

EAPN General Assembly 2012 – Final Declaration

AUSTERITY IS NOT WORKING – TIME FOR A SOCIAL INVESTMENT PACT

Delegates to the 23rd EAPN General Assembly (7-9 June, Norway) join with people experiencing poverty in showing a **'red card'** to the EU Institutions for **abandoning the people**, including the most vulnerable, in the rush to **appease the markets**. The Member States, acting together in the European Council, are pursuing an austerity first approach which make 'the poor' pay the price for the crisis they did not create and undermines an inclusive recovery. Delegates to the General Assembly called on EU Leaders to put people and planet before markets and to agree a **Social Investment Pact** in order to restore people's confidence and set out a positive vision and roadmap for future EU cooperation.

Delegates to the General Assembly:

- Reject the EU's brutal abandonment of the Greek people, by enforcing policies with no consideration for their immediate and long term social consequences.
- Question the Europe 2020 Strategy promises of inclusive growth and poverty reduction when the poverty target is not taken seriously and EU economic governance is dismantling national social infrastructures and generating increased poverty and inequality, particularly in Troika countries.
- Denounce the breakdown of stakeholder engagement in key EU processes such as the Europe 2020 Strategy and the marginalisation of democratic processes as a consequence of inter-governmental agreements implemented without adequate parliamentary scrutiny.
- Express incomprehension and anger at why the EU continues to back a blatantly failing austerity model which is driving recession and fracturing the EU, instead of promoting an urgent debate and action supporting alternative approaches for an inclusive recovery based on solidarity, social investment and the pursuit of more equal societies.

The delegates of the GA therefore call on the EU and Member States to agree a **Social Investment Pact** by:

- 1) **Investing in a progressive stimulus package** that supports people and raises income levels through investing in quality job-creation, accessible services and high level social protection systems, including adequate minimum income schemes, while ensuring access for disadvantaged groups through integrated Active Inclusion approaches. Investment in education, health services, affordable housing and energy and addressing increasing levels of homelessness must be part of such a pact.

- 2) **Backing the role of the State to provide common goods and ensure inclusion and social cohesion** - by guaranteeing universal, equitable welfare and services necessary for human well-being. A halt must be made to the transfer of state assets to for-profit corporations in sectors where competition attacks social rights.
- 3) **Getting and distributing resources fairly** – reverse the trend of growing levels of working poor by regulating for ‘living wages’ and investing in adequate minimum income schemes (at least at 60% of the median disposable income) while moving forward on an EU framework to ensure adequate minimum social standards across Europe to ensure a social floor. Finance this through tax justice – prioritize progressive income tax, wealth tax, financial transactions tax and tackle tax evasion and avoidance by closing down havens and loopholes through EU regulation.
- 4) **Saving the Euro and reinforcing European economic stability**– but not by sacrificing solidarity between regions or between the wealthy and the poor. Eurobonds, cancellation of unpayable debts, flexible deficit and currency management and EU Financial Transactions Tax are vital tools, but economic governance must be delivered with social objectives and social justice as an end goal. An urgent priority is to safeguard Greece’s participation in the Euro zone and in the European Union and for the ECB to provide affordable financial support to all countries facing bail-outs.
- 5) **Reinforcing democratic accountability through direct and participatory democracy** - by strengthening the role of the national and European parliaments and investing in genuine regular civil dialogue with all stakeholders including NGOs and people experiencing poverty to design, monitor and implement alternative solutions to the crisis, including through Europe 2020.
- 6) **Measuring social progress not economic performance** – Go beyond GDP and develop a multiple, sustainable development index, which draws on the social indicators from the social OMC, and measures progress towards equality, health, material benefits and well-being as well as cultural, social and political participation. Narrow the growing income and wealth gap, by putting a realistic and ambitious target to achieve more equal societies.

A re-launched Europe 2020 Strategy that takes its objective of inclusive growth and its poverty reduction target seriously, not as trickle-down afterthoughts, would provide an overarching framework to promote and monitor the implementation of such a social investment pact. Such a re-launched strategy would need to be underpinned by poverty and inequality reduction recommendations backed by financial investment, in particular through EU Funds with at least 25% of Cohesion Budget allocated to the European Social Fund (ESF) and at least 20% of the ESF ring fenced for social inclusion and fighting poverty.

Note: The 23rd General Assembly of EAPN took place in Norway from 7-9 June 2012.. Delegations from 29 countries and 9 European Organisations took part in the debates

and activities. At this General Assembly, the Network welcomed Dynamo International (Street Workers Network) and the International Federation of Social Workers into membership of EAPN.