Briefing on the Development of a Social Europe

Foundations for Futures
Europe Project

Introduction

Agreed action at an EU level can have a real positive impact on the social standards of everyone living in the EU, including in Ireland. However, this has only been achieved in a limited way to date.

Social objectives have not come naturally to the European Union which was originally conceived as a way to bind post-war economies together by breaking down barriers to the free movement people, goods, services and capital. However, the stated values of the EU do provide the foundation to support the development of better, more inclusive social standards for Europe.

"The Union is founded on the values of respect for human dignity, freedom, democracy, equality, the rule of law and respect for human rights, including the rights of persons belonging to minorities. These values are common to the Member States in a society in which pluralism, non-discrimination, tolerance, justice, solidarity and equality between women and men prevail."
(Ref: Article 2 of the Treaty on European Union)

There has never really been a single European social model and the social models of Member States have developed independently. However, the majority of EU Member States adhere to general guiding principles such as redistribution through taxation; publicly funded and sometimes publicly delivered services; and a commitment to social rights and entitlements.

As these welfare states developed independently of the EU, national sovereignty in most areas of social policy has often been a contentious issue, with some states exhibiting an acute wariness of what they see as 'EU interference' even when it comes to common EU social standards.

Early Developments

However, social policy has always been a part of the role of the EU almost from the beginning of the European Economic Community (EEC) in 1957. Initially, reforms were influenced by concern for equal competition and workplace regulation at EU level, including gender equality, health and safety, protection against redundancy, etc. These were related to the economic priorities of the Union and ensuring there was a level playing field among the members. Progress in areas like pensions, service provision and social assistance was notably slower.

From 1974-1994 there were three Poverty Programmes through which anti-poverty groups accessed funding from the European Commission in order to find innovative ways of addressing poverty at national level and also involved transnational projects involving groups from different Member States. These programmes supported the growth of community development and social partnership approaches. The third Programme introduced the concept of 'social exclusion'. Proposals for a fourth Poverty Programme in 1994 were opposed by the UK and Germany and so it didn't go ahead.

EU Structural Funds, which began in 1958, also reflected popular pressure to balance economic growth with social cohesion and have played an important role in this through providing EU funding for social inclusion activities. This continues up until today in the current Cohesion Policy Funds 2021-2027 where a minimum of 25% of European Social Funds Plus in each country have to be spent on measures to promote social inclusion.

The Amsterdam Treaty in 1997 incorporated the Agreement on Social Policy into the revised Social Chapter of the Treaty. This involved giving the EU a legal role in relation to some areas of employment and industrial relations.

Strengthening EU Treaties

Progress on providing a legal basis for the EU involvement in social policy was given a major boost with the Lisbon Treaty in 2007. This saw the introduction of a so-called cross cutting 'Social Clause' (Article 9 Treaty on the Functioning of the EU) which requires the EU, in defining and implementing all of its policies to:

> *"take into account requirements linked to the promotion of a high level of employment, the guarantee of adequate social protection, the fight against social exclusion and a high level of education, training and protection of human health."*

The Lisbon Treaty also incorporated the EU Charter of Fundamental Rights, which had previously been agreed in 2000, into EU Treaties thus giving it a legal basis.

A major ongoing challenge however, is how these developments can result in real social progress.

Introduction of a 'soft law' approach

The Amsterdam Treaty in 1997 also provided the legal base for the European Commission to coordinate work by Governments on a range of areas including employment and social inclusion. This allowed for the introduction of a process known as the Open Method of Coordination (OMC) in the EU. This is a 'soft law' approach which allows EU Member States to work together on areas which are the responsibility of Member States and not the EU. The OMC approach is coordinated by the European Commission and was first used for the European Employment Strategy which began in 1998. In 2000 EU Member States agreed on the Lisbon Strategy. This gave equal priority to employment, economic and social goals of the EU (environment added in 2001). The main process for making progress on the Lisbon priorities was the OMC. This included a strategy for addressing poverty and social exclusion involving the preparation of National Action Plans Against Poverty and Social Exclusion (NAPs Inclusion) by Member States every two years. These Plans were based on agreed objectives with the overall aim of 'making a decisive impact on poverty by 2010'. While there was difficulty in achieving concrete outcomes or policy changes the process was important in keeping a focus poverty in the EU. By 2010 there was no reduction in poverty in the EU as a whole. Ireland was one of the few countries where consistent progress had been made on reducing poverty.

In 2010 the EU Year for Combating Poverty and Social Exclusion saw the end of the Lisbon Strategy and the beginning of Europe 2020: A strategy for smart, sustainable and inclusive growth. Europe 2020 included a commitment to deliver on 5 targets, three of which are social targets. These were targets on education and employment and the commitment to 'lift at least 20 million people out of poverty and social exclusion by 2020' i.e. reducing it from 117 million to 97 million people. At this stage the economic crisis was in full swing in the EU and austerity policies were being implemented in many countries, including those such as Ireland which were in 'Troika' programmes. Levels of poverty and social exclusion rose to over 123 million people in 2012. Despite reversing much of this approach, and after a period of economic stability, the EU only achieved half of its Europe 2020 poverty target by 2020, with more than one in five people in the EU at-risk of poverty and social exclusion.

The EU response to the economic crisis also resulted in the Europe 2020 being implemented as part of the European Semester. The European Semester is the annual process of reporting and recommendations between the Member States and the EU on a range of areas, but mainly on economic priorities. Progress on areas of social importance and on specific social targets, which now mainly focuses on the implementation of the European Pillar of Social Rights mentioned below, continues to monitored and reported on as part of the European Semester process.

European Pillar of Social Rights

In 2017 the European Union adopted the European Pillar of Social Rights and in 2021 an Action Plan for its implementation was agreed. The Pillar includes 20 principles and rights which are aimed at improving employment and social standards across the EU. The principles and rights cover the areas of i) equal opportunities and access to labour market ii) fair working conditions and iii) social protection and inclusion, including access to quality services and adequate social welfare supports and addressing child poverty and the inclusion of people with disabilities.

The Action Plan for Pillar includes a range of policy commitments aimed at implementing the Pillar and three targets. The targets are on employment and training and to achieve a reduction of at least 15 million (including 5 million children) in the number of people at risk of poverty or social exclusion by 2030. Following the UK leaving the EU in 2020 the population was around 448 million people and 91 million, or one in five, were at risk of poverty or social exclusion.

Why is the EU important in addressing poverty and improving social rights?

The respect for human dignity, human rights and equality are at the core of EU values included in the EU Treaties which also include the 'Social Clause' and the Charter of Fundamental Rights. These provide the basis to push for a stronger social Europe with minimum social standards and rights which all EU countries have to implement.

The commitments in the European Pillar of Social Rights, and the target for reducing poverty and social exclusion, provide a minimum standard for an integrated approach for addressing poverty in Ireland and the EU. It is crucial to use these commitments to push for an integrated strategy to deliver on them.

People across the EU experience many similar struggles and it is important to build solidarity with each other while also using the opportunities for mutual exchange and learning.

EU policy, good and bad, has an impact on all our lives and it is important that we work to influence it and try to ensure that all EU policy is consistent with improving the quality of life of everyone in the EU and moves us closer to ending poverty and inequality.

It became clear during the economic crisis that EU social policy, even if it is ambitious, cannot be effective if it is dependent on a soft-law approach and if wider EU policy, usually made based on harder law, undermines it. This includes economic, environmental and migration policy and how the EU addresses its priorities of the climate and digital transitions and recovery from the Covid-19 pandemic. Therefore, the achievement of a vision for a more inclusive and just social Europe free of poverty can only be achieved if all EU policy supports its realisation.

This is something which the European Anti-Poverty Network, and their allies across Europe, continues to work for.

Key moments in EU Social Policy

1957	Treaty of Rome	Equal pay between Men and Women – Became law in 1975
1957	European Social Fund	Initially funded mostly training but later expanded to community development.
1973	Social Action Programme	
1974 - 1992	Pilot Schemes Against Poverty	**Poverty 1 (1974-1980):** Research and community projects: 24 projects in Ireland, including 13 focusing on Community development/community action **Poverty 2 (1985-1989):** Targeting disadvantaged groups **Poverty 3 (1989-1992):** Introduced the concept of 'social exclusion' and taking partnership approaches. **1994:** UK and Germany blocked proposals for Poverty 4
1986	Single European Act	Health and safety at work, Economic and Social Cohesion
1989	Community Charter of the Fundamental Social Rights of Workers (Social Charter)	Focused on rights related to the workplace including gender equality. Not signed by the UK.
1992	Council recommendation on Minimum Income	Historic agreement by Member States to guarantee adequate minimum resources for a dignified life. Provided the basis for the Active Inclusion Recommendation in 2008.
1997	Treaty of Amsterdam	Action against poverty written into Treaties. Gave the EU competence to combat discrimination on a range of grounds and allowed for coordination on employment, economic, social inclusion and other policy areas. Known as the Open Method of Coordination (OMC).
1997	EU Year Against Racism	Resulted in setting up of the National Consultative Committee on Racism and Interculturalism in Ireland.
1998	European Employment Strategy	Beginning of OMC on Employment. Member States produced National Employment Action Plans.
2000	Lisbon Strategy (Agenda)	Competitiveness, Employment and Social Inclusion to be progressed with equal importance. Environment added in 2001.
2000	Social Inclusion Strategy (Open method of coordination)	Common Objectives and National Action Plans against poverty and social exclusion. Commitment to 'make a decisive impact on the eradication of poverty' by 2010.
2000	EU Charter of Fundamental Rights	'Proclaimed' but not included in the Treaties until 2007.
2000	Directives on Equality in the work-place and Race Equality	Grounds covered in Employment Equality Directive are sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation'.

Key moments in EU Social Policy

Year	Title	Description
2004	Directive on Equal treatment between women and men in access to goods and services	
2007	Lisbon Treaty	'Social Clause' introduced and EU Charter of Fundamental Rights included in Treaties.
2008	Active Inclusion Recommendation	Integrated approach to addressing the needs of those excluded from the labour market involving access to adequate minimum income, quality services and inclusive labour markets.
2010	Troika programme	In November 2010 Ireland entered an agreement with the Troika as the result of receiving a loan to address its budget deficit. This involved agreeing to a programme of policy reforms. This programme ended in November 2013, with some ongoing monitoring as part of the European Semester process. The Troika was made up of the European Commission, European Central Bank and the International Monetary Fund.
2010	European Year for Combating Poverty and Social Exclusion	
2010	Europe 2020: A strategy for smart, sustainable and inclusive growth	Among its five targets, three of which are social, is the target 'to lift at least 20 million people out of the risk of poverty and social exclusion by 2020'.
2013	Social Investment Package	Commission Communication on Investment Package accompanied by a Recommendation on Investing in Children – breaking the cycle of disadvantage.
2017	European Pillar of Social Rights	The Pillar contains 20 principles and rights. It is under three areas i) equal opportunities and access to labour market ii) fair working conditions and iii) social protection and inclusion
2021	**European Pillar of Social Rights Action Plan**	It contains a number of concrete measures for implementing the Pillar and three targets including 'reducing by at least 15 million the number of people (including 5 million children) at risk of poverty or social exclusion by 2030'.

European Anti-Poverty Network (EAPN) Ireland is a network of anti-poverty groups working to put the eradication of poverty at the top of the Irish and European policy agenda and empowering groups working to end poverty to understand and influence policy-making. EAPN Ireland is a member of the European Anti-Poverty Network.

EAPN Ireland,
Carmichael House,
4 Brunswick Street North,
Dublin, D07
+353 (0)1 8745737
www.eapn.ie
@EAPNIreland