

# The Potentials of a Social Europe and some realities of social policy in Europe

Vienna | 8 September 2019

Kai Leichsenring

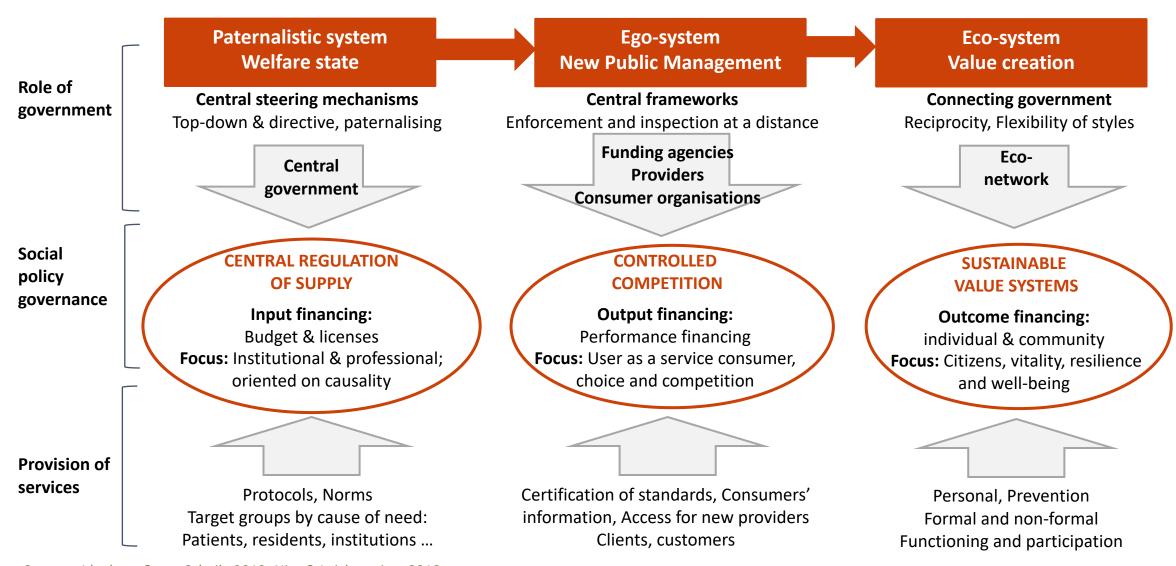
EUROPEAN CENTRE FOR SOCIAL WELFARE POLICY AND RESEARCH





#### **Potentials**

## Creating value by new approaches to social policy governance



Sources: Idenburg & van Schaik, 2013; Nies & Leichsenring, 2018

## **Bad times for international cooperation?**

"We seem to have arrived at an age of non-cooperation where the world is framed as a zero sum game immersed in moral hazard psychology. The anti-EU mobilization has been successful by asking the rhetorical question: why should we share our resources with others? Euro bonds and other forms of debt mutualization are taboos that are strictly observed by virtually all sides. There is a new ethos of 'going it alone', of resentful unilateralism, of putting ourselves 'first' (Trump), and of taking back 'control of our country' (as in Brexit)."

Claus Offe, Social Europe, 3/10/2017

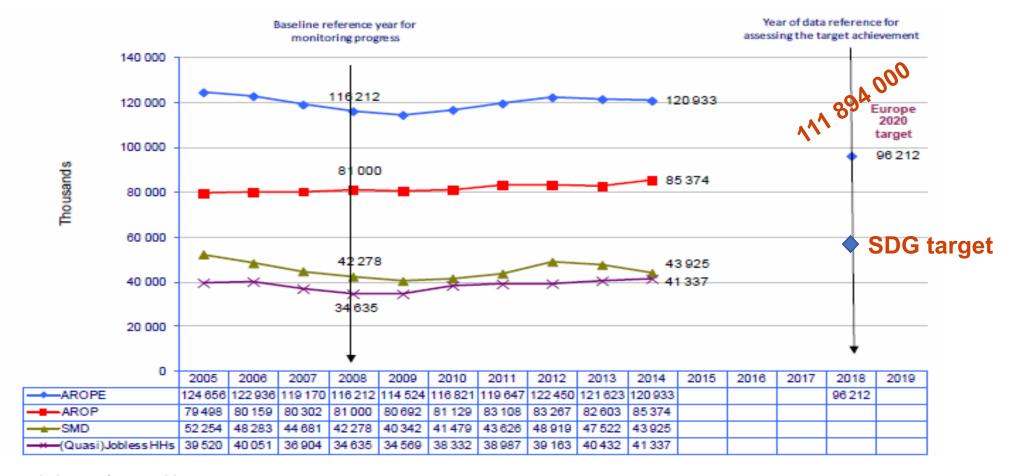
# The "European Pillar of Social Right" as a panacea?

- A reference framework for upwards convergence or just a first step?
  - Weak instruments: OMC, Social Dialogue, some Directives, minimum standards
  - More importance of social policy issues (not only employment) in the 'European Semester'?
- Measuring progress: Social Scoreboard
  - Getting the indicators right but also the quality assurance!

- Social investment and social innovation
  - More of the same, more 'pilotitis' or renewal towards an eco-social Europe?
- Some initiatives to strengthen the social dimension
  - From benchmarking to "benchlearning" and "benchaction"?

## Getting the indicators right

## **Evolution of the Europe 2020 Poverty and Social Exclusion target in the EU27 (1000s)**

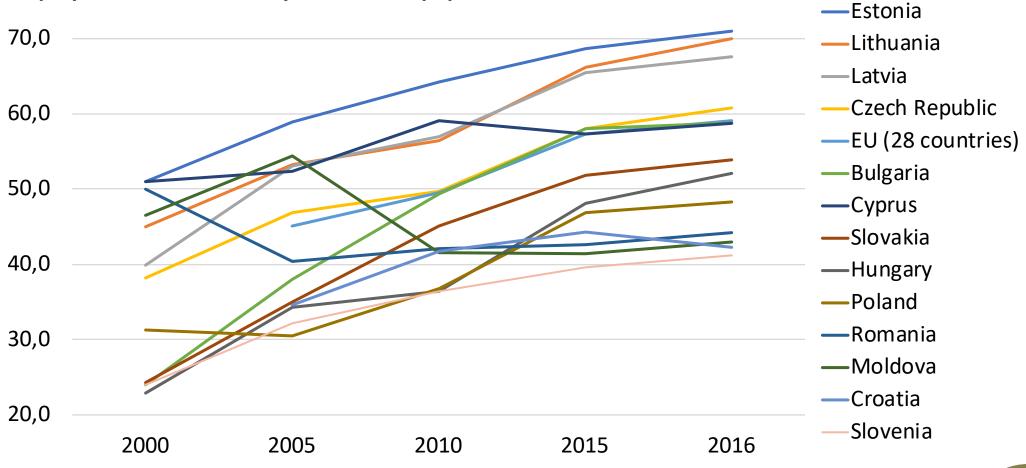


Source: SPC Annual Report 2017; Eurostat

## Rays of hope for convergence

## **Increasing employment rates in Eastern Europe**





Source: Gilca, 2017

### Strengthening the social dimension of the European Union

## From benchmarking to 'benchlearning'



- Root cause analysis: context, framework conditions and consultations with relevant stakeholders
- Clarifying the use of indicators: consensus on essential indicators
- Selection of performance indicators and impact drivers
- Determining best performers: exchanging good practices and 'benchlearning', identifying political levers
- Regular reflection on benchmarks

#### EU role:

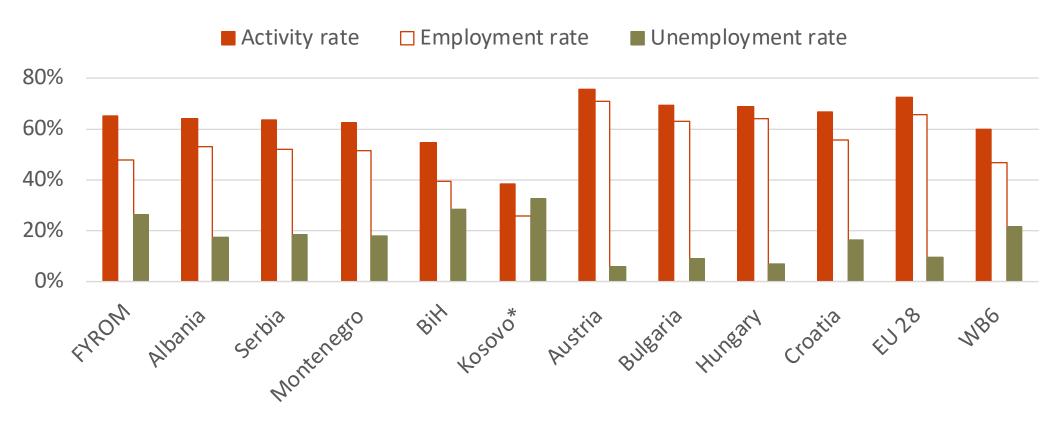
- Implementation of comprehensive benchlearning and benchaction processes
- Promotion of social innovation and "social policy experimentation"
- Efforts to attain better interaction between policy areas (including social policies), governance levels and stakeholders

## Social policies in the enlargement process

## Chapter 19: Social policy and employment

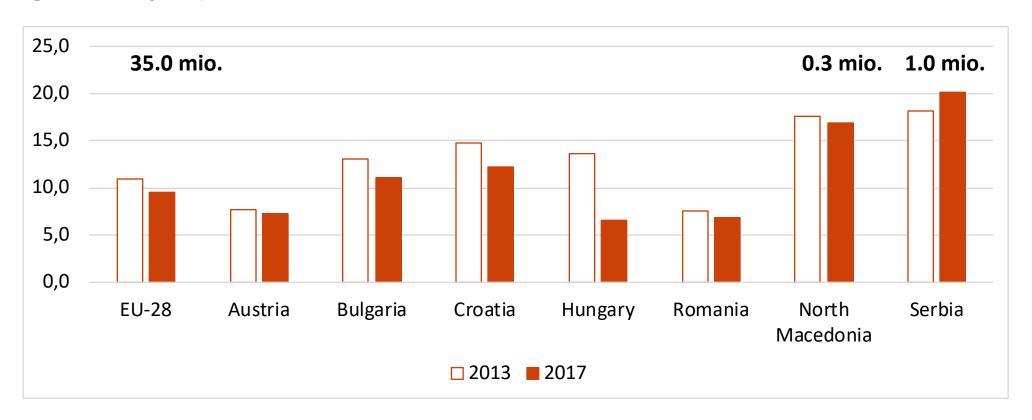
- Minimum standards to be implemented ...
- ... as against WB6 characteristics:
  - Undeclared work and its impact on taxes, social security institutions, and social dialogue
  - High risk of poverty (up to 25% in Serbia) and inequality (poor data)
  - Low wages and high share of precarious work
- The next bulk of countries to provide cheap labour force to the EU-15?

Activity rates, employment and unemployment in selected EU Member States and the WB6, shares of population 15-64, 2015



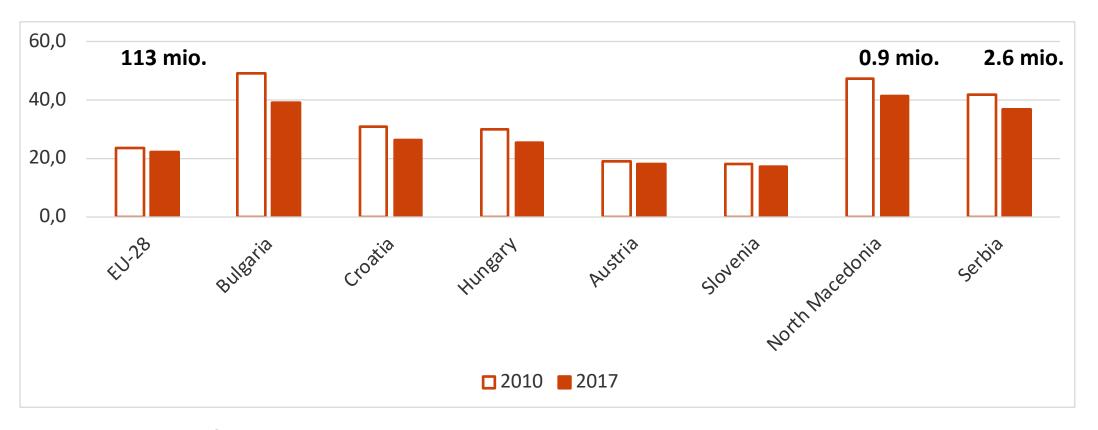
Source: EU-SILC; Arandarenko, 2018

Percentage of people living in households with very low work intensity by age and sex (population aged 0 to 59 years), selected EU Member States, North Macedonia and Serbia, 2013 and 2017



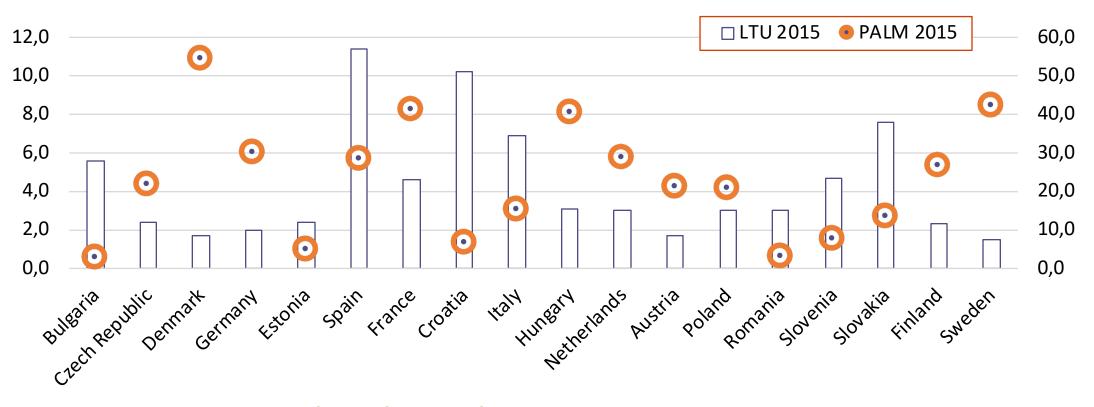
Source: EU-SILC

Percentage of people at risk of poverty or social exclusion, selected EU Member States, North Macedonia and Serbia, 2010 and 2017



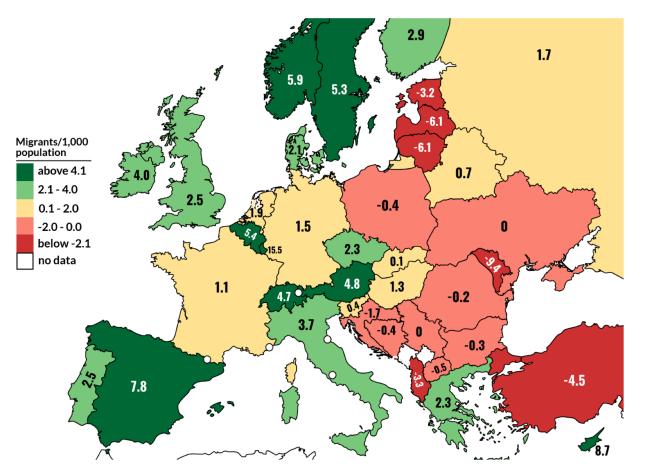
Source: EU-SILC; Serbia: first column = 2013

Participants in active labour market measures per 100 persons wanting to work (PALM) and long-term unemployment rates as a percentage of active population aged 15-74 (LTU), 2015



Source: EU DG Empl; EU-SILC; Note: % of LTU = left scale; % of PALM = right scale

#### Net migration rates in Europe by country, 2017



- Eastern Europe as a provider of labour force for Western Member States
- Inequalities and lack of social security as key drivers
- Younger age groups, better educated are leaving
- Specific sectors, e.g. health and nursing professions, most affected

Source: The World Factbook by Central Intelligence Agency (CIA); factsmaps.com; Net migration rate compares the differences between the number of persons entering and leaving a country during the year per 1,000 persons.

## **Future perspectives**

# Improving partnerships and the knowledge base

- Capacity building with a strong focus on social policies
  - Not only labour market, including civil society, not only policy-makers
- Avoiding brain-drain through programmes in partnership
  - Is 'circular migration' really working?
- Re-inventing the welfare state
  - Social innovation, social investment and social dialogue in sustainable value systems



# Thank you!

Follow us on Twitter! @EuroCentre\_SWPR

#### Contact:

Kai Leichsenring leichsenring@euro.centre.org

European Centre for Social Welfare Policy and Research, Berggasse 17, 1090 Vienna, Austria

www.euro.centre.org +43-1-319 4505-12