonstrations; exhibited and visited exhibitions; met, talked and listened. What was going on at Heysel – the second European Social Policy Forum – was clearly of interest not just to the participants, but also to the wider world, as witnessed by the presence of some of the leading figures from the EU institutions and national and European political scene, and by the attendance of the media.

This summary report of the European Social Policy Forum aims to explain why the 1,300 participants gathered at Heysel, what they discussed and what the significance of their work is. Its objective is to sketch the background, give a flavour of the debate and outline the main issues that were discussed. With such a huge event, it is clearly neither possible nor desirable for a brief report to attempt to cover all the proceedings. Those who wish to go further into the matters on the Forum’s agenda, or who wish to follow the proceedings in more detail, are referred to the Forum’s Website [http://europa.eu.int/socialforum98], where the working papers, reference documents and other documents can be found. Hundreds of people contributed in many ways to the Forum, speaking from the platform or the floor or in workshops or in the Open Forum. This report cannot do justice to their contribution, and especially that of the many non-governmental and voluntary organisations, but merely attempts to reflect the spirit of the occasion.

Background and context
Mid-1998 marked an important point in the development of both the European Union and its social policy. The previous 12 months had seen notable events such as: the Member States' agreement on the draft Amsterdam Treaty (June 1997); the
Luxembourg Employment Summit (November 1997) and the subsequent adoption of the *Guidelines for Members States' Employment Policies 1998*; the Cardiff European Council meeting (June 1998), at which the Member States’ National Action Plans drawn up in response to the Guidelines were presented; and the publication of the Commission’s Communication on its Social Action Programme 1998-2000 (May 1998). The coming years will see: the ratification of the Amsterdam Treaty (probably by early 1999); the launch of Economic and Monetary Union (from 1999); and the next phase of EU enlargement (from 2000). In fact, in the words of President Santer to the Forum, “never in its history has the European Union been confronted by such a breathtaking agenda in such a short period of time.”

It was in this context that the second European Social Policy Forum was held in June 1998. The first Forum had been organised in March 1996, with the aim of broadening the interaction between the EU institutions, non-governmental organisations (NGOs) involved in grass-roots social action and the social partners (trade union and employers’ organisations). The Forum was considered by the Commission to have been a success and to have acted as the starting point for what is known as the European “civil dialogue” – a relatively new concept with its immediate roots in the 1992 Maastricht Treaty and the Commission’s 1993 Green Paper on social policy. This civil dialogue (as defined in the Commission’s June 1997 Communication on promoting the role of voluntary organisations and foundations – see below) is a process whereby NGOs and other voluntary organisations have an input into EU policymaking and are informed about EU-level developments. It proceeds alongside the longer-established social dialogue with the social partners (as well as the “political dialogue” with national authorities).

While the 1996 Forum may have given an initial impetus to this new form of dialogue, as mentioned above, much had happened in the social policy field from 1996 to 1998. In 1996, by necessity, the civil dialogue had to be discussed mainly in conceptual and theoretical terms. Since then, the actual experience of NGO involvement has developed and matured, providing for a more concrete, operational and practical assessment. In the wider sphere, a welter of new developments has posed fresh challenges for EU social policy and for the social and civil dialogues. As Commissioner
Flynn told the second Forum: “The 20 months which have passed since we last convened have brought remarkable gains for European employment and social policy. These gains have been important, not just for the Union as a whole, but also for the future focus and scope of the employment and social policy objectives of each of the 15 Member States”.

In order to place the Forum and its debates in their full context and to aid understanding of the issues discussed, brief details of some of the key developments are set out below. To this list could also be added developments such as: the 1997 Commission Communication on the modernisation of social protection systems [LINK: http://europa.eu.int/comm/dg05/jobs/forum98/en/texts/socprot.htm]; Commission initiatives on the “information society” and against racism; and the implementation of the reform of the European Social Fund (ESF), with a greater role for the social partners and NGOs, as well as the new focus on making the ESF complement the European employment strategy, and the proposal for allocating specific ESF funding for small-scale NGO projects after 1999.

The Amsterdam Treaty
The amended Treaties agreed in Amsterdam in June 1997 and formally signed in October made a number of changes in the social policy area – including some directly relevant to the civil dialogue. Notable amendments include the following:

- the inclusion of references to the Member States’ attachment to fundamental social rights as defined in the Council of Europe’s 1961 European Social Charter [http://www.coe.fr/eng/legaltxt/35e.htm] and in the 1989 Community Charter of the Fundamental Social Rights of Workers;
- the inclusion of a new Title on employment [http://ue.eu.int/Amsterdam/en/traiteco/en/conso2/cons225.htm] in the Treaty establishing the European Community (TEC). This sets the goal of a “coordinated strategy for employment and particularly for promoting a skilled, training and adaptable workforce and labour markets responsive to economic change”. Member States are to regard the promotion of employment as a matter of common concern and will be called upon to coordinate their actions in this respect. The Community
will encourage cooperation and the exchange of experience between Member States and, if necessary, complement their actions. The Council may encourage cooperation between the Member States and the achievement of a high level of employment must be taken into consideration in Community policies. The European Council will consider the employment situation annually and draw up guidelines for employment policy. Member States must prepare annual reports on the measures they have taken to implement these guidelines. Where necessary, the Council can make recommendations to Member States on their employment policies;

- the incorporation into the Treaty proper of the Agreement on Social Policy annexed to the Maastricht Treaty, thus ending the United Kingdom’s “opt-out”. All Member States will in future be covered by the same framework for social policy [http://ue.eu.int/Amsterdam/en/traiteco/en/conso2/cons229.htm], which includes the enhanced role for the social partners set out in the Agreement. The new chapter on social provisions also for the first time allows the Council to adopt measures designed to encourage cooperation between Member States through initiatives aimed at improving knowledge, developing exchanges of information and best practices, promoting innovative approaches and evaluating experiences in order to combat social exclusion:

- the inclusion of a new Article on non-discrimination. The Council may take appropriate action to combat discrimination based on sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation [http://ue.eu.int/Amsterdam/en/traiteco/en/conso2/cons20.htm];

- the addition of “equality for men and women” to the list of general principles to be promoted by the Community, and the inclusion of the principle of “mainstreaming”; and

- the addition of a new declaration (No 38) annexed to the Treaty, recognising “the important contribution made by voluntary service activities to developing social solidarity”, and stating that “the Community will encourage the European dimension of voluntary organisations with particular emphasis on the exchange of information and experiences as well as on the participation of the young and the elderly in voluntary work.”
The Luxembourg Employment Summit and the Employment Guidelines

At this special European Council meeting on employment held in November 1997, the Member States’ governments agreed on a range of measures to address the unemployment problem [http://europa.eu.int/comm/dg05/elm/summit/en/home.htm]. These included an enhanced role for the social partners in employment policy and the early introduction of the Amsterdam Treaty’s measures on the coordination of Member States’ employment policies, with their annual process of employment policy guidelines and national reports on their implementation. Following recommendations agreed at the Summit, the European Council subsequently approved the Commission’s Guidelines for Member State’s Employment Policies 1998 in a Resolution [http://europa.eu.int/comm/dg05/empl&esf/docs/guideen.htm] adopted in December 1997. These guidelines lay down a range of actions and objectives under the four “pillars” of: “improving employability”; “developing entrepreneurship”; “encouraging adaptability in businesses and their employees”; and “strengthening the policies for equal opportunities”. The social partners are given a key role in many areas. The Member States all drew up National Action Plans (NAPs) [http://europa.eu.int/comm/dg05/empl&esf/naps/naps.htm] in response to the Guidelines, which were submitted in April 1998 and assessed at the June 1998 Cardiff European Council meeting. The new set of guidelines for 1999 was discussed and adopted by the Head of States and Governments at their Vienna Council in December 1998 (http://europa.eu.int/comm/dg05/empl&esf/index_en.htm)

Social Action Programme 1998-2000

This document [http://europa.eu.int/comm/dg05/news/sapen.htm] aims to set out the next steps for European social policy as the Union becomes ever more integrated, providing a framework for the renewal of social policy aimed at reinforcing the “core values of the European social model while ensuring that the Union is well placed to respond to new and emerging challenges in a fast-changing world”. The social policy agenda will be kept under review by all concerned and adapted as necessary, with the aim of ensuring that “social policy stays where it belongs, at the heart of a People’s Europe.” The numerous proposed initiatives, legislative and otherwise, are set out under headings similar to those used for the principal themes of discussion at the 1998 Forum: “jobs, skills and mobility”, “the changing world of work” and “an inclusive
society”. Under the last of these headings, the Programme includes a variety of measures aimed at modernising and improving social protection, promoting social inclusion and achieving equality and fighting discrimination.

A bigger role for NGOs

Although there has been a long history of consultation and informal dialogue between the EU institutions and NGOs/the voluntary sector, it is only since the 1992 Maastricht Treaty on European Union that there has been any formal basis for such contact. Declaration 23 annexed to the Treaty stresses the importance in the social policy field of cooperation between the Community and “charitable associations and foundations as institutions responsible for welfare establishments and services”. The following years saw the first European Social Policy Forum and the preparations for it (including the formation of the Platform of European Social NGOs and the report of the Comité des sages on fundamental rights), and in 1997 the creation of a new Commission budget heading (B3–4101) for “cooperation with charitable associations and with NGOs and associations dealing with the interests of the elderly”.

Importantly, in June 1997, the Commission published a Communication on promoting the role of voluntary organisation and foundations in Europe [http://europa.eu.int/comm/dg05/jobs/forum98/en/texts/volonten.pdf]. This document surveys and analyses the sector and makes a number of proposals for action. At national level, the Member States are asked to examine areas such as the relationship between public authorities and the voluntary sector, legal and fiscal issues, training and the information society. At Community level, the Commission proposes: an increased level of dialogue and partnership; a possible “European year of voluntary organisations and European citizenship”, plus greater voluntary organisation involvement in other “European years”; Europe-wide collection, analysis and dissemination of information on the sector; better access to European training programmes for officials of voluntary organisations; help for voluntary organisations in finding partners at European level; greater involvement of the sector in information society developments; easier access to sources of finance; and examination of the effects of Community policies and actions on the voluntary sector. To discuss the issues in the Communication, the Commission launched a broad dialogue involving the “third sector” – including NGOs, social
economy organisations and the voluntary sector – the EU institutions and other interested parties.

A dialogue was developed between NGOs, the Commission and the European Parliament in the preparations for the 1996-7 Intergovernmental Conference to review the Treaties. Issues raised included the provisions of a Treaty basis for the civil dialogue with NGOs. However, as we have seen, such changes were not included in the Amsterdam Treaty – to the disappointment of the Commission, the Parliament and other parties involved.

Who are the NGOs?

A distinctive and indeed defining feature of the European Social Policy Forum is the prominent role it gives to non-governmental organisations (NGOs) and other voluntary organisations and interest groups, alongside those bodies which are perhaps more usually perceived as “players” in EU policymaking and other circles: the social partners (trade union and employers’ organisations), national authorities and EU institutions. Given their importance to the event, it is worthwhile examining briefly who the NGOs and similar bodies are.

Voluntary organisations play an important part in almost every area of social activity across the EU and are making an increasing contribution to the development of Europe, as the European Commission points out in its June 1997 Communication on promoting the role of voluntary organisation and foundations. The Commission goes on to state that these organisations play a role in fields such as: employment creation; active citizenship and democracy; the provision of a wide range of services; development policies; representing citizens’ interests to the public authorities; promoting and safeguarding human rights; and sports activities. While voluntary organisations are, at the most basic level, “simply groups of people who have come together for some purpose or other”, they do share to varying extents a number of characteristics: they have some formal or institutional existence; they do not distribute profits; they are independent; they are “disinterested” (ie those running them do not do so for personal gain); and they are active in the public arena and seek to contribute to
A huge diversity of NGOs and similar bodies attended the 1998 Forum. Among the 1,300 or so delegates were representatives of many hundreds of these organisations from some 30 countries. The bodies represented were diverse in terms of their location and area of activity – from the Finnish Red Cross to the Panhellenic Federation of Parents and Guardians of Disabled People, from the Netherlands Platform Older People and Europe to Swedish Save the Children. Some came from beyond the European Union, including organisations from central and eastern Europe – such as the Centre for NGO Development, Bucharest or the Women’s Alliance for Development in Sofia – and from south-eastern Europe – such as the Pancyprian Welfare Council.

The participation of NGOs in the Forum went, of course, beyond mere attendance. As well as the involvement of platform speakers and of individual delegates in the various debates and discussions, much of the second day of the conference was given over to the Open Forum (see p.00) organised by the Platform of European Social NGOs and the European Trade Union Confederation. At a structural level, the Platform (along with the social partners) was deeply involved with the planning of the Forum’s format and of the issues to be discussed.

The Platform of European Social NGOs is one of the “peak” organisations of the sector, bringing together 25 organisations, federations and networks which, in its own words, are “actively seeking to contribute towards the building of a stronger, fairer and more just society”. The Platform’s members represent thousands of organisations, associations and other voluntary or “third-sector” bodies, engaged in a wide range of activities at all levels from the local to the European. The Platform was created in 1995 as a permanent framework for cooperation after a number of NGOs had worked together to discuss the Commission’s 1993 Green Paper on social policy. The aims of the Platform are to allow the NGO sector to establish a broader and ongoing civil dialogue with the EU institutions on social policy issues (as a complement to continuing consultation of NGOs in specific sectors). Among the key tasks of the Platform are: the development of common opinions on issues of joint interest and their
promotion within the EU institutions; facilitating an interactive exchange of ideas among members; and contributing to the organisation of European Social Policy Forums and circulating relevant information among members (the Platform has had a major input into both Forums so far).

The identity of the 25 member organisations of the European Platform give a clear and concrete impression of exactly what kind of issues motivate the organisations participating in the European civil dialogue:

- CECODHAS (social housing);
- Confederation of Family Organisations in the EC (COFACE);
- EURAG (older people’s welfare);
- Eurolink Age;
- European Anti-Poverty Network (EAPN);
- European Association of Organisations for Home Care and Help at Home;
- European Disability Forum;
- European Federation of National Organisations Working with Homeless (FEANTSA);
- European Forum for Child Welfare;
- European Migrants Forum;
- European Network of Unemployed (ENU);
- European Public Health Alliance (EPHA);
- European Round Table of Charitable Social Welfare Associations (ET Welfare);
- European Social Action (ESAN);
- European Women’s Lobby;
- ILGA-Europe (International Lesbian and Gay Associations);
- International Council on Social Welfare (ICSW);
- International Movement ATD Fourth World;
- International League of Societies for Persons with Mental Handicap (ILMSH) Europe;
- International Planned Parenthood Federation (IPPF) – European Network;
- International Save the Children Alliance;
- Mobility International;
• Red Cross/EU Liaison Bureau;
• Solidar (development and social welfare organisations); and
• Youth Forum.

ECJ ruling on projects to combat social exclusion

One further specific development needs to be mentioned at this point, as it both influenced the Forum strongly and illustrated the topical and indeed pressing nature of the issues under debate.

On 12 May 1998, the European Court of Justice issued its ruling in a case (C-106/96) brought by the Government of the United Kingdom (supported by Germany, the Council of the European Union and Denmark) against the Commission of the European Communities (supported by the European Parliament). Briefly, the UK had sought the annulment of the Commission’s decision to fund, under budget heading B3-4103, 86 European projects seeking to overcome social exclusion. The UK claimed that the Commission did not have competence to commit the expenditure for funding the projects under the budget heading in question, and had thus acted in breach of Article 4 of the Treaty. The Court annulled the decision in question, though it declared that the annulment would not affect the validity of payments made or undertakings given under the contracts in question. The Court clarified the principles that the Commission must respect in implementing the EU budget: any expenditure relating to Union action requires both a budget entry and a legal basis – ie a Regulation, Directive or Decision authorising the expenditure. Only “non-significant” actions can be financed without prior adoption of a legal basis.

On 10 June, the Commission announced that it had decided to take action following the Court’s clarification of the legal requirements for the implementation of the EU budget. It thus launched a review of a number of budget headings without a legal basis and decided to suspend their implementation temporarily. During the review, new commitments would be suspended but the payments of monies already committed would be made as usual. Many of the budget headings concerned would be unblocked.
once the Commission was satisfied that they met the criteria of the Court's ruling. The Commission stated that it would draw final conclusions from the review and communicate them to the budgetary authority by the end of July 1998. Among the budget headings suspended were those related to “cooperation with charitable associations” (B3-4101), “cooperation with NGOs and associations formed by the socially-excluded and the elderly” (B3-4116), “measures in the social economy sector” (B5-321), “Community contribution toward schemes concerning developing countries carried out by NGOs” (B7–6000) and “subsidies for certain activities of organisations pursuing human rights objectives” (B7–7040).

For the Commission, while not defining “non-significant” (ie, the type of action that can be implemented without the prior adoption of a legal base), the Court did make it clear that a small amount of money or a short duration are not, per se, sufficient criteria. The Commission’s review thus concerned both small budget headings without a legal base and budget headings for which the legal base had been proposed but not yet adopted. Furthermore, the Commission was in contact with the budgetary authority with regard to the 1999 EU budget and the new Interinstitutional Agreement and in this context looked forward to reaching an agreement between the institutions to define the meaning of “non-significant”.

[Following the Forum, by the end of July 1998, the Commission had fully or partially unblocked 83 out of 100 budget headings temporarily suspended as a result of the ECJ ruling. The Commission stated that most of the funding still suspended (worth some ECU 55 million) could be cleared once pending legislation was adopted by the Council and European Parliament. At a “trialogue” meeting on 17 July, the Commission, the Council and the Parliament agreed on a long-term solution to the problem of legal bases and an ad hoc solution for the implementation of the 1998 budget.]

Aims, organisation and programme of the Forum
The second Forum was prepared by the Commission in close cooperation with the Platform of European Social NGOs and the social partners – represented by the European Centre of Enterprises with Public Participation and of Enterprises of General
Economic Interest (CEEP), the European Trade Union Confederation (ETUC) and the Union of Industrial and Employers' Confederations of Europe (UNICE). The overall stated aim was to “advance the Europe-wide debate on the future of social policy by mobilising all those involved to promote a stronger social dimension to the future development of the Union”, and to “offer an opportunity to discuss the most important issues of today in a framework which brings together the key players in the European institutions and representatives of NGOs, social partners and national authorities in the Member States”.

Within this overall goal, the specific central objectives of the Forum were to:

- promote the idea of a “participative, inclusive and interdependent” European society;
- strengthen the civil dialogue;
- reveal and strengthen the “complementarity” between the social dialogue and the civil dialogue;
- help develop partnerships between all the actors concerned;
- encourage exchanges of concrete examples, demonstrating the “wealth of civil society”;
- underline the role of social policy as a productive factor; and
- discuss present and future social policy.

Cutting across these separate objectives, a number of horizontal issues were to be addressed: “mainstreaming” of issues relating to equality between women and men and non-discrimination; and issues related to demographic trends, notably ageing and intergenerational relations.

The programme

The set programme of the Forum (alongside the less structured dialogue and debate which shadows the official proceedings at such occasions) consisted of a range of sessions, discussions and forums, of varying formality and interactiveness.

Day One began with a welcome from Pádraig Flynn, the Member of the European Commission with responsibility for employment and social affairs, followed by addresses from Jacques Santer, President of the Commission and Antoni Gutiérrez...
Díaz, Vice-President of the European Parliament. In a change to the scheduled programme, their addresses were preceded by an intervention by Marie-Françoise Wilkinson, Director of the European Anti-Poverty Network and Chair of the Platform of European Social NGOs (see box on p.00).

Following the opening session, the Forum participants split into three parallel sessions to start work on the central themes of the event:

- the “future world of work”;
- “social protection – adapting to changing needs”; and
- “promoting participation and citizenship”.

The three themes are seen as being closely interlinked. In the words of Commissioner Flynn: “We cannot make the journey towards the future world of work, while adapting social protection – and the whole span of social policy – to changing needs, without dialogue and participation.”

Day One also saw the opening by Commissioner Flynn of a major exhibition where many of the participating organisations presented themselves and their work. The Forum organisers also provided a cybercafé, allowing delegates to meet each other and browse through the websites of the participating organisations, among others.

### Setting the scene – the Forum’s opening speeches

“I bid you welcome to the second European Social Policy Forum. Social policy is the foundation stone of the Union’s political and economic achievements. A strong social policy is a central condition and benefit of Union membership. A European Union without a strong and dynamic social dimension is not just diminished, it is unsustainable.

“The task for us here, across the public, private and non-governmental sectors is to equip all the components of social policy to play their proper role in navigating the new economic and social conditions faced by workers and citizens. Institutions, social
partners, NGOs, national, regional and European, all have a place in this. That is why
the agenda of this conference is based on three interlocking themes: the future world of
work; adapting social protection to changing needs; and promoting participation and
citizenship.

“Citizenship is a process of belonging, and of ownership, not an administrative label. It
is about people participating in change, not just being recipients of institutional recipes
for the future.

“We are here at this Forum because the European Union is committed to enriching that
process of engagement. We are here today because the Union is committed to
supporting the capacity of NGOs to be a prime interlocutor with the systems and
structures which deliver our ability to enhance the basic rights of the citizens of
Europe.”

It was with these words that Pádraig Flynn, the Member of the European Commission
with responsibility for employment and social affairs, opened the second European
Social Policy Forum.

After Commissioner Flynn’s welcome, in a change to the scheduled programme, which
illustrated the open nature of the Forum, there was an intervention by Marie-Françoise
Wilkinson, Director of the European Anti-Poverty Network and Chair of the Platform
of European Social NGOs. Ms Wilkinson expressed the NGOs' concern about the
Commission’s freeze of a number of budget lines for projects involving NGOs,
following the May 1998 European Court of Justice ruling (see p.00 for more details of
the intervention and the issue involved).

The participants were then addressed by Jacques Santer, President of the Commission.
Part of President Santer's address (and a further contribution by Commissioner Flynn)
were given over to examining in detail the topic of the suspended budget headings and
setting out the Commission’s future course of action in this matter (see p.00). The
President also stressed the importance of the Forum as an opportunity to measure
progress in building the civil dialogue in Europe. He stated his belief that progress had indeed been made and that a more inclusive European society was being achieved. Civil society had a key role to play in the building of Europe, said President Santer: “Bringing Europe closer to its citizens, making it more accessible and less bureaucratic, defending the European social model and our cohesion aims” – all these issues require a strengthening of, and greater support for, the “actors on the ground”.

The President concluded by telling the Forum participants that: “It is projects like yours which contribute to making Europe accepted and loved. I would like to salute here the important work that you, the protagonists of civil society, perform at local level. You make Europe a tangible reality. Your projects give form and substance to the Social Europe that I have been discussing and which we want to create. They are a key element of the civil dialogue and deserve to be encouraged on more than one ground. The question of legal bases [for Community support for NGO projects – see p.00] which is put to us today contributes to giving [these projects] additional legitimacy and maturity. Europe has been built on the idea of partnership: between nations, between institutions, between political actors and the representatives of civil society. And I expect of this Forum that it will create conditions conducive to this exchange and encourage you to submit proposals to us in order to progress matters in an area which is of great concern to us”.

Antoni Gutiérrez Díaz, Vice-President of the European Parliament, concluded the opening speeches. He expressed his satisfaction at being present at the Forum, which he regarded as an important stage in the dialogue between civil society and the EU institutions. He set out the European Parliament’s support for promoting the involvement of NGOs and social partners, and went on to call for the relaunch of the idea of an “active European citizenship based on a set of fundamental social rights”.

Commissioner Flynn started Day Two with a keynote address, setting out the “big picture” on EU social policy. Participants then returned to the three parallel sessions, completing their work at noon, when they came together again to listen to a speech, concentrating on the issue of social exclusion, by David Blunkett, the UK Secretary of
State for Employment and Education. The UK held the EU Presidency at the time of the conference.

The Forum broke with traditional conference practice by giving over the whole of the afternoon of Day Two to an event organised by the participants themselves, through the Platform of European Social NGOs and the ETUC. The aims were to promote a lively and interactive debate on key social issues and ensure that the voices of as many organisations and individuals as possible were heard. There were eight separate events or discussions, involving presentations, videos and meetings, and covering the themes of:

- mobilising for a social Europe;
- combating racism and xenophobia;
- fighting for job creation;
- a call for new ideas (using new technologies);
- the role of women and men in tomorrow’s society;
- delivering services;
- doing it for ourselves (voluntary work and social solidarity); and
- equal rights for all.

Delegates met again in plenary session on Day Three. Firstly, they heard the rapporteurs presenting feedback from the three parallel sessions. These reports provided the basis for a panel discussion involving leading figures from the NGOs and social partners, chaired by Marie-Claude Vayssade, Honorary Member of the European Parliament. Those taking part included: Miguel Ángel Cabra de Luna of Fundación ONCE; Jytte Fredensborg, General Secretary of CEEP; Emilio Gabaglio, General Secretary of ETUC; Thérèse de Liedekerke, the director of social affairs at UNICE; Quintin Oliver, former Director of NICVA; and Marie-Françoise Wilkinson, Chair of the Platform of European Social NGOs. A further debate followed, based on questions from the audience. Issues covered included social protection, the respective roles of NGOs and social partners, equal opportunities, part-time work and the role of the Structural Funds.
The Forum concluded with reactions and closing addresses from representatives of three key EU institutions – Stephen Hughes, MEP, the Chair of the European Parliament’s Employment and Social Affairs Committee, Tom Jenkins, the President of the Economic and Social Committee, and Alan Larsson, Director General of DG V of the European Commission. Mr Larsson sought to draw some conclusions from the three days of debate and closed the Forum.

The three key themes
As we have seen, three themes were chosen as the focal points of the Forum by the Commission in consultation with the Platform of European Social NGOs and the social partners. Prior to the Forum, working groups were set up for each of the themes, with the aim of discussing the issues, exchanging experience and examples of good practice, and reflecting on initiatives that could be taken with a specific contribution from NGOs and/or the social partners. Each group was made up of representatives of NGOs and social partner organisations, other experts in the field and staff from the Commission and the European Foundation for the Improvement of Living and Working Conditions, chaired by a director from the Commission's DG V. A rapporteur for each working group presented a report drawing on the group’s discussions to provide a framework and agenda for the debates at the Forum [http://europa.eu.int/comm/dg05/jobs/forum98/en/work_en.htm].

At the Forum itself, the parallel sessions for the three themes – containing a mixture of presentations, case studies and open debate – took up a day, with the rapporteurs for each providing feedback to a plenary session on the final day. A panel of prominent figures in the social field then discussed the issues raised and responded to questions put by the audience. Below we set out the main topics within the three themes and provide a brief summary of the work of the parallel sessions.

The future world of work
(Rapporteur: Peter Townsend, University of Bristol. Chair: Wim Van Velzen, MEP. Resource person: Karl-Johan Lönroth, DGV, European Commission)
The theme

What will the world of work be like in the future? The issue has been thrown into sharp focus by phenomena such as: global economic competition; the emergence of the information society; the increasing entry of women into the labour market; the persistence of long-term unemployment; the ageing of society; an increasing inequality in the distribution of income; and the growing exclusion of some groups from the mainstream of society. At the same time, in Europe, more stability-oriented economic policies seem to be generating greater confidence in sustainable growth, the labour market is adjusting and new forms of jobs, new products and new sectors are emerging. The traditional concepts of work no longer mean what they did and new multiple patterns of work are emerging. In the debate over the future development of work, these trends provide arguments both for those who claim that “the end of work” is approaching or that “full employment” is still on the agenda.

The future world of work is at the heart of the question of how sustainable the “European social model” will prove to be in the years to come. These will be years of change as the EU Member States integrate into an Economic and Monetary Union with a single currency and (on the basis of the Amsterdam Treaty’s new employment Title) proceed towards convergence of national employment policies. At the same time, the EU will enlarge to include new Member States. Key questions in the current debate include:

• Will an enlarged and integrated Europe be stronger and be able to bring about a more integrated society?
• Are the fears of some about the creation of a “two-tier” society justified?
• Will paid work remain the linch-pin of social cohesion?
• Will there be other acceptable forms of social participation?
• Are the policies currently available to combat unemployment and social exclusion effective ways of getting jobless people back to work and filling the “gender gap”?
• Are there conceivable additional tools to combat exclusion?

The debate

The issues set out in the background paper – summarised above – served as the basic agenda for discussions in the parallel session. While some participants stepped outside
the agenda, others answered questions posed in the paper or provided valuable illustrations of problems and good practices. Participants repeatedly invoked their experience of the “European social model” and referred to what was seen as a common challenge: how to recreate, or indeed create, opportunity and security in an unfamiliar world.

Karl-Johan Lönnroth of DGV underlined that both the **quantity and the quality of employment** had to be addressed within the European employment strategy. The Member States had, in the Amsterdam Treaty and the 1964 International Labour Organisation Convention No 122 on employment policy, committed themselves to pursue policies aimed at full employment, and the process decided on at the Luxembourg Employment Summit had injected the employment strategy with more dynamic elements. These include a focus on a high level of skills and competitiveness and the integration of economic and social policies based on the **four “pillars” of the employment guidelines** – employability, entrepreneurship, adaptability and equal opportunities. Unemployment must be tackled and employment created.

Several participants – especially from networks of unemployed people and of anti-poverty groups and organisations acting on behalf of people with disabilities – spoke feelingly about the difficulties of **access to work** (as, for example, in one case quoted where the local unemployment rate was 35%). Examples given of these difficulties included the prejudices against long-term unemployed people and the fact that, with unemployment so high across Europe, the claims of disabled people – even those with good educational qualifications and skills training – are often overlooked.

**Employability** is a controversial principle. For example, many women have child-rearing and family skills that could give a very secure basis for paid employment – often having a headstart in matters of organisation, negotiation, communication and conflict resolution. These skills are needed more and more but, despite often having good educational qualifications, women still do not have access to anything apart from low-paid jobs. There are issues related to temporary and part-time work that have affected many more women than men, but they are now increasingly affecting both
sexes. The testimony of many participants made it clear that they believed that the Member States were not doing enough to tackle the problem of access to work. Participants repeatedly called attention to “people who must not be written off”. Evidence was presented of remarkable advances made by individuals experiencing protracted unemployment for example. There is a need to raise skills, but also to prevent the quality of many jobs from deteriorating.

Several participants saw a need for a more detailed understanding of how jobs are created and maintained in the SME and social economy sectors.

New forms of sustainable job creation and inclusion

Professor Carlo Borzaga of the University of Trento made a presentation to the Future world of work session examining the role of the “social economy”/”third sector” in opening up new “seams” of employment through local initiatives.

There is a steady increase in the demand for personal and community services – such as social services for weaker groups in society, services to families, cultural services and environmental protection – and an awareness that a large proportion of new jobs will have to be created in such services. However, the growth in the supply of these services is hampered by: the costs associated with their labour-intensive nature; the scarcity of public resources for the provision of new services; the difficulty of providing them on purely business principles; and the difficulty of innovating – ie, finding non-public and non-family ways of providing them.

In order to increase the supply of the services in question, Professor Borzaga suggests that of three possible routes, two – increasing public supply and introducing more wage flexibility – are problematic for various reasons and are unfeasible in current circumstances or have been unsuccessful. This leaves the development of the role of the social economy, which has occurred in recent years, as the way ahead. Such organisations, because of their specific characteristics, have increasingly been able to generate demand and supply new services at a lower cost than public institutions and
traditional enterprises. This has been especially true at local level.

The social economy has made a significant contribution to the creation of new employment, but has not fulfilled its potential. The capacity of organisations in the sector tends to be ignored and they are sometimes regarded with suspicion where they provide services traditionally supplied by the public sector. Another limiting factor is that the use made of social economy organisations by the public authorities tends to prioritise those areas of interest to the latter, rather than those of interest to the wider community. The sector also suffers from problems of legal form, limited awareness of its role and few relationships with traditional enterprises. However, despite these limitations, a number of innovative experiments are in progress, involving relationships with trade unions, partnerships with the public administration and collaboration with private firms.

The European Community has made a major contribution to the development of social economy enterprises and of new forms of relationship between these and other partners. It has: supported innovative initiatives, especially in countries where social economy enterprises are not supported by local and national governments (eg Spain, Italy, Ireland); encouraged the exchange of experiences among countries and the development within social economy enterprises of a new culture (thanks to research) and greater awareness (thanks to training); and encouraged innovative forms of partnership between social economy enterprises and trade unions, public agencies and private firms.

It is now, according to Professor Borzaga, necessary to move beyond this experimental phase and consolidate the innovations further, not only to expand the activities of social economy enterprises in the sectors in which they already operate (mainly social services), but to encourage their growth in new ones, like cultural services, recreational services, environmental protection and maintenance, and the extension of information networks on the supply of services. In all these areas, a growing presence of social economy enterprises is already visible, and they seem to enjoy advantages not dissimilar from those seen in social services. While such action is
primarily a task for national governments, local authorities, and the social partners, they seem to have no overall picture of the phenomenon and its problems and tend to give priority to curbing public spending. The role of the European Community should therefore be strengthened in the following areas:

- more decisive action – such as research, seminars, debates – to convince those concerned to overcome their diffidence and foster forms of partnership. In particular, the idea of a specific “workers’ statute” for the social economy should be examined with trade unions and representatives of the sector. The aim would be to prevent the growth of a secondary labour market, while taking account of the specific ethical motivation of these workers;
- action to harmonise national legislation, especially for more production-oriented social economy organisations. The existing proposals for European-level regulations covering cooperatives and associations should be re-examined in the light of new developments in these organisational forms;
- European-level regulation of relationships with the public authorities in non-market situations, aimed at safeguarding not only competition among different suppliers but also the specific features and autonomy of these organisations, and at encouraging joint action by public agencies and social economy enterprises;
- boosting economic support for more innovative schemes and encouraging the exchange of experiences among countries through, for example, the creation of special funds on which organisations and the most innovative schemes can draw;
- supporting a tax reduction for the private consumption of social services (to reduce costs and prices) and a cut in the social security costs for the workers employed (as proposed in the 1993 White Paper on growth, competitiveness and employment).

Contributors voiced great concern about the need for balancing measures to improve the capabilities of unemployed people with measures to provide more jobs. This cannot be divorced from the question of tracking and explaining trends not just in unemployment, but also in employment. If both aspects are not examined, momentum
is lost in developing employment strategy. The goals of expanding employment and of reducing and eliminating poverty must also be more closely linked.

The mood of many participants from areas where work is scarce was one of resignation or **cynicism**, and of individuals being caught up in enveloping developments: “Once you are in the river, you can’t change the current. You can only swim,” as a Romanian contributor put it. Nonetheless, Giampiero Alhadeff of Solidar welcomed the Amsterdam Treaty as making a fresh start in tackling unemployment.

Wim Van Velzen, the chair, underlined that the problem is not just employability, but the fact that there are **too few jobs**. There are no jobs for the great majority of unemployed people, and research indicates that skills are not an issue in six out of 10 cases of unemployment. Some people no longer believe that jobs are likely to be found. Several contributors remarked that the solutions on offer were far smaller in scale than the problems faced. There is often not much more than a token acknowledgement of what has to be done. This issue was reflected in discussion of trends in unemployment, the flagging development of employment and the steady rise in the numbers of people becoming economically inactive in their 50s and even late 40s. One participant took the rapporteur aside and said that part of the problem was transparency: she claimed that the social partners and the Commission were engaged in semantic exercises to conceal the real increases in unemployment, exclusion and poverty. The true seriousness of the long-term situation was being underestimated.

Part of the cynicism voiced by participants is connected to the oft-cited problem of the “**democratic deficit**” in the EU. The relatively weak powers of the European Parliament and MEPs is mirrored in problems for NGOs in representing the views of their constituents and interest groups. A number of the participants affirmed their commitment to improving the European civil dialogue.

The session saw a variety of general and specific exchanges about the **European social model**. It was felt that the reasons why this model came into being, while often alluded to, are rarely explained to the younger generations. The model’s importance
cropped up in a number of references to the minimum wage, working conditions and working hours, as well as wider social conditions. The employability of individuals depends not just on aptitude, skills, educational qualifications and training, but also upon matters such as having a decent home, an income to meet costs such as transport for applying for jobs, access to healthcare and a secure position in society. Some participants stressed their right to respect as citizens and objected to “welfare to work” schemes which raised the spectre of compulsory participation. Discussions of the European social model saw both: calls to substitute “social safety nets” for universal services and thus cut labour costs (through the reduction of employers' and employees' social security contributions); and, by contrast, warnings of the dangers of surrendering national welfare states in this way and thus adding to the problems of exclusion, inequality and poverty.

Participants appeared unanimous in acknowledging the existence of social polarisation and deepening poverty in Europe. In dealing with these problems, the greatest challenges were seen to be a number of areas which are believed to characterise the European social model: the creation of employment; the maintenance and modernisation of public social services and social security schemes; and the redistribution of income and working time.

While the EU had accepted monetary stability as an aim, participants wanted social stability – in the sense of social inclusion – to be given equal status in the thinking of the Commission and national governments.

Two set-piece presentations were made to the session, one by Professor Carlo Borzaga of the University of Trento (see box on p.00) and one by Professor Danièle Meulders of ULB (Brussels), who analysed ways of making taxation more employment-friendly under the title “New paradigms and forms of financing”. Professor Meulders told participants that steps to enhance employment were limited by legislation that meant that the “envelope” of taxes could not be enlarged, but only the contents redistributed. With other factors of production increasingly mobile within the EU and hard to tax, the tax burden falls more heavily on individuals and private
consumption. European-level action is required, she said, and there is a need to break the unanimity rule in the Council of Ministers so that majority decisions on tax changes could be taken by the Member States. Contrary to assumptions, at a time of increasing wealth, a larger burden of taxation has been placed on the shoulders of the poor and working people – a paradox that does not sit easily with economic growth. Among possible options, the Professor ruled out a “basic” or “citizen’s” income. However, she found the long-standing “Tobin tax” proposal, whereby a small tax (of up to 0.5%) would be levied on international currency transactions, was more desirable than ever under current circumstances (such a tax would, by its nature, require transnational agreement).

Social protection: adapting to changing needs


The theme

Most social protection systems were established decades ago. Since then the economic and social conditions under which they operate have changed considerably – for example: unemployment (and especially long-term unemployment) has risen to persistently high levels; the ratio of people above retirement age to those of working age has increased and is set to do so further; the gender balance of the labour force has been transformed; and the pattern of education, work and retirement has changed. These developments have contributed to increasing problems of financing. Today, there is a widespread consensus that social protection systems have to be reformed. The issue’s importance on the political agenda is underlined by its scale – social protection accounts for 28.5% of GDP in the EU – and its central role in redistributing income and promoting social cohesion. The debate on the future of social protection cannot be limited to a technical level, confined to a small group of experts. Its political and social dimensions must also be addressed.

In some Member States, the desire to limit the growth of public spending and reduce non-wage labour costs has put pressure on the financing of social protection systems,
raising the question of what are the most urgent and important needs in the field of social protection. Starting from people’s “social needs”, the process of reforming social protection systems has two main strands:

- those needs which have existed since the creation of the systems, in particular poverty, sickness and disability. Social protection systems must be adapted to new conditions in order to ensure that they continue to protect against these “classic” social risks; and

- new needs which might be emerging from the new realities on the labour market and in society, which are not yet taken into account by existing systems. The definition of “new needs” depends on individual perspective and is, therefore, a highly political matter. However, such new needs might include issues relating to “employability”, demographic change and social exclusion/inclusion.

Fundamental political choices have to be made in reforming social protection systems: solidarity vs individual responsibility; the roles of collective and individual provision; the trade-off between the level of protection societies want and their willingness to finance it; and the universal accessibility of public services and the danger of social exclusion.

Among the questions raised by the social protection debate are the following:

- What will be the consequences of the ongoing reform process in the Member States, in particular for the most vulnerable groups in society?

- Is there a danger that reforms involving privatisation or putting more responsibility on the individual may lead to a multi-tiered social protection system or to limited access to social services? Is there a risk that recent reforms may result in lowering the level of social protection?

- How can we ensure that social protection systems retain a strong element of solidarity between those who are employed with a comparatively high income and, while making a significant contribution to financing, make few demands on social protection and those who are unemployed or on low wages and receive more transfers from the system?
• How do we make social protection systems more employment friendly without lowering the level of social protection?
• In which specific areas does the input of NGOs and the social partners have particular added value?
• How can NGOs and social partners ensure that their views and those of the people they represent are taken into account in policy-making at all levels?

Modernising social protection systems involves more than translating emerging needs into institutional changes. The challenge consists in the fact that demand on social protection systems has increased while there are greater constraints on funding. The aim, therefore, is to find possible solutions to this double challenge. The choices to be made are ultimately decisions on the model of society.

The debate
Participants at the session recognised the basic importance of the civil dialogue, for which the Forum represents a key moment, and expressed appreciation that the topic of social protection had been recognised and debated as a central political issue. It was agreed that a global approach should be taken to the theme of social protection, which is perceived as a “major element in European civilisation”. For the future, it was seen as desirable that the representation and involvement of the social public services (at national, regional and local levels) should be reinforced, in order that the civil dialogue be taken into account in political decision-making, especially in the Member States.

There was agreement among the participants at the session that there should be a wide definition of social protection, encompassing not just social security and social policy but all those functions, services and benefits which ensure the wellbeing and communal life of all members of society – notably housing, education, health and social services. The prevention of exclusion was unanimously recognised as the “highest priority of social policy”: it should be stressed that social security schemes and social transfers are extremely effective – without them, nearly 40% of EU households would have an income below half of the national average.
For the majority of participants, adapting social protection to major changes in European societies requires the maintenance or restoration of the solidarity mechanisms which have existed up to now, and the development of this protection. New needs must be recognised, defined with an input from those involved and met by new services or new benefits. Adaptation calls for the reinforcement of links between the civil and social dialogues. While there are numerous convergences between the views of the NGOs and the ETUC, what is seen as the relatively limited involvement of employers indicates the scale of the task to be faced if more effective influence is to be brought on socio-economic decision-making.

The session’s examination of the general principles of social protection generally revealed two conflicting approaches:

- the first gives priority to the principle of equality and the mechanisms of solidarity and collective responsibility. Incomes and benefits should in all cases guarantee the conditions for a decent life, affording full dignity to everyone. The not-for-profit nature of the organisations responsible for social protection, whether public or private, is seen as an important guarantee of solidarity. This broad approach is held by the Platform of European Social NGOs and the ETUC;

- the second seeks a new balance between individual and collective responsibilities, notably through the development of complementary social insurance for the better-off members of society. Social protection should in certain cases, redefine its field of application to target those parts of society most exposed to risks.

Another important debate around the development of social protection schemes and policies relates to the distinction and relationship between social rights and benefits linked to work and those rights and benefits granted to the population as a whole. In many Member States, social security rights which began as work-related have progressively been extended to all or some of the wider population – examples have been family allowances and healthcare insurance. Similarly, the introduction by some Member States of guaranteed minimum incomes, minimum incomes for older people or even “dependency insurance”, have raised the question of a redefinition of the boundaries and crossover points between schemes related to work and general
schemes. For trade unions, it is important to maintain collective co-responsibility among the social partners for all those schemes which provide replacement incomes (pensions and insurance for unemployment, accidents at work, sickness, disability).

The debate about the boundaries between different social protection schemes is linked to the issue of the necessary development of the **financing of social protection**. Participants were in agreement that in most Member States this financing weighs too heavily on employment. However, beyond this point, the views of employers on the one hand contrasted with those of NGOs and trade unions on the other. The latter want pay-related social security contributions to be reduced through the introduction of wider general levies on all incomes and factors, especially savings, energy and rents. This search for new ways of financing social protection must, from this point of view, come within the scope of European-level decision-making – if we are to avoid the risk of a competition at the expense of social protection. The growth of private insurance is a particular issue that needs to be regulated at European level. A number of contributors sought the creation of a European mechanism for the alternative financing of social protection. Some other participants – stressing the contribution of social protection to social cohesion – suggested an analysis of the costs of the faults and shortcomings of social protection in both human terms and with regard to the public expenditure required to repair the failings of the system (a study of the costs of the lack of European integration in social policy has also been suggested).

Taking account, at European level, of questions linked to the future of social protection was seen as crucial by the majority of participants. The development of the **social dimension** of European integration was regarded as an important regulatory and democratising factor: from this viewpoint, the decisive progress made in the areas of economic, financial, monetary and commercial integration makes unavoidable and indispensable the emergence of a European social policy, via the creation of coordination procedures, positive convergence and, progressively, directives and common standards. The increased power of the coordination of employment policies, notably since the Luxembourg Employment Summit, should be seen as a key element
in the emergence of a European social policy – employment is inseparably both an economic and social issue.

While all participants agreed that we need to develop a **new socio-economic compromise**, there were intense debates on the direction this compromise should take. The current perceived wide gap between the momentum of EU economic integration and the low level of social integration contributes to relaunching the debate on the interpretation of subsidiarity. A minority of participants at the session – notably the representative of a German social organisation – believed that an exclusive competence of Member States in social matters can act as a guarantee against the risks of a deregulation or “marketisation” of social protection at European level.

The debate in the session over the **relationship between the economic and social spheres** occurred at different levels.

- At the overall **global level**, some contributors believed that the reinforcement of social protection not only constitutes the necessary redistribution required by the values of equality and solidarity, but also acts as a factor in economic growth. By contrast, others were of the view that economic recovery can be achieved only at the price of a more selective type of solidarity, which would allow the competitiveness of European economies to be strengthened.
- More tangibly, the Commission’s May 1998 Recommendation for the **broad guidelines of the economic policies** of the Member States and the Community [http://europa.eu.int/comm/dg02/document/econeur/gope1998_en.htm] discussed at the Cardiff European Council meeting in June 1998, underlines the extent to which a new socio-economic compromise is currently the subject of dispute between opposing forces. This was further stressed, in a vigorous manner, by the appeal launched at the Forum by the “Collective of European marches against unemployment, precariousness and exclusion”. While the participants at the session were not in a position to examine the European Council’s response to the Recommendation (or the Council of Ministers’ debate, due in July), it did seem opportune to some to state that some of the guidelines appeared to diverge from
the aim of increasing social cohesion and from the objectives of the Forum. For example, for these contributors, the speed and nature of the proposed economic stabilisation, the restrictive approach to monetary policy, the desire for a general reduction of taxes and charges and the lack of reflection on alternative ways of financing social security, all point to trade-offs in which social matters risk being the loser. These same worries arise in relation to the parts of the Recommendation that are seen as representing a “radicalisation” of the approach to employment (such as greater flexibility in areas such as employment protection, or toughening the criteria for receipt of unemployment benefit). For some, this seems a long way from the spirit and letter of the 1992 Council Recommendation on the convergence of social protection objectives and policies, which many of the participants regarded as a point of reference.

- In this context, the idea of “employability” provoked many debates in the session. For NGOs and the ETUC, this concept should involve the affirmation of worker's rights to training, whether they are employed or unemployed, and not the introduction of new restrictions on entitlement to unemployment benefits. Many contributors were concerned about the risk of putting the main blame and responsibility for unemployment on unemployed workers themselves, rather than increasing the responsibility on employers in terms of the quality, security and volume of employment. From this perspective, unemployment cannot totally be blamed on a lack of training among the active population, especially when it is skilled work which is lacking and when, as the ETUC claims, many workers are compelled to accept jobs for which they are overqualified when recruited, and in which they then become “dequalified”. For some participants, a balanced understanding of the idea of employability requires a greater respect for the rights of workers: today, too many older workers, migrant workers, women and young people face irregular work, “atypical” and precarious jobs or various forms of discrimination in recruitment and during employment. Pauperisation of workers cannot be an alternative to unemployment, as the rapporteur puts it.

Finally, a number of strategic themes linked to the emergence of new needs were raised during the session.
• European and national **anti-poverty** networks were strongly represented in the session, and gained substantial attention for their proposals – essentially that the fight against exclusion must be preventive and focused on the structural causes of pauperisation and precariousness. In no circumstances should anti-poverty actions become merely poor provisions for poor people, confined to the margins of society. Action must be global and thus conducted in partnerships in which the groups affected are allied with associations and public services. Helping find a voice for groups in a precarious and fragile situation and listening to and taking account of this voice are seen as the surest weapons in the fight against poverty. The European networks called on the Commission to provide the means to pull together systematically the expertise about their own situation of the groups affected by poverty, and the diagnosis of society’s problems that this expertise allows.

• **Social and demographic changes** require deep changes in the coverage and workings of social protection, including taking on the care of dependent sick, disabled or very old people, or providing benefits and services relating to the “socialisation” of children and young people. The specific nature of these new demands requires a precise conception and management of social services, which are being called on to involve themselves very closely in the everyday life of individuals, families and communities. This was the sense of various contributions from, notably, the European Network of Social Public Services, which sought recognition of the central role of users or clients of social services in the conception and management of these services.

• The rising level of **women’s employment and changes in family structures** make it necessary to develop at all levels factors favourable to real equality between women and men and in particular – though prudently, stressed the Platform of European Social NGOs – the individualisation of social security rights.

Finally, a common thread seemed to run though the session’s debates: the new complexity of social matters – and notably the interdependences between the various fields and players – requires a **deepening of democracy** throughout all aspects of the social sphere. In this process, the construction of new social indicators, which can
measure the growth of inequalities and segregation, and more systematic procedures for evaluating public policies would be valuable tools. They would help mobilise the capacities of all the parties for self-expression, analysis and debate – something that is an express condition of social cohesion.

[The rapporteur and the other contributors to the report on the session’s proceedings called for the issues raised to be followed up by a working group including, notably, representatives of NGOs, social public services and trade unions. This group would study in a “pragmatic” way best practice in partnership on social services and benefits, and its work would centre on the way in which users of these services and benefits can be fully recognised as interested parties in policies and provisions.]

**Promoting participation and citizenship**

(Rapporteur: Maria-Grazia Gianichedda, University of Sassari. Chair: Jean-Baptiste de Foucauld, Inspection générale des Finances, France. Resource person: Odile Quintin, DGV European Commission)

_The theme_

The topic of promoting both the active participation of everyone in every sphere of social life and “citizenship” – ie full membership of a democratic community – through European social policy is strategically relevant to the European integration process. It provides a reminder that the goal of this process and its political aim is to build a democratic Union and a “Europe of citizenship and citizens” in the broadest sense. This goal is also widely seen as a necessity: “Europe will be a Europe for everyone, for all its citizens, or it will be nothing,” argued the Comité des sages in the introduction to its 1996 report, *For a Europe of civic and social rights.*

Progress in this area aims not only to enrich the current content of “European citizenship”, which seems to many to be abstract and remote as a concept and to offer little room for action. Such progress should also, it is hoped, improve the quality of the European integration process in terms of the values of justice and freedom, which are seen as essential to democracy. To this end, it is considered vital that new modes of
governance be promoted and there should be a strengthening of social dialogue, civil
dialogue and partnership at all stages of the preparation and implementation of
European social policy.

There are numerous processes and factors that are seen as representing barriers and
challenges to the desired goals of full citizenship and social participation, such as
• social exclusion and discrimination and the threats they pose to social cohesion;
• the exclusion of women from full citizenship in some areas, such as their
  continuing under-representation in the political process;
• the challenge posed to the traditional role of work as a basis of social rights and
citizenship by unemployment and changing structures of employment; and
• the crisis of credibility and legitimacy which affects governments and public players
  in many areas, reflected in phenomena like falling political party and trade union
  membership and electoral participation.

Questions that arise in this area include:
• How we can make Europe a more participatory and inclusive society?
• What role can the NGO/voluntary sector and the social partners play in promoting
  the participation and involvement of everyone?
• How can concerns about participation, democracy, citizenship, transparency and
  legitimacy be translated to the European level?
• How can the debate on non-discrimination and fundamental rights be extended,
  following on from the report of the Comité des sages?
• What are the practical implications of the new anti-discrimination clause in the
  Amsterdam Treaty and how can public awareness of the issues be raised?

Within the overall theme of promoting partnership and citizenship, four key issues
were identified for discussion at the session:
• maximising active participation and citizenship by removing barriers, addressing
  challenges and seizing opportunities;
• mobilising players and promoting cooperation between NGOs, the social partners
  and the public authorities;
• supporting participation and citizenship by promoting rights and backup measures and in particular by using the new provisions of the Amsterdam Treaty in this respect; and

• promoting integrated and sustainable development and mobilising to this end all Community policies, including the Structural Funds.

The debate
The two central themes of the session were the promotion of rights and partnership. “Citizenship” and “participation” were stressed as the key elements in the idea of building Europe “as a Europe of citizens, a Europe of rights and a Europe for all its citizens”. All participants highlighted the need to speed up the process of achieving this goal. It was underlined that, although this may be obvious to people working in the field, not everybody is aware to the same degree of the suffering of those whose rights are denied or who have difficulty gaining access to their rights. Doubts were expressed as to whether the goal of European rights and citizenship can be achieved in the short term, and some thought that this scepticism should be addressed by looking at the sources of these doubts. If we are to build a social Europe, we need a greater commitment on the part of all concerned is seen as necessary. New compromises have to be attained between the economic and social spheres. Participants stated that the time was now right to establish a legal basis for the promotion of rights and for measures necessary in this area, building on the achievements of the Amsterdam Treaty. There were calls for the inclusion in the Treaty of specific rights – such as recognition of the rights of children.

Building on the work of the Comité des Sages, the participants provided tangible examples of the interdependence of social, civic, cultural and economic rights. Without social rights for all, political rights, it was suggested, would become a privilege of the few and depend, as they once did, on inheritance. There was consensus on the importance of working on civil and social rights together – as it stands, social rights merely constitute a general principle. Getting social rights fully acknowledged in the EU Treaty was seen as a priority. The partnership approach is seen as way of overcoming the separation of civil and social rights and bringing them closer together.
The initiation of debate at grassroots in all Member States would highlight the importance of European citizenship and rights. A collective campaign would also enable subjects related to rights and citizenship to be addressed, such as the problems of poor, young, dispossessed and seriously disabled people – those whose voices are not heard.

During the Forum, NGOs and the ETUC officially launched a campaign for a European “bill of rights”. It was suggested that the Commission should launch a programme which takes account of this campaign, based on the new Treaty provisions which allow the Community to take action against discrimination.

**Promoting partnership and citizenship – a lesson from Ireland?**

Hugh Frazer of the Combat Poverty Agency, Ireland, told the participants at the *Promoting participation and citizenship* session that the extension of partnership arrangements at local, regional, national and EU levels and the establishment of links between these levels is essential if we are to tackle poverty and social exclusion successfully and promote greater participation and citizenship throughout the EU. Drawing on the Irish experience, Mr Frazer examined why partnership is required, what the essential prerequisites are, and what barriers need to be overcome.

In Ireland, there has been a growing and largely successful emphasis over the past decade on using partnership mechanisms at local and national levels as a key means of both promoting economic growth and addressing profound economic and social challenges – especially unemployment, poverty and social exclusion. This “partnership” – defined as an organisational framework for policy-making and implementation which mobilises a coalition of interests around a common agenda – involves not just the government and traditional social partners (employers, trade unions, farming interests) but also NGOs, particularly those representing people experiencing poverty and social exclusion. The partnership goes beyond consultation and involves an element of power-sharing and decision-making.
Partnership is seen as important because it can help tackle a number of problems of governance. For example, the “multidimensional nature” of poverty and social exclusion means that no single sector or policy is sufficient to address their causes. Coordination and integration are thus required across a range of policy areas (economic, social and cultural) and players. Similarly, national authorities increasingly lack sufficient information, resources or expertise to solve problems on their own through existing political or administrative structures. Equally, none of the other sectors have the resources or knowledge to solve the problems on their own. Thus new forms of governance are needed, whereby the different sectors work together to address fundamental social problems. These arrangements need to foster a more strategic and planned approach to tackling the problems, to mobilise new resources and people, and to create synergy between the efforts of the different players.

In the light of the Irish experience, the essential prerequisites for successful partnership – which Mr Frazer suspects are also very relevant for the EU level – include:

• broad acceptance by all partners of the importance of sharing the benefits of growth fairly, and of promoting social solidarity and a better quality of life for all;
• recognition of the interdependence of different sectors and partners;
• agreements on what the core problems to be addressed are and a commitment to problem-solving based on trade-offs;
• clarity about the partnership mechanisms and relationships used and where they fit into the wider political decision-making process;
• a commitment to a dynamic process in which a partnership approach is given as much weight in a policy’s implementation and monitoring as in its design; and
• clear linkages whereby national-level partnership can learn from local partnerships.

The main barriers to successful partnership include the following:

• the question of who are appropriate partners in particular situations can be problematic;
• partnership structures are often set up in addition to or outside mainstream policy-making or implementing arrangements, and their status may not be clear;
• tensions can arise between elected representatives and those involved in partnership
structures if the complementary roles of representative and participatory democracy are not fully worked out and understood;

- difficulties in ensuring that representatives of all sectors in partnership arrangements link back to a broader constituency and thus ensure maximum transparency, involvement and accountability;
- participating in social partnership poses particular problems and challenges for NGOs – especially related to limited access to information and research and insufficient resources to develop effective and participative structures; and
- there is relatively limited experience of managing complex partnership structures and relationships so that the different ways of working and different cultures of the different sectors can be accommodated.

With regard to partnership at the EU level, Mr Frazer made seven suggestions that the Forum might pursue.

1. The definition of EU-level social partnership should be broadened to include relevant NGOs concerned with poverty and social exclusion.

2. Civil dialogue should be enhanced though more formal and structured arrangements for the Commission to consult NGOs on all policies relevant to inequality and social exclusion. Civil dialogue – covering the making, implementation and monitoring of policy – should be a feature of all EU committees and policy-making forums.

3. The Commission and Member States must urgently resolve current difficulties over funding NGOs and social policy initiatives, and should enhance the resources available.

4. The NGO sector at national and EU levels should give further thought to how best to recognise the diversity of the sector, and should work with the Commission to identify which parts of the sector are most appropriate to involve in which policy areas and partnership arrangements. They should also ensure that recognised NGOs adopt high standards in facilitating the participation and representation of those they represent.

5. The Commission should conduct a major programme to promote understanding of the contribution that partnership can make to developing a new and more inclusive political culture across Europe. It should also support the exchange of information
and good practice between Member States.

6. The Commission should promote dialogue and exchange between Member States on the role that partnership structures can play in developing and implementing integrated and coordinated national strategies to combat poverty and social exclusion.

7. The partnership approach to the management of the Structural Funds should be further strengthened at all levels. Employers, unions and NGOs should be fully involved in design, planning, implementation and monitoring.

Partnership, Mr Frazer told participants, is not an end in itself but a means to the end of building a more inclusive and participatory Europe based on principles of social justice. Developing effective and inclusive partnership arrangements is one of the key ways to enhance democracy and invest in tackling poverty, inequality and exclusion. Partnerships can thus be one of several important tools for bringing Europe closer to all its citizens.

The session examined how to remove obstacles to participation and citizenship for specific groups, with contributions from organisations seeking to represent and fight for young, homeless, poor and vulnerable people, and migrants – all of whom have considerable experience of exclusion and ways of combating it. A variety of suggestions were made as to what the various parties could do to clear the obstacles. At EU level, some contributors stressed the importance of giving NGOs a clear role in the Treaty, while further suggestions included an NGO “think-tank” attached to the Commission. Moreover, the Union should:

• encourage and promote the development of good practice in facilitating participation amongst marginalised groups and “invisible” citizens;
• examine barriers to citizenship and participation and the different means and opportunities to bring them down; and
• continue its efforts to give a clearer content to the notion of European citizenship and better inform people of the rights and responsibilities they have at EU level.
Two concrete examples of **partnership in action** were presented to the session – Ireland’s national system of partnerships (see p.00) and Italy’s territorial employment pacts (see p.00).

Many were of the opinion that **participation is a means and not an end in itself** – the end being the construction of a more inclusive and participatory Europe, based on principles of social justice. The difficulties in managing partnerships stem from the existence of different methods of governance which points up the need to exchange information, best practice and tangible experiences. NGOs often find that the civil dialogue is not recognised as it should be, which leads to a certain slowness and lack of progress in institutionalising dialogue. What is therefore required is action to make civil and social dialogue complementary. The rapporteur called for everyone to participate in the revision of the Treaty by making representations to their local and national, governments as well as to relevant organisations.

**Territorial pacts – an example of local partnership from Italy**

Renzo Brunoldi of the CGIL trade union confederation outlined the Italian experience with “territorial pacts” to the *Promoting participation and citizenship* workshop, providing a concrete example of social partnership at local level.

At the beginning of the 1990s, there was a radical change of policy on helping the deprived areas of southern Italy (or *Mezzogiorno*). From the previous very centralised approach, which over the years had run out of steam, there was a gradual move towards a form of intervention based on principle of subsidiarity, with greater involvement of regional and local authorities. On the basis of this initial experience of integrated local investment, which started in 1991, and the need to focus on local development which was identified in the 1993 EU White Paper on growth, competitiveness and employment, the social partners reached an agreement with the government in November 1994. This accord identified the “territorial pact” (*patto territoriale*) as a way of intervening to improve productivity and infrastructure in depressed areas, starting with southern Italy.
The social and cultural experiment of the territorial pact, which emerged from proposals drawn up by the economic and social partners, was subsequently sanctioned by national legislation (Law 341/95) and became a model for local economic development. The National Council for Economic Affairs and Labour (CNEL), which brings together representatives of trade unions and employers plus a number of experts, conducted a programme for drawing up and promoting territorial pacts. The Council laid down that these pacts should be based on local cooperation and dialogue between institutions and economic and social representatives, conducted in public assemblies known as “interest forums” – this being seen as the way to ensure effective partnership.

CNEL laid down a blueprint for the stages in the realisation of pacts, moving from: identifying driving forces locally; to the holding of round tables to discuss cooperation; to the establishment of the interest forum; and finally to signature of the document which sets out the commitments of each party in concrete form. The first experiments with territorial pacts took place in 1995 in Sicily (in Enna and Syracuse).

On the basis of a new agreement between the government and social partners in September 1996, the Italian parliament adopted another law (662/96) in this area and then, in March 1997, the various regulations implementing the law. This meant there was a common structure for action to promote employment throughout Italy. The new provisions added to the territorial pact a new instrument – the “area agreement”, which could be used in areas going through dramatic deindustrialisation and with major problems of poverty [http://www.eiro.eurofound.ie/servlet/ptconvert?IT9704203F].

Territorial pacts express social partnership. On the basis of an agreement between public, private and social players, they promote a programme of integrated intervention in industry, the agro-industry, services and tourism, and they also aim to improve infrastructure. All these initiatives have to be environmentally sustainable. There also has to be a clearly defined territorial area in which the pact applies.

The pacts are thus basic measures for local development which can be used throughout
Italy and are not restricted to any specific geographic areas. Only when operating within European Structural Fund Objectives 1, 2 and 5b do they receive national and European funding.

The driving forces behind the pacts are town and provincial authorities, banks, employers’ associations and trade unions. Regional authorities are informed because the pacts are included in regional planning documents, but the basic underlying principle is subsidiarity.

All the parties work together to try and ensure the success of the project as a whole. The public authorities put together a “programme agreement” in order to coordinate and simplify administrative, accounting and planning procedures, aiming for speed and efficiency. Exemptions may be granted from the standard procedures in order to streamline matters. For each pact, an individual is identified as the person legally responsible.

A maximum figure of around ECU 50 million is set for each pact. Investment in infrastructure may not exceed 30% of the total, and at least 30% has to come from private investment. Through additional protocols to pacts, further resources may be added. Protocols should also guarantee legality and security. A pre-requisite for implementation of the pact is that it identify the investment projects to be undertaken and contain an agreement between the social partners guaranteeing the optimum labour and employment conditions to support the investments and create employment.

Over the period 1995-97, on the basis of consultation and dialogue, 109 territorial pacts were initiated involving 2,299 local authorities and covering a population of some 19,192,000 people. The great majority of these pacts were in southern Italy (1,513 local authorities and 14,218,000 people) and 35 are already in an advanced state of implementation.

According to Mr Brunoldi, the first 12 territorial pacts adopted and formally approved by the Finance Ministry (in Enna, Syracuse, Nuoro, Lecce, Brindisi, Madonie, Caserta,
Vibo Valentia, Benevento, Palermo, Caltanissetta and Miglio d'Oro) show the readiness of local partners to take on responsibilities and, through partnership, to set in motion new processes of local development. With regard to the quality of the projects – which basically address SMEs, crafts, tourism, agro-industry and business services – there are clearly limited capacities for integration and innovation, though the most recent pacts are making improvements in this area.

Some of the later pacts contain provisions on training, while others make links with the social economy and address the “new seams of jobs” identified in the 1993 EU White Paper: for example, pilot schemes relating to "social cooperation incubators" which set up companies to help social economy organisations at local level. Projects have also been set up for the promotion of equal opportunities. Coordination between the territorial pacts and the Structural Funds is also being improved.

The main issues to emerge

In the previous section, we examined the three “set-piece” themes at the heart of the Forum’s work. However, these debates took place within a wider context of issues and events and the Forum’s discussions ranged over a variety of social policy areas, some falling within one or more of the three themes and some more general or not directly linked. Below, we outline briefly – in no particular order – some of the main talking points at the Forum.

Employment policy

Inevitably, given the rapid pace of developments over the previous months, there was much discussion at the Forum about institutional developments, especially the conclusion of the Amsterdam Treaty. Commission representatives were keen to stress the value of the new Treaty’s Employment Title, and they were joined in this by, among others, Stephen Hughes, Chair of the European Parliament’s Employment and Social Affairs Committee, who said that it was “difficult to overstate the importance of this highly significant step in achieving a proper balance in Europe’s Treaty”.

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The Luxembourg Employment Summit, and its decision to implement immediately the new Treaty's employment provisions again received a broad welcome. Commissioner Flynn commented that “by adding timescales and targets to aspirations, the Jobs Summit concentrated, for the first time, on how, not if, we should act together as a Union to address our employment problems. By placing responsibility for implementation where it belongs – with Member States and social partners – the process has created a momentum for improving employment performance in the Union.” The Employment Guidelines arising from the Summit were widely supported, but there were a number of specific criticisms and suggestions for additions, notably from the NGO sector. These included calls for the Guidelines to include:

- specific reference to the link between providing decent employment and reducing poverty;
- targets for the reduction of poverty related to labour market exclusion; and
- recommendations on consultation with social NGOs in the preparation of National Action Plans on employment.

The early evidence from the National Action Plans (NAPs) produced by Member States and discussed at the June 1998 Cardiff European Council was seen as encouraging by institutional participants. “The Cardiff Council showed the progress the Member States have made in implementing the new process in a remarkably short time,” commented Pádraig Flynn, while President Santer thought that “the NAPs show that the Member States have taken the Employment Guidelines very seriously. I am struck by the insistence of the Heads of State or Government on wanting to make the employment strategy a success”.

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The relationship between economic and social policy

The issue of the relationship between economic policy and social policy at EU level was of considerable concern to participants – not least because of the rapid approach of EMU – as witnessed by the questions put to the panel session on the final day of the Forum. For the Commission, in the words of Pádraig Flynn, it is clear that social policy is a “foundation stone” of the EU and “not a child of economic success”. However, for many participants, the words of Stephen Hughes, MEP, seemed to ring true: “we must achieve a balance between the economic and monetary agenda on the one hand and the social and civil on the other, but our record in achieving that balance has been abysmal”.

There was a widespread feeling among NGOs that economic considerations had long outweighed social considerations, and that a new balance should now be sought. For example, Miguel Ángel Cabra de Luna of Fundación ONCE said: “we must ensure that Europe does not become just a big economic bloc, and should not lose sight of the social aspect.” For Marie-Françoise Wilkinson, Chair of the Platform of European Social NGOs, “It is the social dimension that should be dominant. The social does not depend on the economic – in fact, the economic depends on the social. A society with good social cohesion is a society which is good on the economic level”. However, in reality, for Ms Wilkinson, social policy tended to be the “variable of adjustment” in times of change, to the detriment of the most vulnerable parts of the population.

NGOs were also specifically concerned about the consequences for social expenditure, and especially social protection, of the application of the Maastricht convergence criteria for EMU, and the proposed broad guidelines for the economic policies of the Member States and the Community (see p.00). ETUC shared a number of these concerns.

However, some NGO representatives, while stating that there much still to be done, did feel that there has been some progress in recent years from a former position where – in the words of Quintin Oliver, former Director of NICVA –
“the economic was good and important and the social was soft, unimportant and a late-comer to the debate.”

For the social partners, the “economic vs social” issue is seen as particularly important, indeed Thérèse de Liedekerke, the director of social affairs at UNICE, stated that it was perhaps the key question, underlying all the Forum’s three key themes. Ms de Liedekerke said that the systems put in place in Europe to redistribute wealth, which had been effective for a number of years, “no longer respond to current realities and must be reformed in order to ensure effective reconciliation between economic requirements and the desire to have equitable social measures”. However, Ms de Liedekerke believed that the necessary new compromise between economic and social aspects could not be achieved at European level, given the very different situations of Member States.

Emilio Gabaglio, General Secretary of ETUC, similarly recognised the importance of this issue, which he described as being at the heart of many current problems and of the “European social model”. He saw this model as an “intervention between the economic and the social” spheres, which worked well, but which has now become vulnerable in the face of change. However, Mr Gabaglio saw developments such as the inclusion of the Employment Title in the Amsterdam Treaty as first steps towards re-establishing a balance between the economic and monetary dimension and the social dimension.

**Civil dialogue**

As well as substantive policy issues, much of the discussion at the Forum related to the more procedural issue of the nature, status and operation of the civil dialogue – hardly surprising, given that the Forum is itself a major instrument of this dialogue and involves many of the participants. The key event (or non-event) since the first Forum was that the Amsterdam Treaty had not included any specific reference to cooperation with NGOs (such as the incorporation of the existing Declaration 23) despite calls from the Commission, the European Parliament and NGOs themselves. This was an omission of deep concern to NGOs and to a number of EU institutions, not least – as
Stephen Hughes, MEP, pointed out – because it means that the civil dialogue is currently “on shaky ground, most especially in financial terms” (see below under “The issue of the suspended budget headings”). Tom Jenkins, Chair of the Economic and Social Committee, expressed the Committee’s “regret” at the omission and its “hope that this will be reviewed again with positive results”. For Quentin Oliver, former Director of NICVA, “we do not yet have meaningful social dialogue because the mechanism to implement it is missing”.

Pádraig Flynn told the Forum that: “I assure you that, because it is central to our success in meeting our objectives – the role of the social NGOs will be central to our efforts. NGOs are proven components of the support system we need to combat all manifestations of disadvantage and discrimination. And you bring an independence and enterprise to bear which is unique to the sector. You are often the first port of call for help, and, too often, the only port of call. For these reasons, it is imperative that the Commission does all it can to equip you to play your full part. This is not altruism. It is plain good sense. Policy development and implementation benefit from relevance to real problems. This is clearly true of tackling deprivation and disadvantage. That is why I will continue to press for due recognition, and stronger partnership, with NGOs and voluntary bodies, within the parameters available to me. The development and the application of strong and progressive social policy in the Union demands the engagement of the whole of civil society.”

These positive sentiments and praise for the NGO sector were echoed by President Santer: “The role of civil society’s players is essential in the construction of Europe. This role is essential not just so that the EU can achieve its objectives but also to preserve and reinforce the European social model. The NGOs’ role is fundamental in the area of employment, in the framework of the Structural Funds and in the successful enlargement of the EU ... I have always stressed complementarity – between the actions of NGOs and those of European institutions and between the social and civil dialogues. Complementarity does not mean that these actions are the same, or that one can substitute for the other. That is why there must be partnership”.

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Despite its avowed support for the civil dialogue, the Commission came in for criticism from a number of quarters (aside from the specific issue of the suspended budget headings – see below). Stephen Hughes, MEP, while he had “no doubt about Commissioner Flynn’s personal commitment to civil dialogue”, accused the Commission of “missing important opportunities and what looks more than a little like foot-dragging” as well as a “lack of a clear strategy towards the social NGOs and the voluntary sector as a whole”. He stated that the Commission gave out “contradictory signals” after the first Forum and took too long to agree on the Communication on promoting the role of the voluntary sector and foundations, which “found little political support within the Commission” and “very little echo in Council”, while “what is more worrying, it has very little to say about civil dialogue”. For Mr Hughes, the Forum “should be part of an ongoing civil dialogue involving NGOs and the voluntary sector. Some would, however, in my view, have it be a substitute for such an ongoing civil dialogue.” The Chair of the Parliament’s Employment and Social Affairs Committee also accused the Council of “merely paying lip service to the objective of a Union closer to its citizens” and criticised the European Parliament itself and the social NGOs for “the way at times too much emphasis and too much effort has been placed on the establishment of civil dialogue at EU level regardless of mechanisms for grassroots involvement and, more generally, of developments in the Member States”.

This last point was echoed by Marie-Françoise Wilkinson, Chair of the Platform of European Social NGOs: “It is not just a question of approaching the political authorities. We must remember our own responsibility in seeing that rights of expression prevail in our own organisations and that we are ensuring a voice from the grass-roots level right up. But we can’t carry this out unless we have the practical and financial means to do so”.

From the NGOs came a number of proposals for the future development of the civil dialogue, beyond calls for the omission of a reference to structured dialogue to be rectified in the next Treaty revision (with some going so far as to seek a place in the social dialogue negotiations based on the Treaty, alongside the social partners). Specific proposals from the Platform of European Social NGOs include the following:
• the drawing up by the Commission of a list of European NGOs with which it would establish a civil dialogue consisting of regular, organised and comprehensive consultations. The legal and financial conditions of these consultations should be discussed;

• DGV should set up twice-yearly civil dialogue meetings between the members of the European Platform of Social NGOs and the Commission (including other DGs) based on an ongoing evaluation of the Commission’s social policy work programme and including consultations on matters suggested by both sides (such meetings actually commenced in March 1998);

• the European Parliament should press the Commission to draw up the abovementioned list of social NGOs and participate in the process of reflection on this issue. Parliament’s Employment and Social Affairs Committee should meet twice a year with the European Platform of Social NGOs; and

• funding should be provided to facilitate the necessary infrastructure to encourage NGO participation at all levels in the civil dialogue. Procedures for EU funding and resources for NGOs should be simplified.

NGOs also stressed the importance of developing the civil dialogue with national governments and of reviewing their own structures to balance their grassroots legitimacy and representativeness with their expertise in dialogue with public authorities.

The attitude of the traditional social partners – employers’ organisations and trade unions – to the new civil dialogue seemed generally positive. ETUC supported the opening up of the civil dialogue at EU level, calling it a logical result of the structures used at all other levels. “ETUC supports any measure to increase democracy and citizen participation. The EU needs a fresh intake of air as regards social policy”, as General Secretary Emilio Gabaglio put it. UNICE stressed the distinctions between the social and civil dialogues and their different tasks.
Equal opportunities for women and men

Equality of opportunity for women and men has been one of the most prominent issues in Community social policy for decades and has increasingly been “mainstreamed” into all areas of activity in recent years. Across the whole spectrum of its work, the Forum indicated that the issue has lost none of its importance or topicality – as Commissioner Flynn pointed out, “there is still a gender gap to be addressed, in unemployment levels, quality and access, working time, working conditions and career development”.

The previous months had seen a number of significant developments in this area, which were discussed during the Forum. The Amsterdam Treaty for the first time recognises equal opportunities as a primary political objective of the Union, and this seems generally to have received a positive response, though as Stephen Hughes, MEP, said, this new provision, “unfortunately, does not confer individual rights enforceable in law”. In the Commission's view, the Employment Summit also made an important contribution in this area, agreeing action to reverse occupational under-representation and identifying the importance of raising levels of care and eliminating obstacles to return to work after absence.

From the perspective of UNICE, Thérèse de Liedekerke stated that: “The area of equal opportunities has developed more rapidly than other areas and there has been a lot done at the EU level. The challenge now is to derive full advantage from the legislative framework. It’s important to be more specific in action in terms of childcare, training etc”. She made reference to the EU-level social partners’ success in negotiating European agreements on parental leave and part-time work. Emilio Gabaglio of ETUC stressed the need “to strengthen policies which invest in childcare and the care of the elderly and to introduce structures to free up women from their responsibilities so they can have full access to the labour market”.

One particular issue relevant to equal opportunities came under discussion in the final day’s panel session: part-time work. Employers stressed the positive aspects, with Thérèse de Liedekerke saying that she was “struck by the pervasive, negative image of part-time work, too often seen as second-choice work. Part-time work is important for undertakings and for women because they are at a juncture where it is difficult to
reconcile working and family life.” Support for this view came from some NGOs – Mr de Luna of ONCE said that “we need a proper framework to ensure part-time work is a choice rather than an imposition, a right and not just the second best option”.

**Racism and other discrimination**

With Article 13 of Amsterdam Treaty providing for the first time the possibility of “appropriate action” to combat discrimination based on sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation, there was much discussion at the Forum of what the scope for action now was.

Commissioner Flynn made a strong statement that “combating discrimination is a basic element of building a Europe based on citizenship. Our citizens expect our societies to respect fundamental rights and principles of equality, and to provide fair opportunities for all to participate fully in economic and social life.” He went on to say that “we are now exploring the possibilities offered by the new Article with the Member States and with all the interested parties that can help develop this work. It will enable us to help you to do more on the fundamentals of integration and rights, on disability, on minorities, on the social justice upon which cohesion is built, and on which the European Union is built”.

One key area of concern, for the Commissioner as well as for many participants from all across Europe, is racism. Following the 1997 European Year against Racism and Xenophobia and the agreement to set up a European Monitoring Centre on Racism and Xenophobia, the anti-discrimination clause of the new Treaty will, according to the Commission “provide a firm legal footing for future work”. The new Social Action Programme promises “a proposal for legislation to combat racial discrimination once the new Treaty is ratified, and … a broad debate on the use of Article 13, including the possibility of a framework programme to combat all forms of discrimination”.

Stephen Hughes, MEP, spoke for a number of more sceptical contributors when he bemoaned the fact that Article 13 does not have direct effect and will require proposals from the Commission and unanimity in Council – “frankly, I won’t hold my breath in anticipation of early action but that is exactly what we need to campaign for...”. NGOs
arguably tend to see the new article as constituting modest progress, while emphasising that the unanimity requirement in Council means that positive action will depend on the political will of Member State Governments.

Many of the NGOs participating in the Forum represent the numerous groups who are subject to discrimination and/or exist to fight such discrimination. This was reflected in, for example, the Open Forum at which “Combating racism and xenophobia” was a specific theme and in which issues of discrimination (against older, disabled and homeless people, for example, or lesbians and gays) featured in many of the other themes. NGOs identified discrimination against groups as diverse as travellers and deaf people as barriers to full participation as European citizens.

Demographic change
The issues raised by the demographic changes affecting European societies, and especially the ageing of the population, ran through many of the Forum’s debates. For Commissioner Flynn “this is an enormous challenge: the decreasing size of the Union’s working age population, and the increasing number of retired people, will place enormous stress on the unwritten contract between generations, and it will do so within a very short time. To manage that challenge, we need to equip more of the potential workforce to contribute to the economy, rather than pay them to just sit on the sidelines. This is the ground where employment and broader social policy meet. It is where the Social Action Programme and the European employment strategy meet”.

Participants stressed the importance of demographic factors in areas such as new demands on social protection, underlining the key role of the users (such as older people) in defining and managing the new services and benefits to be provided.

Fundamental social and civil rights
While the issue of fundamental social and civil rights was arguably not as central to the second Forum as to the first – which saw the launch of the report of the Comité des sages – it was nevertheless a key theme. Once again, the Amsterdam Treaty formed the starting point for many of the discussions. The Treaty refers to the Member States’ attachment to fundamental social rights as defined in the Council of Europe European
Social Charter and in the Community Charter of the Fundamental Social Rights of Workers. As with much in the Treaty, this was widely regarded by NGOs and other parties as being both a step in the right direction and something of a disappointment. There was particular disappointment that the approach suggested by the Comité des sages – the incorporation of a set of specific individual rights – had been disregarded. This point of view was shared by, for example, many NGOs, the European Parliament and the ETUC.

The continuing interest of NGOs and some social partners (notably ETUC) in this issue was highlighted by the launch during the Forum of a campaign for a European bill of rights (see p.00).

Social inclusion/exclusion

The growing phenomenon of social exclusion and the need to combat it inevitably featured strongly across the Forum’ s debates. Once again, it was the Amsterdam Treaty – which provided a Treaty basis for measures to combat social exclusion – that formed the immediate institutional background for debate. This whole area was also somewhat overshadowed by the controversy over the ECJ ruling and suspended budget headings (see below under “The issue of the suspended budget headings”).

Commissioner Flynn told the Forum about the action which the Commission was now taking in this area: promoting social inclusion and tackle poverty is a strong feature of the new Social Action Programme and spans many areas, such as social protection, education, health, housing, transport, culture. Social inclusion, in labour market policy, is already mainstreamed into the proposed design of the ESF, but “one of the key tasks now is to explore how our less developed social inclusion activities – outside the labour market – can be best focused in the light of the Treaty possibilities. For me this would include analysis of policies and trends, awareness raising, fostering good practice, and promoting a mainstreaming/ horizontal approach. The objective would be to support Member States in their efforts to improve the standard of living and quality of life of vulnerable groups. An important part of doing so will be equipping NGOs to play their fullest part in these efforts, not least by enabling you to work together, and
learn from each other, at European level in developing new responses to meet new conditions”.

Special stress was laid on social inclusion/exclusion in the address by David Blunkett, the UK Secretary of State for Employment and Education: “We cannot afford social exclusion in Europe: it generates huge costs in the form of crime, ill-health, welfare dependency, social breakdown and dislocation. It cuts people out of participation in decision-making and civil and cultural life … Governments across Europe are now showing great imagination and determination in seeking new solutions.

Now that Europe is developing a coherent view of employability through the employment action plan approach, perhaps it is time to ask whether we should develop parallel social action plans … Tackling social exclusion also requires governments to work in new ways. We need to reinvent government if we are going to transform the culture in disadvantaged communities and bring about radical changes in the life chances of individuals ad families. We need to rethink fundamentally how we develop and deliver social policies on a multi-agency multi-faceted basis, and how we work with local organisations and partnerships”.

NGOs expressed many ideas and proposals on the way ahead in tackling social exclusion. Among those not already mentioned in the reports on the three parallel sessions are the following:

- amending the European employment strategy to emphasise links with poverty and exclusion;
- giving greater emphasis to the objective of fighting exclusion in the operation of the European Structural Funds;
- “mainstreaming” the fight against exclusion into all EU policies – not just social protection, but also economic, competition and agricultural policies, etc;
- examining preventive action to stop exclusion from occurring, and the way in which the system of production creates exclusion;
- affording everyone access to individual and collective means of lifelong learning and training;
• developing active forms of solidarity between workers and unemployed people which encourage social links and lead to the effective participation of unemployed people;

• ensuring that measures to integrate unemployed people are preventive and supportive, and respect the rights of individuals – ie, are not coercive or make benefit entitlement conditional upon participation; and

• allowing unemployed people who find part-time and/or low-paid work to continue receiving income or assistance (as already happens in some countries).

NGOs now expect more EU activity in this area, given the new Treaty basis for action against social exclusion. Marie-Françoise Wilkinson of the Platform of European Social NGOs called on the EU institutions to use this new basis to launch programmes of action and legislation, and stated NGOs’ willingness to work with the Commission on this issue.

From a strict trade union point of view, the response to social exclusion is seen in the light of fighting unemployment and creating jobs, as emphasised at the Forum by ETUC.

**Social policy as a productive factor**

The emphasis on social policy’s role as a productive factor was one of the Commission’s objectives for the Forum, and was referred to on several occasions. A clear expression of this conception of social policy was provided by Tom Jenkins, chair of the Economic and Social Committee: “We believe that social protection can help stimulate and reinforce economic performance. There are beneficial effects in an integrated and coordinated approach at both European and national levels between social and economic policies. Members States with a strong safety net often perform better in terms of GDP per capita or external balance than Member States with weaker social protection. The negative, downward spiral of bad economic performance being transposed into social protection cut-backs, and therefore lower consumption and reduced demand, can be turned around into a positive integrated approach,
concentrating on transforming passive into active expenditure, generating jobs, services and growth”.

The issue of the suspended budget headings
Finally, as mentioned above, an ECJ ruling which annulled the Commission’s decision to fund a number of European projects to fight social exclusion, and the Commission’s response to this ruling, had a deep impact on many of the debates at the Forum. Indeed at the first plenary session, a “red card” protest was organised by the Platform of European Social NGOs and the Liaison Committee of Development NGOs. The organisations involved stated that the Commission had “blocked over 40 budget headings affecting the work of NGOs with some of the poorest and most vulnerable groups in Europe and in the third world ... The fight against racism; medical centres for victims of torture; human rights and poverty programmes in Europe and the developing world; landmine rehabilitation projects; work with families, children, women migrants, the elderly, youth, people with disabilities and those who are unemployed ... They are all affected. As Europe’s leaders have called for a people’s Europe, the very programmes which bring Europe close to the people are frozen ... We demand: immediate reinstatement of all 1998 funds; an open discussion with NGOs on the 1999 budget”.

The scheduled programme at the opening plenary was rearranged to allow an intervention on this issue by Marie-Françoise Wilkinson, director of the European Anti-Poverty Network and Chair of the Platform of European Social NGOs. Ms Wilkinson stated that the red card was not addressed to the Commission or President Santer alone, but to all institutions with a role in the relevant decision on the funding of social exclusion projects. She quoted from an open letter to President Santer, expressing the extreme concern of NGOs, which had entered in good faith into dialogue with EU institutions, but now felt “duped”. The Platform thus demanded that:

• the ECJ ruling should not be interpreted too restrictively and the 1998 budget should be implemented as voted for by the budgetary authority;
• a longer-term agreement be negotiated with the other institutions to retain reasonable room for manoeuvre for the Commission and Parliament;
• the Commission’s preparatory work be accelerated with the aim of making proposals on the fight against exclusion and discrimination as soon as the Amsterdam Treaty is ratified; and
• President Santer should meet the Platform as soon as possible.

Ms Wilkinson concluded by asking President Santer that he take account of the “disastrous consequences for European construction of the contradiction between the rhetoric heard at Cardiff on a citizens’ Europe and the acts which we have witnessed”. The NGOs’ criticisms were reiterated at a meeting of their representatives at the end of the first day of the Forum.

Leading figures from the Commission and other institutions addressed the issue of the frozen budget headings, and in many cases responded to criticism, in the course of the Forum. Jacques Santer, President of the Commission stated that he understood the “confusion” which had led many to show a red card to the EU. He jettisoned much of his planned address to the Forum and instead went in considerable detail into the fundamental issues raised by the ECJ ruling. The President outlined the efforts being made to achieve an Interinstitutional Agreement which would minimise the effects of the blockage and a longer-term deal to define the idea of “non-significant” EU actions which (according to the ECJ ruling) can be executed without the prior adoption of a legal basis. The President reported back on the “trialogue” – involving the Commission, Council and Parliament – on budget issues which had been held on 23 June, and looked forward to progress at the next such meeting on 17 July. The ruling, he said, shows that “the path is sometimes littered with pitfalls and that there are highs but also lows which we must learn to overcome. But, ultimately, it is together than we will all progress towards our common objectives”.

Commissioner Pádraig Flynn expressed his “deep concern” over the implications of the ruling and said that it was “particularly frustrating that this cloud of a threat to funding should be hanging over the civil dialogue at European level just now”. However, he was “hopeful that the present problems emanating from the Court judgment can be resolved with goodwill”.

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Stephen Hughes, Chair of the European Parliament’s Employment and Social Affairs Committee, rejected what he saw as “the distorted interpretation of the Court’s ruling embodied in the Commission’s decision”. He accused the Commission of contradicting itself on the issue of legal bases and of “begging Member States for authorisation to carry out tasks entrusted to it by the Treaties”. In Mr Hughes words, “is the agenda of this Union going to be dictated by bureaucrats eager to appease Finance Ministers? Or is it to be policy driven?” He called upon all of the institutions to “convene an urgent meeting at the earliest possible opportunity to agree a modus vivendi to allow contracts and projects to be restored while we pursue with utmost urgency the finalisation of a new interinstitutional agreement to give us a firm basis for the future”.

However, Mr Hughes thought that “this crisis has had its uses. Ministers I’ve spoken to in recent days have asked the question ‘What is civil dialogue?’ and have raised their eyebrows in interest when they’ve received the answer. It has brought it directly to their attention”. He called on NGOs to follow through their red card campaign at national level and among MEPs, and made a personal promise to “do all I can to take this important civil dialogue forward”.

**Conclusions**

It is very difficult to draw any firm conclusions from an event as large and diverse as the second European Social Policy Forum. The Forum itself did not include any single defining moment, or the adoption of any agreed conclusions, declaration or similar text. Indeed, much of the Forum’s real value will lie in the ideas it will have sown in the minds of individual participants, in the meetings both formal and informal they held and the contacts they made. However, Alan Larsson, Director- General of DGV, did pull together a number of broad conclusions from the Forum – which he described as “a great success” – and directions for future action, which are summarised below.

Overall, Mr Larsson believed that “The second European Social Forum has created new political momentum for the debate on the future of the European model of development. The Forum has already had a political impact in the Commission, the Council and the Parliament. That impact will continue to be felt in the political institutions, at national and European level, over the coming months.”
With regard to closer cooperation between EU institutions, NGOs and social partners.
Mr Larsson stressed the following key points

**Ratification of the Amsterdam Treaty**
Many NGOs and trade unions were active in the preparations of the new Treaty, and “thanks to the combined efforts” of NGOs, social partners, Member States and the EU institutions, there is now an Employment Title and new provisions for social policy and anti-discrimination. A few countries have already ratified the new Treaty while most will do so in autumn 1998. The Commission needs the active support of the NGOs in this process. Successful ratification will pave the way for a discussion on the future of the Union and give scope for new initiatives.

**Implementation of the employment strategy**
The process of implementing the European employment strategy is now well underway, and the Member States “have demonstrated real commitment to this exercise”. Most have involved the social partners in developing their National Action Plans. All NGOs need to be aware that this process is now the framework for national employment policy. They need to become part of this process and to help the Member States to make employment policy work at grassroots level. This includes NGOs’ work in the context of equal opportunities, the social economy and the intermediate labour market. Furthermore, NGOs’ experience and commitment is needed in the development of the 1999 Employment Guidelines to be discussed at the Vienna European Council in December 1998.

**From political declarations to concrete action**
The reform of the Structural Funds and the new Treaty provisions on employment and social policy open up possibilities for the partners to work together in new ways. They open up possibilities of developing long-term stable financial conditions for partnerships and will help the Commission in the immediate task of saving as much as possible of its existing budget lines and activities. To get this right, the expertise and ideas of NGOs are required, as called for by Commissioner Flynn. The discussion at the Forum between representatives of NGOs and David Blunkett, the UK Education and Employment Minister, was a “good start to this process”. Commissioner Flynn and
DGV will “make every effort to push this work along, to save and to build the European civil dialogue”.

**Social inclusion, anti-discrimination and the new Treaty provisions**

Economic and social integration is the key issue. Integration demands that we tackle all the factors which lead to exclusion – poor education, unemployment, poor health and housing, urban decay, poverty and marginalisation. Promoting cohesion also calls for strong efforts to combat all forms of discrimination. The Forum expressed its concerns and expectations on these issues, especially with regard to racial discrimination and the barriers facing people with disabilities. The task at European level is to bring to bear the combined strength of new resources, and new legal instruments, both in labour market and non-labour market policy areas. The Forum is “host to many strong examples of finding the policy mix and the right partnership approach. You must help us to generalise this experience, to make it part of the mainstream of policy to promote inclusion and anti-discrimination.”

**Enlargement and social policy**

Some Forum participants expressed their concern that enlargement might bring a lowering of social standards in the present Union, or that a lower standard of social policy is being demanded of applicant countries. However: “This is out of question for the Union. Our message to applicant countries is clear. To become Members of the European Union, they have to accept the social policy acquis which are already in place. And they have to accept the new steps we are now taking, due to the Amsterdam agreements, as conditions and benefits of membership.” Thus, the EU can demonstrate to workers and citizens in the applicant countries that Europe is a “driving force for raising the quality of working and social life” while at the same time demonstrating to workers and citizens in the present Member States that “the social dimension is fundamental to the success of enlargement, not a victim of the process.” The support of NGOs is required to drive home these messages, and to make the enlargement of the Union possible.
The future of the Union
At the June 1998 Cardiff European Council meeting, the Member States agreed to hold an informal Summit in October, devoted to the future of the Union. The informal meeting will prepare the ground for the Vienna European Council in December 1998 to consider the next steps in the development of the Union. NGOs should be active, with their national governments, in the following months to prepare the ground for the discussion in Vienna.

The next European Parliament and Commission
By the end of 1999, there will be a new European Parliament and a new European Commission. NGOs will have to prepare themselves to give their input, during the transition period, to the new Commission’s work programme.

The next steps
Mr Larsson addressed the questions of: how we can best use the investment made in the preparation of the Forum; and how we can take forward the quality of the debate and use the many good ideas presented over the three days of the event. The social NGOs, he said, have already built a successful and active partnership with the ETUC, and have expressed their wish to be consulted on the future and to contribute to the work the future holds for social policy.

The Director-General proposed to start doing these things immediately and to proceed by addressing some specific and concrete issues of common concern. He thus invited the Platform of European Social NGOs and the social partners to a follow-up meeting to answer these questions. He suggested that such a meeting could review the points presented above and identify a number of concrete issues that could be developed together. From contributions to the debate over the last few days, Mr Larsson expected that the agenda to be pursued together would include questions on employability and the social economy, on exclusion and social protection, and on the fight against discrimination and xenophobia. The Commission looked forward to this “next step in deepening our social and civil dialogue and in working through ways in which we can make common commitments”.

And finally…

Mr Larsson closed the Forum by stating that the “European model of development … with all its national diversity, is built on two great economic and social thoughts; on the one hand, of competition between enterprises as the driving force for economic progress; on the other hand, of solidarity between citizens as a way of creating social cohesion, an idea clearly rooted both in the Christian tradition, and in the trade union tradition. These traditions enable us to agree that we do need strong enterprises to create new resources. But we also need strong solidarity between citizens to make a better society. That requires a strong civil dialogue, dedicated people and a culture of partnership. That is why we are all here, to translate these two great traditions into workable, sustainable, systems to tackle the shortcomings of our social support systems and to meet the new social policy challenges of the future. That is the agenda that we should take home from the Forum, as we return to our responsibilities and tasks in the Member States”.
