Social policy

ETUI: Social solidarity abandoned under austerity

By Irina Smirnova-Godoy | Tuesday 12 June 2012

Social solidarity took a back seat in EU policy making in 2011 and the declining real incomes pose serious questions for the survival of the European social model. This message was delivered by European Trade Union Institute (ETUI) General Director Philippe Pochet, on 11 June, during the launch of the 13th annual report 'Social developments in the European Union 2011', published jointly by ETUI and the European Social Observatory (OSE).

This 2011 edition explores the changes in institutions and the new tools of integration developed by the Union to tackle the deteriorating economic and financial environment, as well as the state of social dialogue and the fate of the social dimension of the 'Europe 2020' strategy. “Europe lives in a paradox. It is running fast, yet stands still”, said David Natali, editor and contributor to the volume. Indeed, while numerous tools of economic governance such as the European Stability Mechanism (ESM) or the 'euro plus pact' have been created in record time, none of the problems they were targeting to solve have actually been solved.

Further reinforcement of the austerity paradigm has sharpened social and demographic tensions between the young and the elderly. Higher than average youth unemployment is straining to the maximum the pension and health care systems. Rising inequality leads to the virtual social exclusion of the weakest of the weak in absence of an adequate social cushion.

The 'Europe 2020' strategy’s poverty reduction benchmarks are not being met, admitted Lieve Fransen, the European Commission's director for social policies and Europe 2020. At present, 116 million Europeans are at risk of poverty or social exclusion. The social dimension is well represented in three out of the seven flagships of the strategy: 'Youth on the move', 'Platform against poverty' and 'New skills and new jobs'. Yet much more can be done, especially at the level of member states, which have been slow at taking stock of the Commission’s country-specific recommendations.

Following the presentation of the report, the participants discussed the lack of an EU strategy for poverty reduction and the absence of an explicit social dimension in the ongoing negotiations on bilateral trade agreements.

Economic analysts, present at the debate, expressed their conviction that the solution lies in case by case pragmatic application of expansionary or contractionary policies to mitigate the social impact of the current sovereign debt crisis in the Union. The need for a more integrated strategy on social cohesion and for continuing investment in human capital was stressed by Fransen in her concluding remarks.

Copyright © 2012 Europolitics. Tous droits réservés.