

Third civil society seminar
of the European Centre of Expertise (ECE)
in the field of Labour Law, Employment and Labour Market
Policies

**Strengthening the involvement of civil
society in the European Semester**

22 October 2019
La Tricoterie, 158 Rue Théodore Verhaegen, 1060 Saint-Gilles
Brussels, Belgium

Introductory remarks:
**The importance of civil dialogue for social
inclusion**

Josefine HEDERSTROEM, acting Head of Unit EMPL.C3

Analytical updates from the Commission

*Sustainable growth for all: Choices for the future
of social Europe (Employment and Social
Developments in Europe 2019)*

Frank SIEBERN-THOMAS, Deputy Head of Unit
EMPL.A4

2019 Social Scoreboard: preliminary results

Federico LUCIDI, Team Leader Joint Employment
Report, EMPL.A1



Employment and Social Developments in Europe 2019

Sustainable growth for all: Choices for the future of Social Europe

**DG Employment, Social Affairs and Inclusion
European Commission**

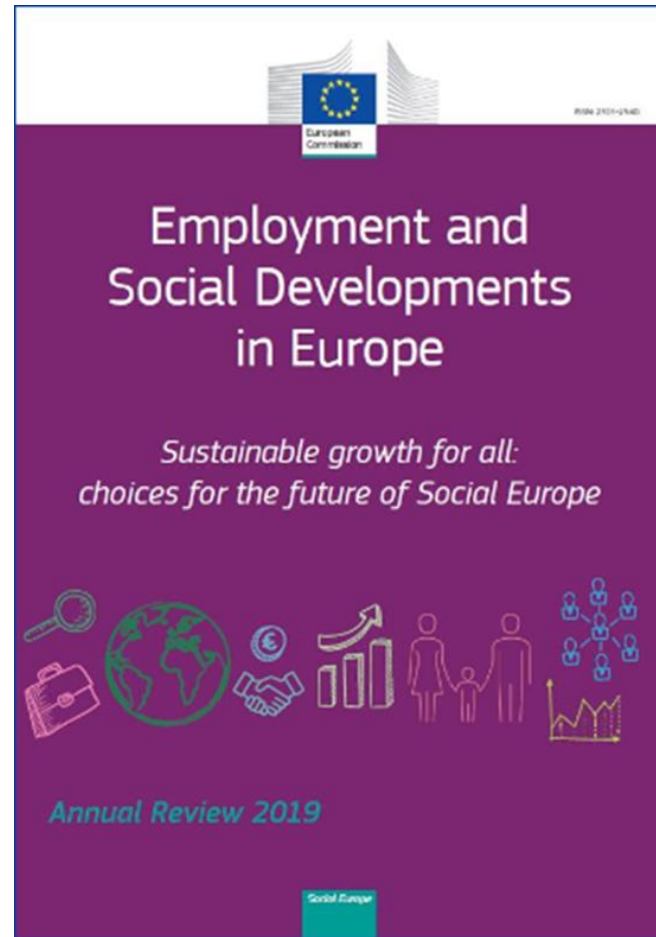
Frank Siebern-Thomas, DG EMPL
DHoU Thematic Analysis (EMPL/A4)

Third ECE Civil Society Seminar
„Strengthening the involvement of civil society in the European Semester“
22 October 2019

Employment and Social Developments in Europe annual review

Overarching themes of ESDE reviews 2017-2020:

- **Intragenerational fairness and solidarity** (2017)
- **New world of work: beyond digitalisation** (2018)
- **Sustainable growth for all: choices for the future of Social Europe** (2019)
- **?** (2020)

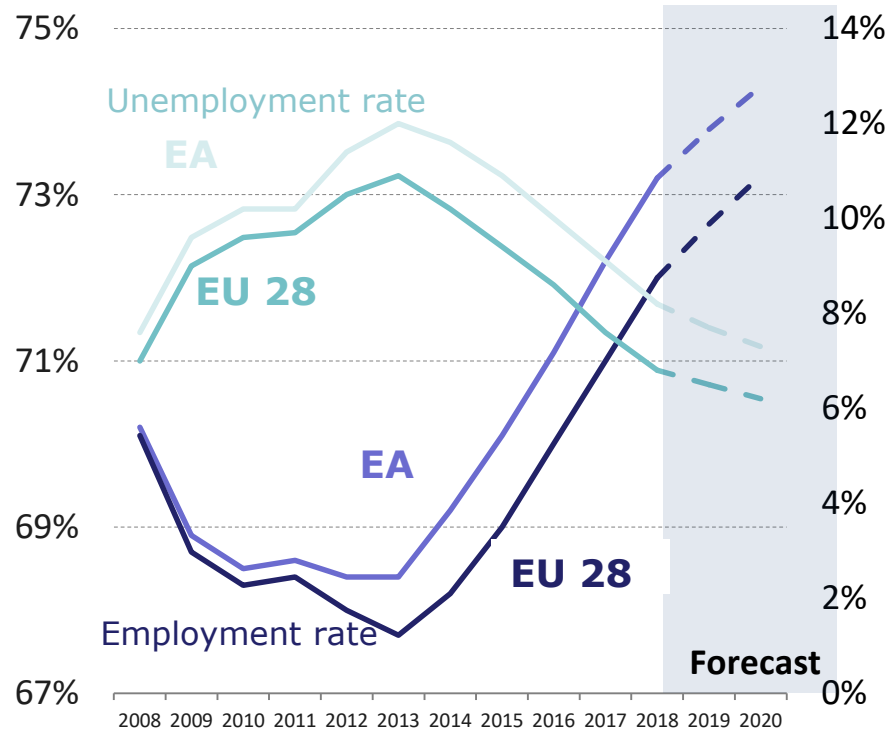


ESDE 2019: overview

1. Main Employment and Social Developments
2. Sustainable growth and developments in the EU: concepts and challenges
3. Economic and social fundamentals: from productivity to fair and sustainable growth
4. Investing in people and social sustainability: short-term costs vs. long-term benefits
5. Towards a greener future: employment and social impacts of climate change policies
6. Sustainability and governance: the role of social dialogue

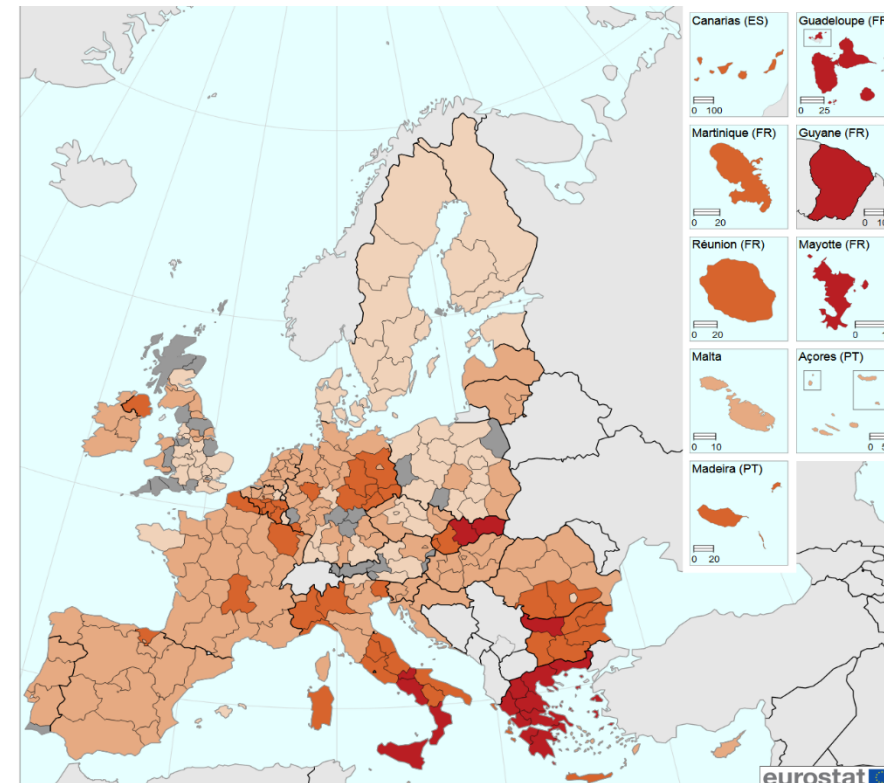
Record EU employment and unemployment rates but still pronounced divergences incl. at regional level

Unemployment rate (15-74): right scale
Employment rate (20-64): left scale



Source: Eurostat EU LFS

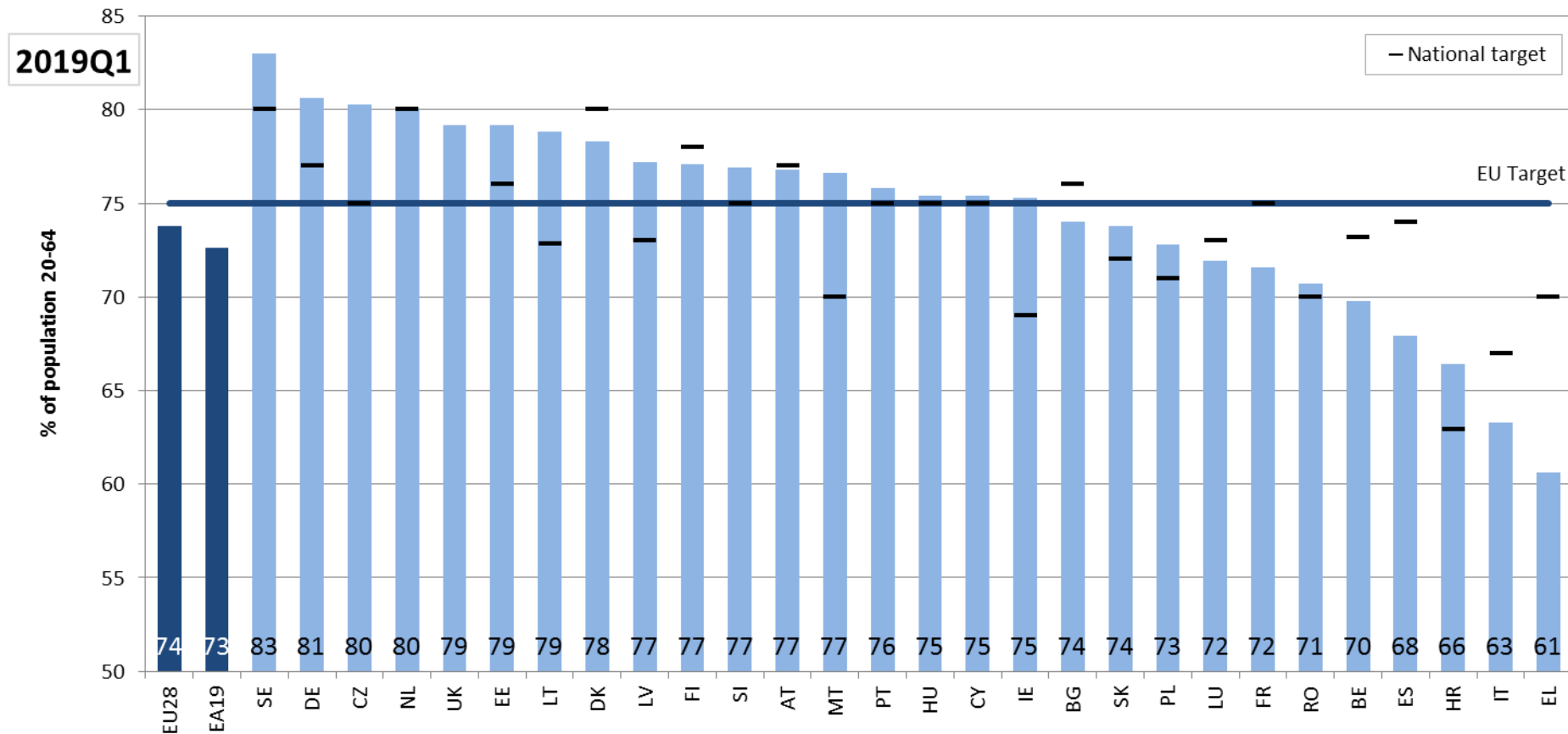
Long-term unemployment shares
(by NUTS 2 regions, 2018, % share of unemployed persons, 15-74)



Source: ESTAT

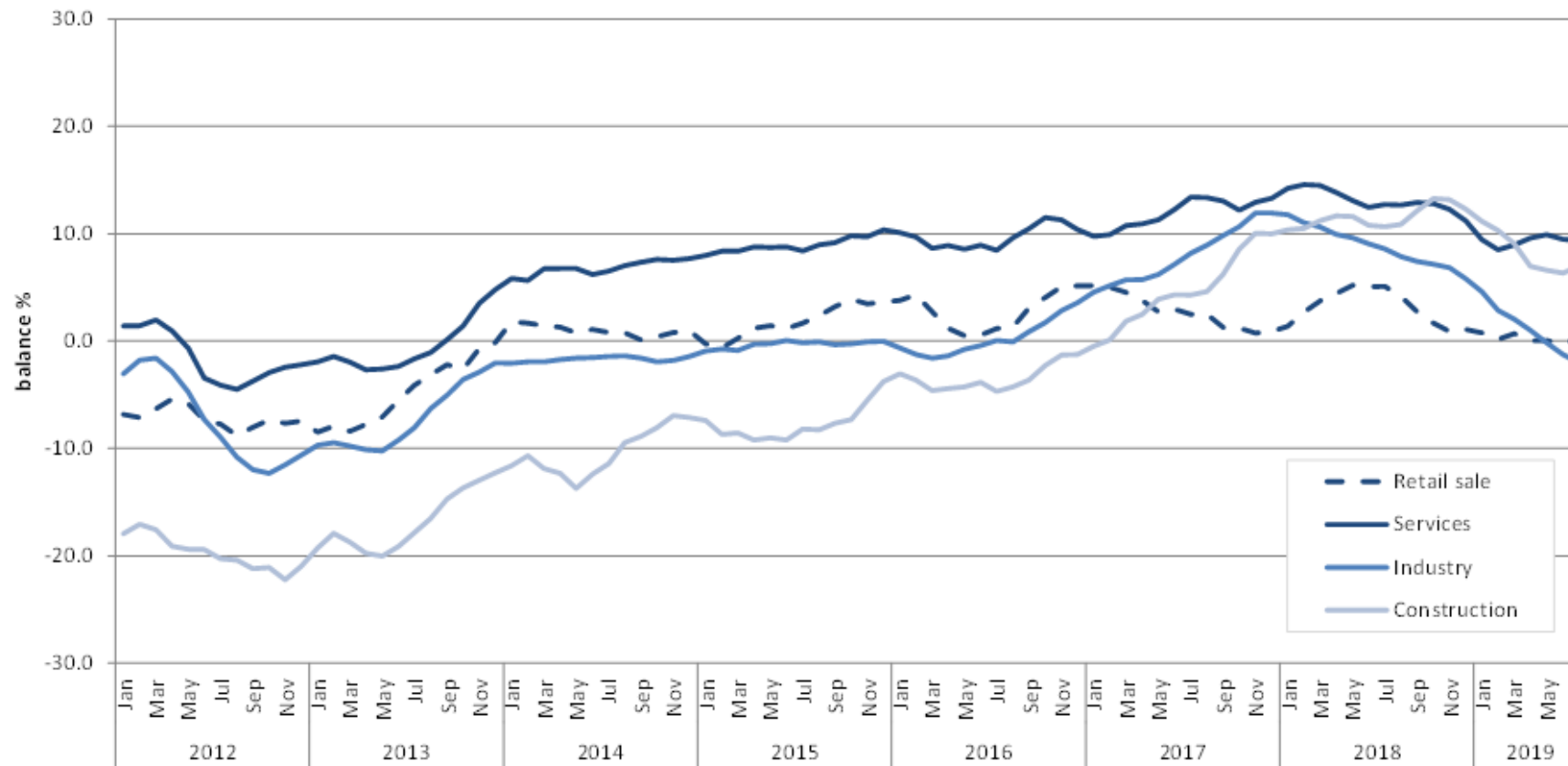
Employment rates above their EU2020 target in 18 Member States, but large differences remain

Employment rates (by Member State, age 20-64)



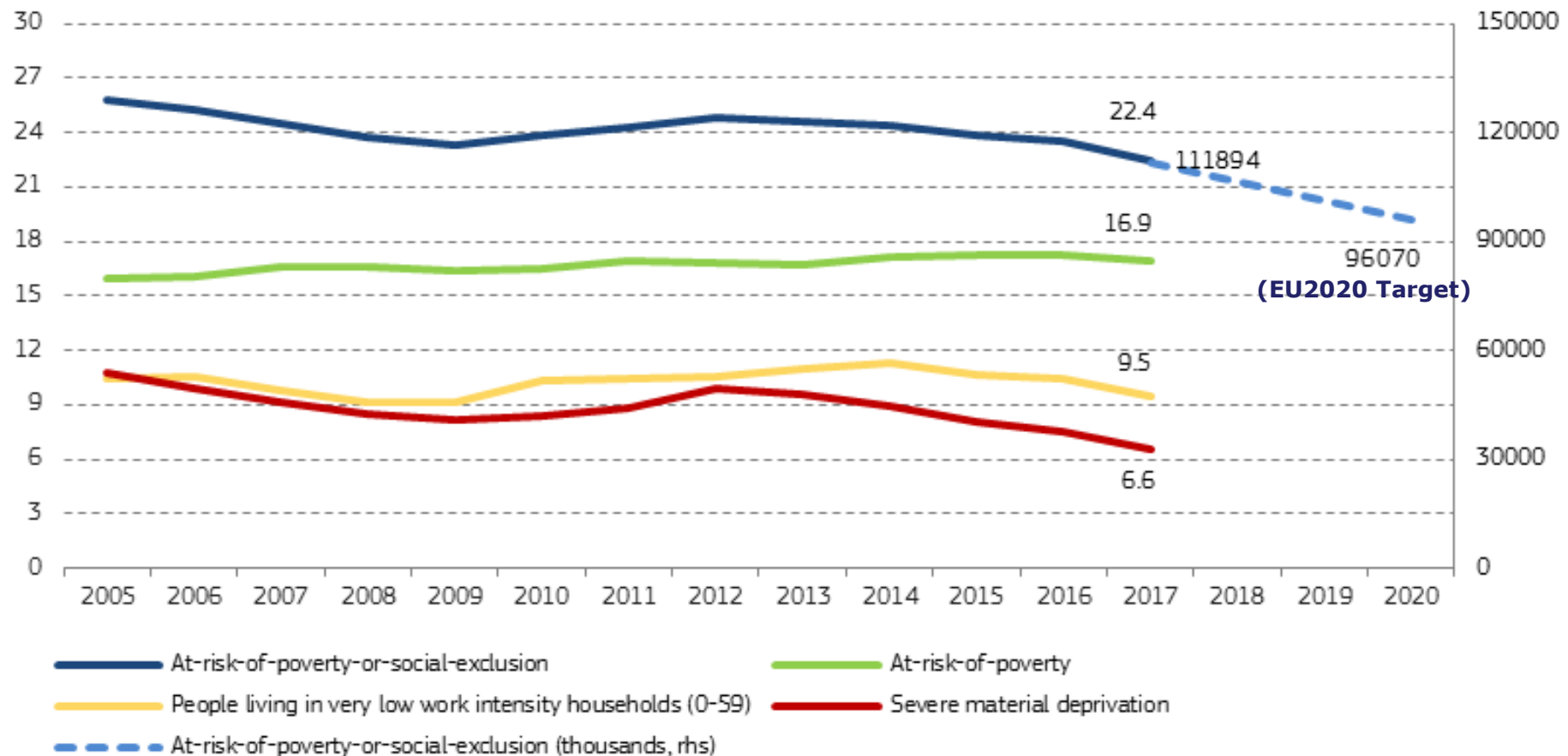
Employment expectations by sectors – EU, 2012–2019

Employment rates (by Member State, age 20-64)

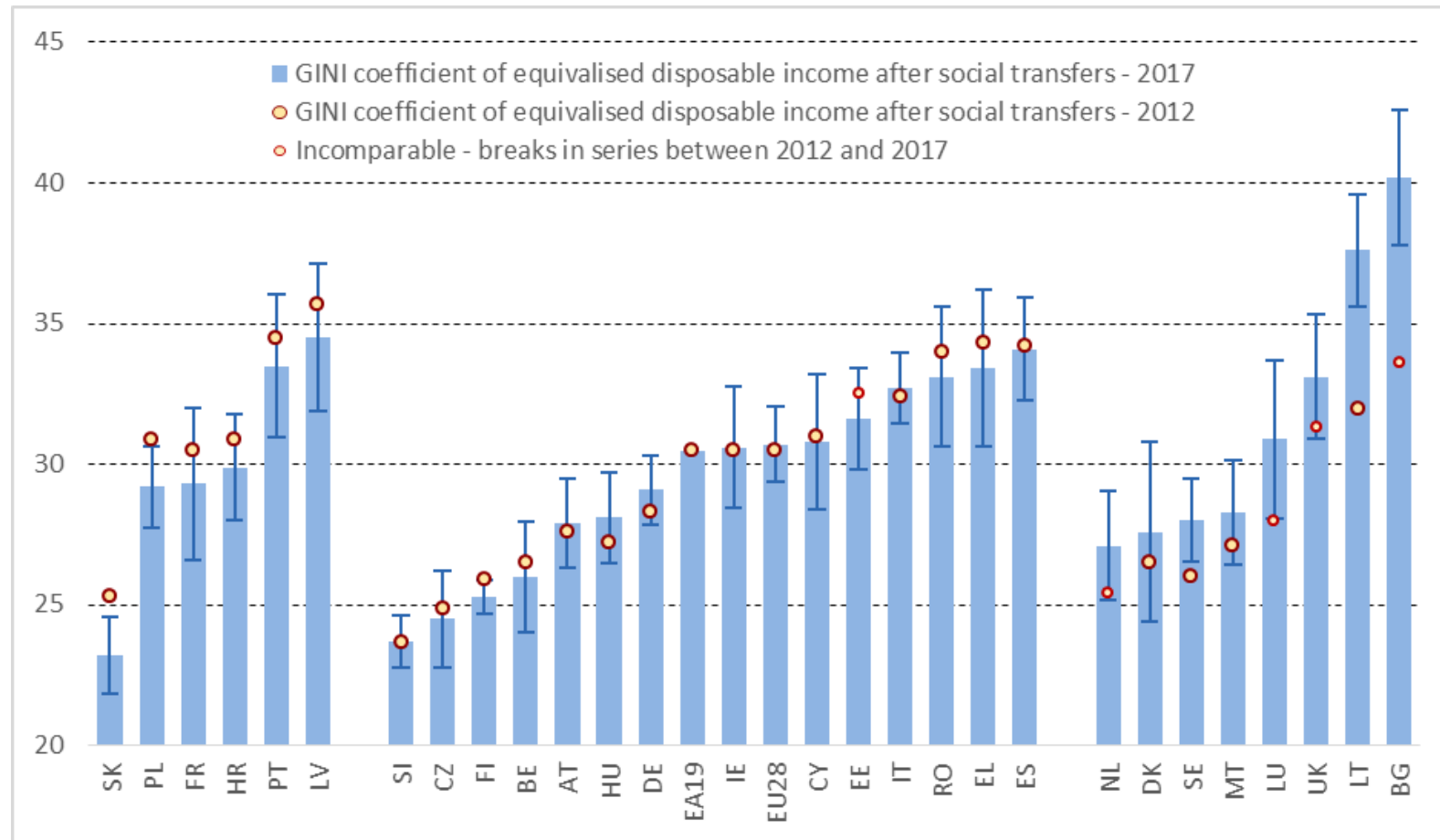


Source: ESDE Quarterly Review September 2019, based on European Commission, Business and Consumer Surveys

The social situation continues to improve (AROE)

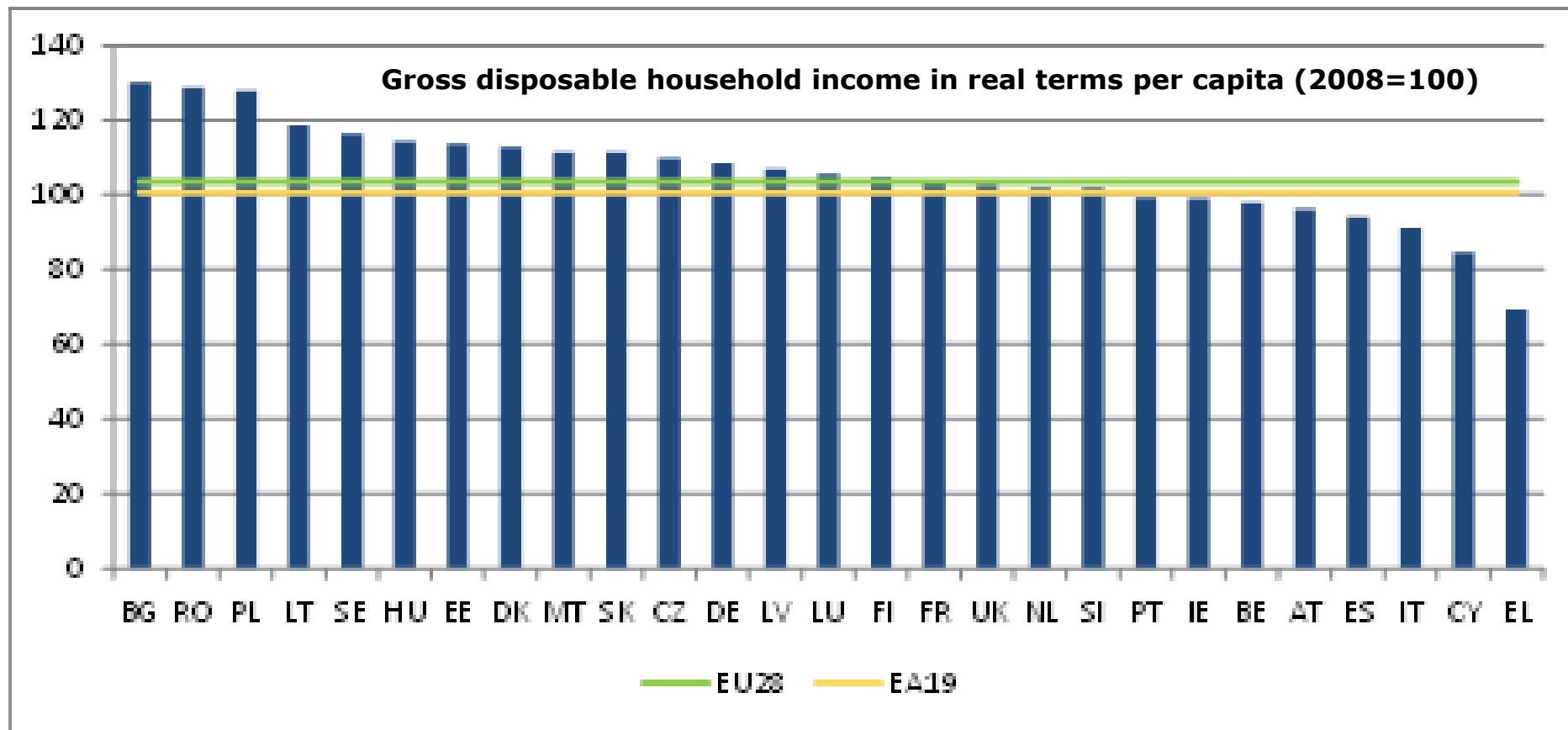


Income inequality increases in eight Member States, decreases in six and fairly stable for the rest

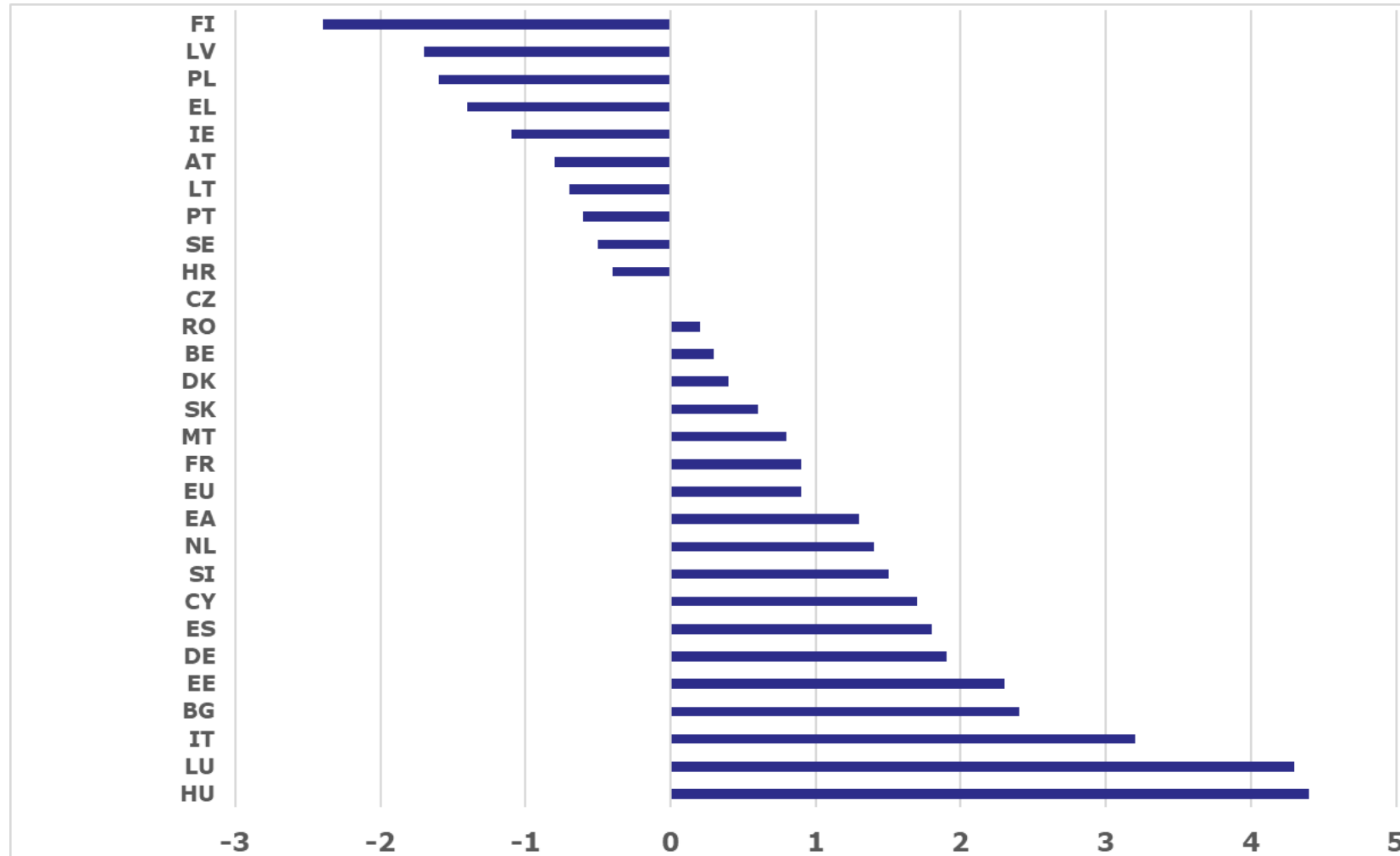


Source: Eurostat, EU-SILC

GDHI per capita increasing in the EU, but not yet at 2008 levels in eight Member States



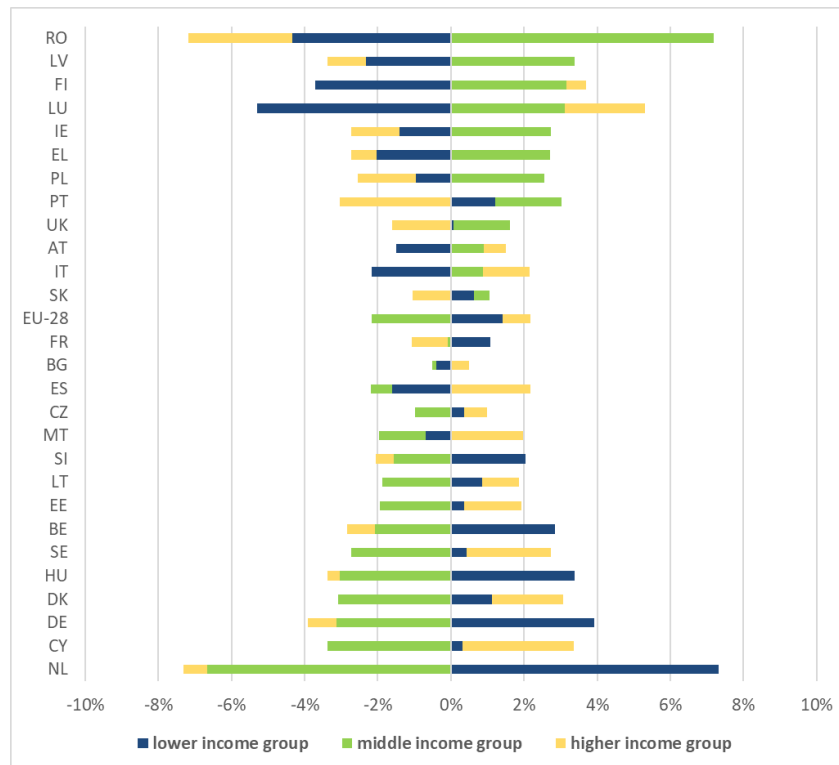
In-work poverty in the EU and Member States, 2008-2017



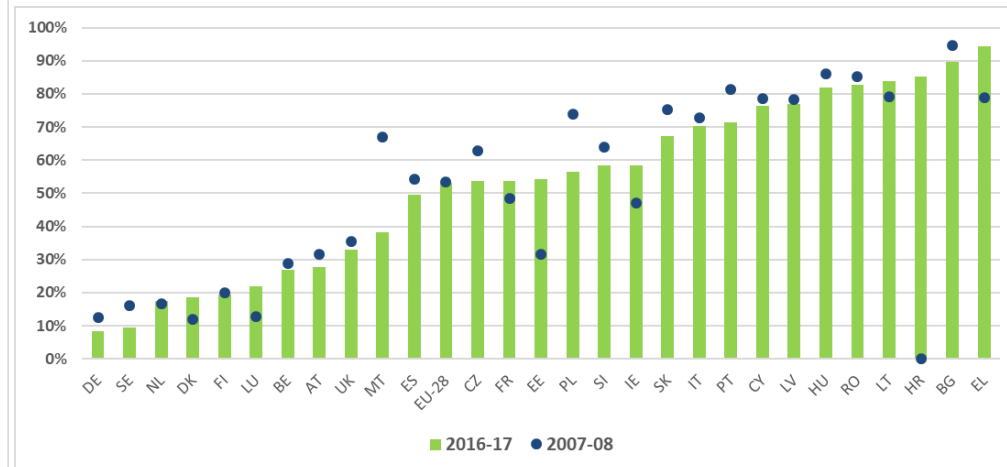
Source: Eurostat, EU-SILC

Middle class trends and financial pressures across Member States – up or down?

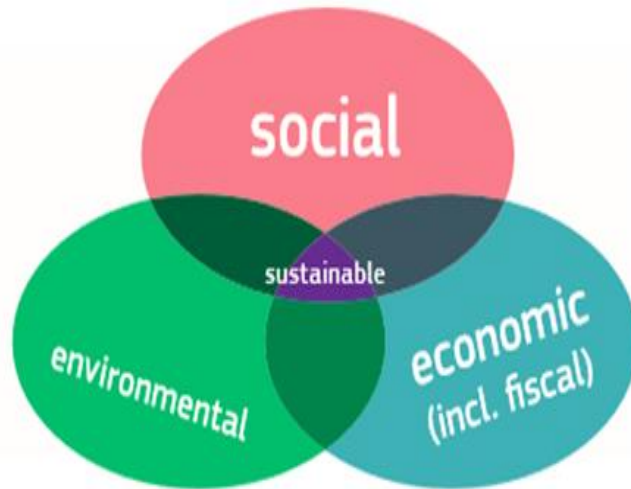
Changes in shares (in percentage points) by income group, 2007/08-2016/17



Proportion of middle class households reporting that they have difficulties in making ends meet (%)



***Sustainability:
"living well within the
boundaries of our
planet"***



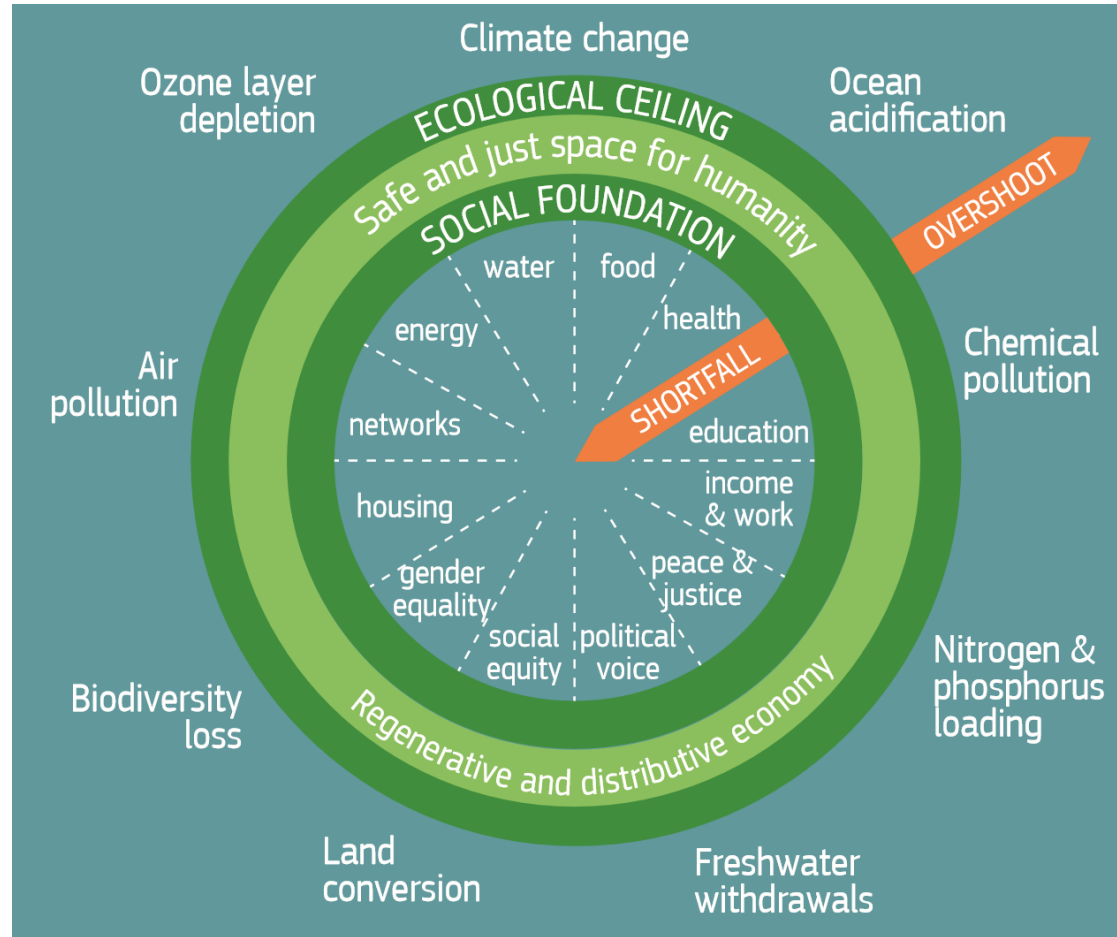
Main sustainability challenges:

- *contrasting socio-economic developments and remaining inequalities - remnants of the crisis*
- *low productivity growth, institutions*
- *investment gaps, incentive structures – short-term costs vs. long-term benefits*
- *unequal employment, social and distributional impacts of megatrends (technological change, ageing, globalisation, climate change)*

Analysis in ESDE 2019:

- *Economic growth: boosting productivity*
- *Social investment: productive investment*
- *Climate change: costs of inaction and (net) benefits of action*
- *Social dialogue: promoting sustainability*

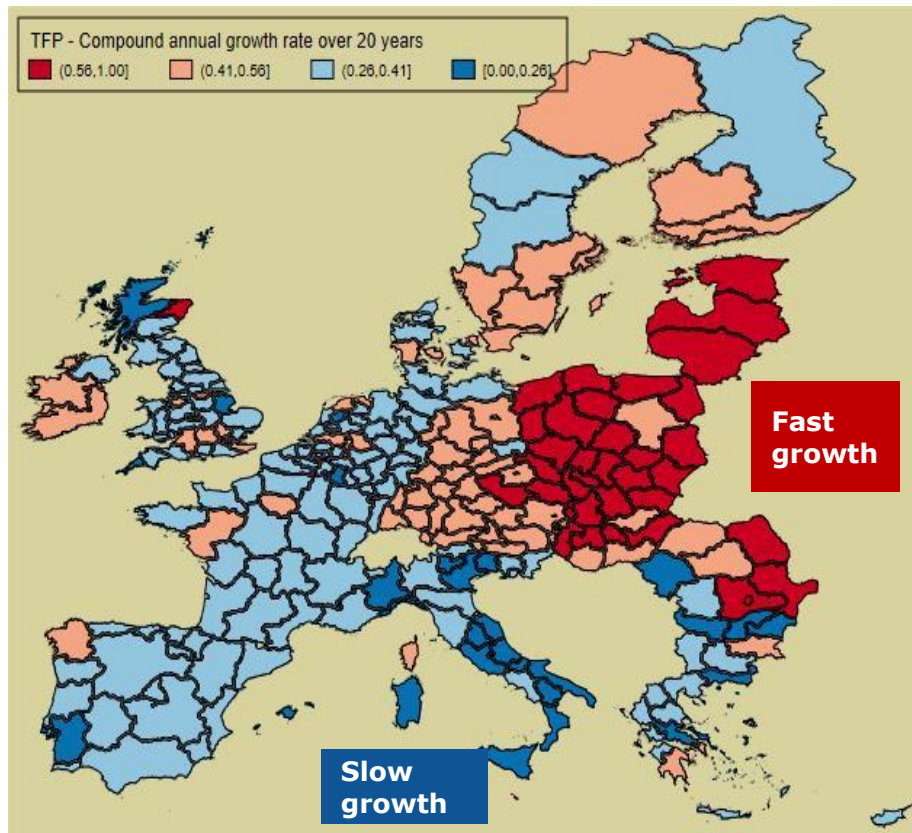
Integrating upfront social considerations into policy design and implementation is key



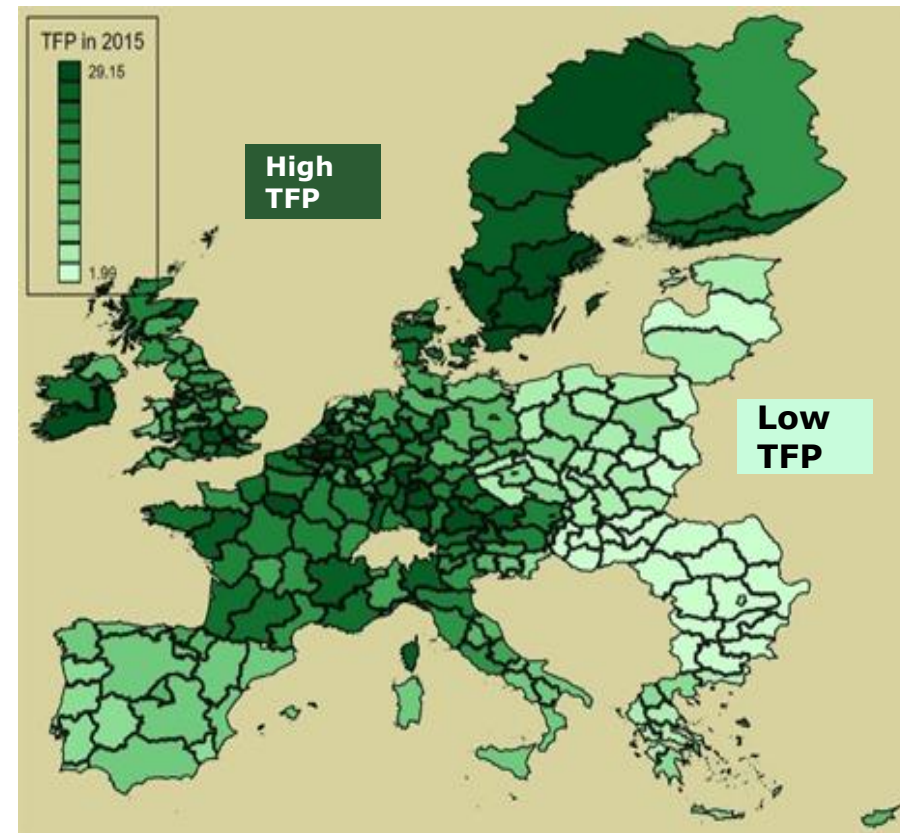
***"no matter how tumultuous the coming years will be,
not losing sight of our goals for the future
will be the most important task."***

Total Factor Productivity has been converging ... but large differences remain

TFP Change 1995-2015

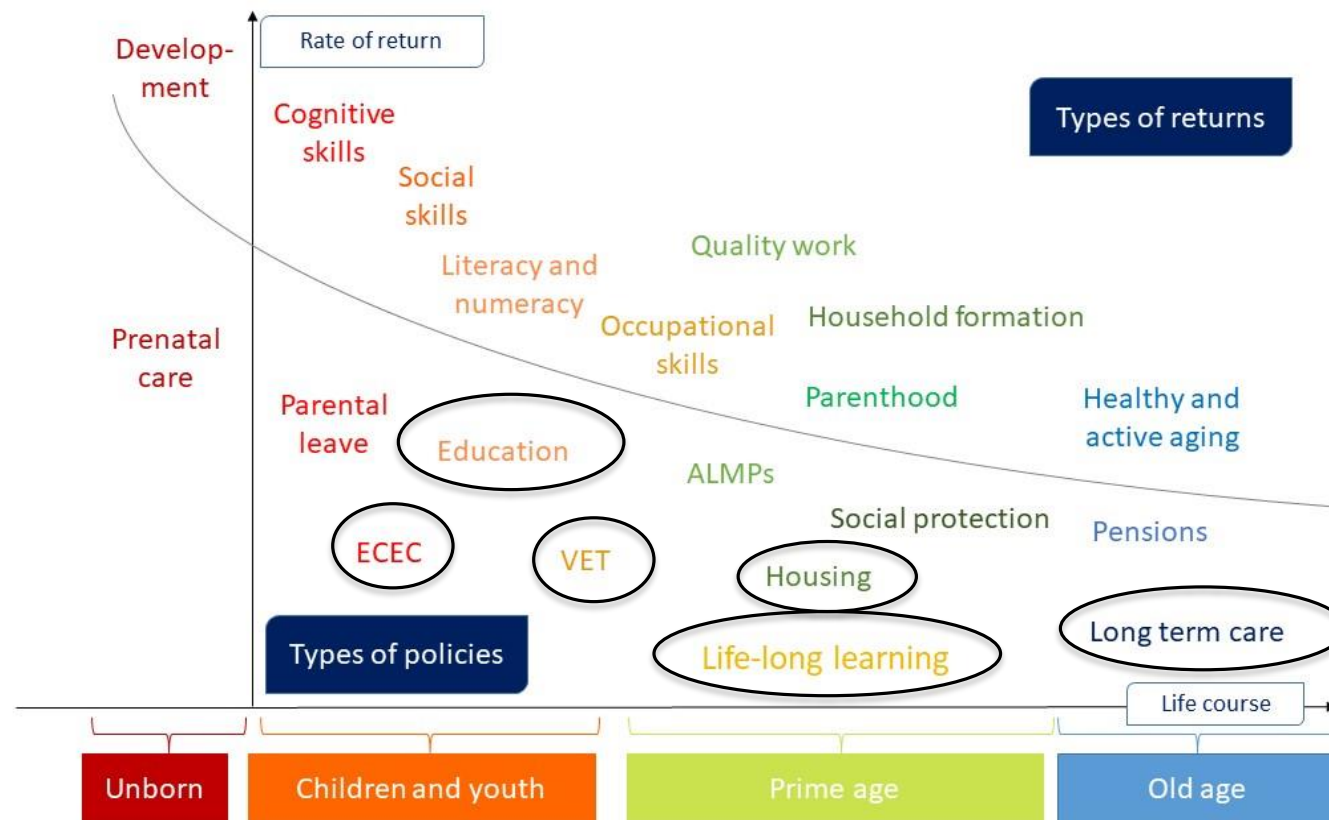


TFP Level 2015



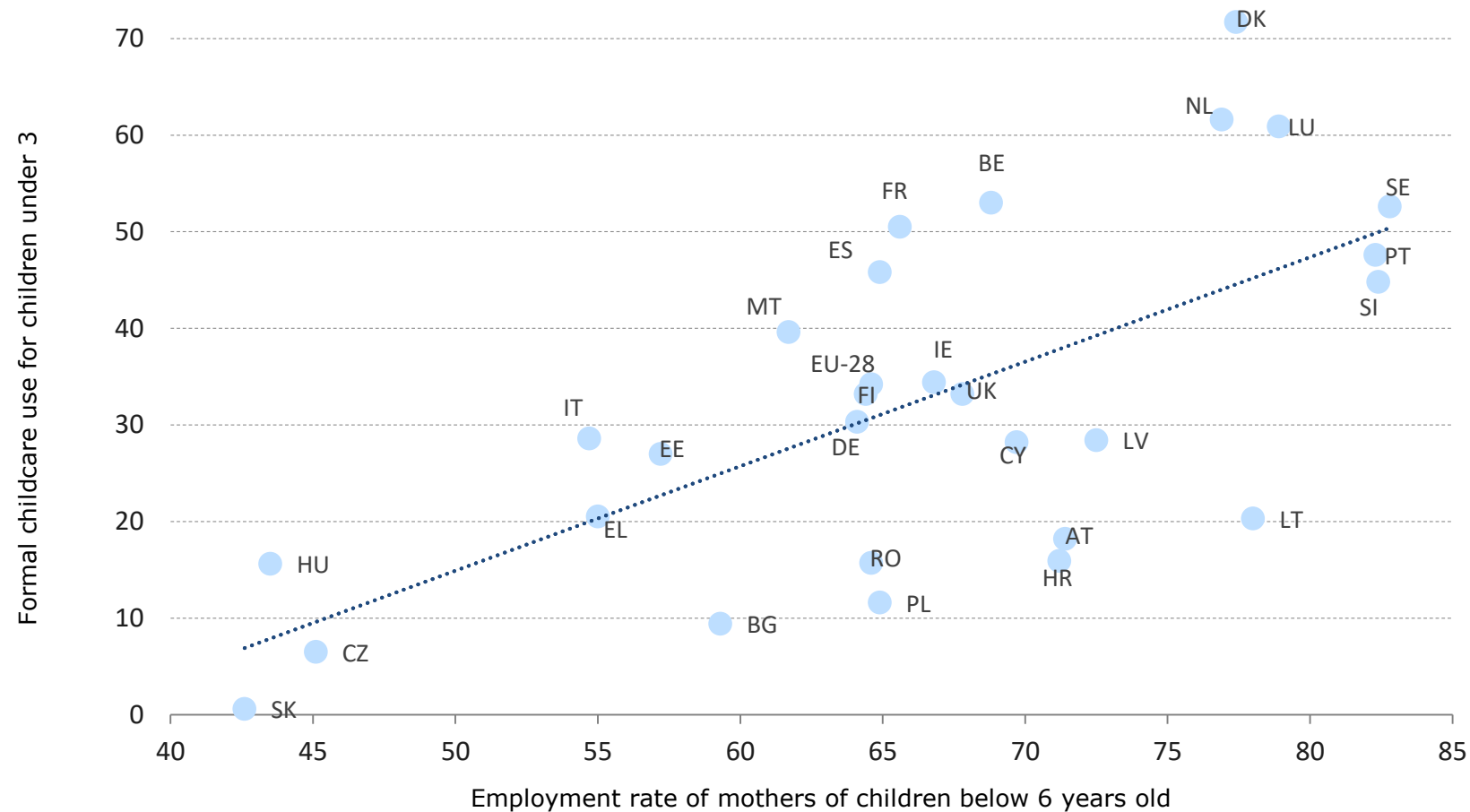
Source: DG EMPL, based on Eurostat, Cambridge Econometrics, EU-KLEMS and national sources

Returns on social investment are particularly high at early life stages

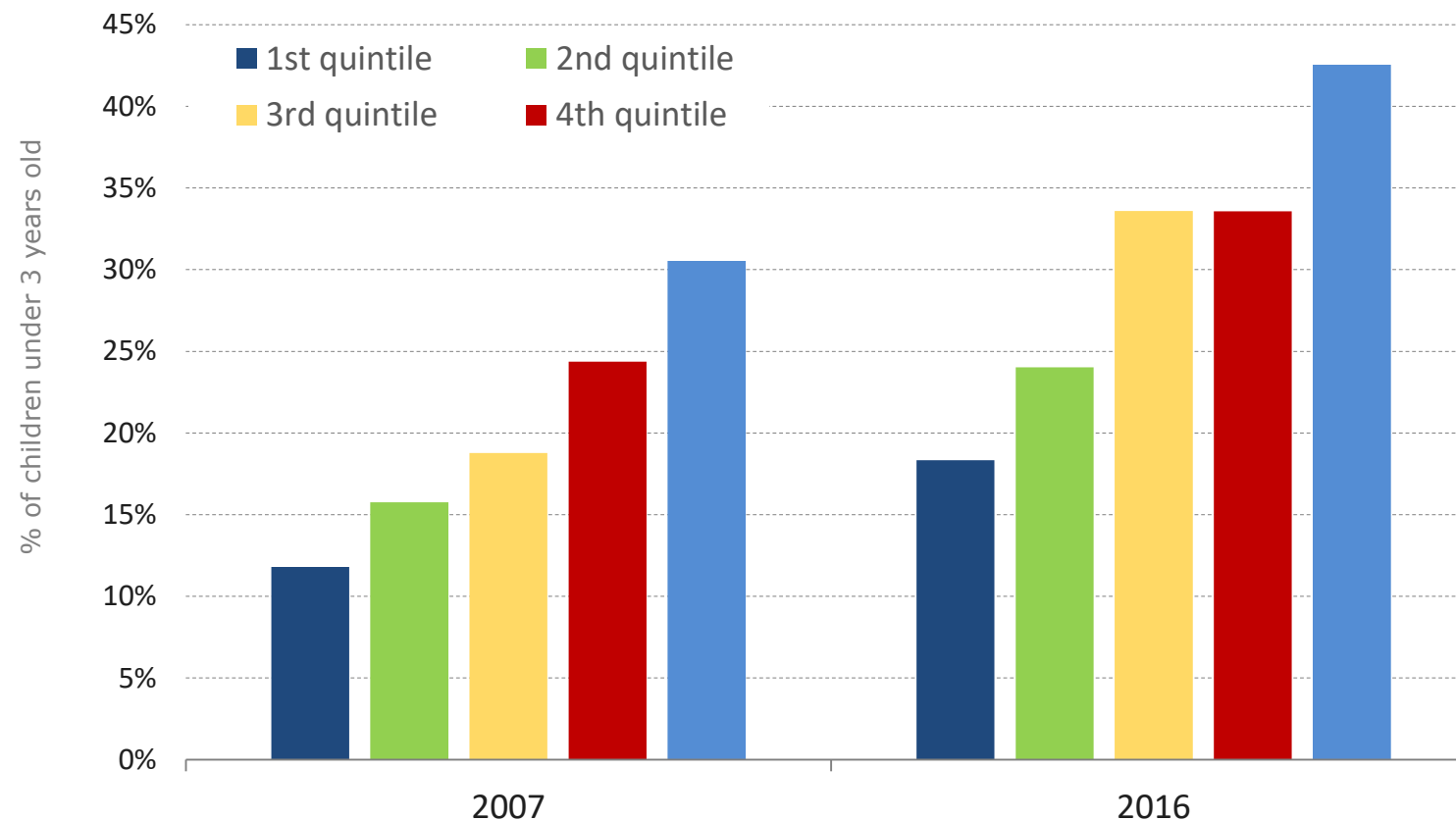


Source: Simplified version of Kvist (2014).

Countries with greater use of childcare exhibit higher employment rates of mothers

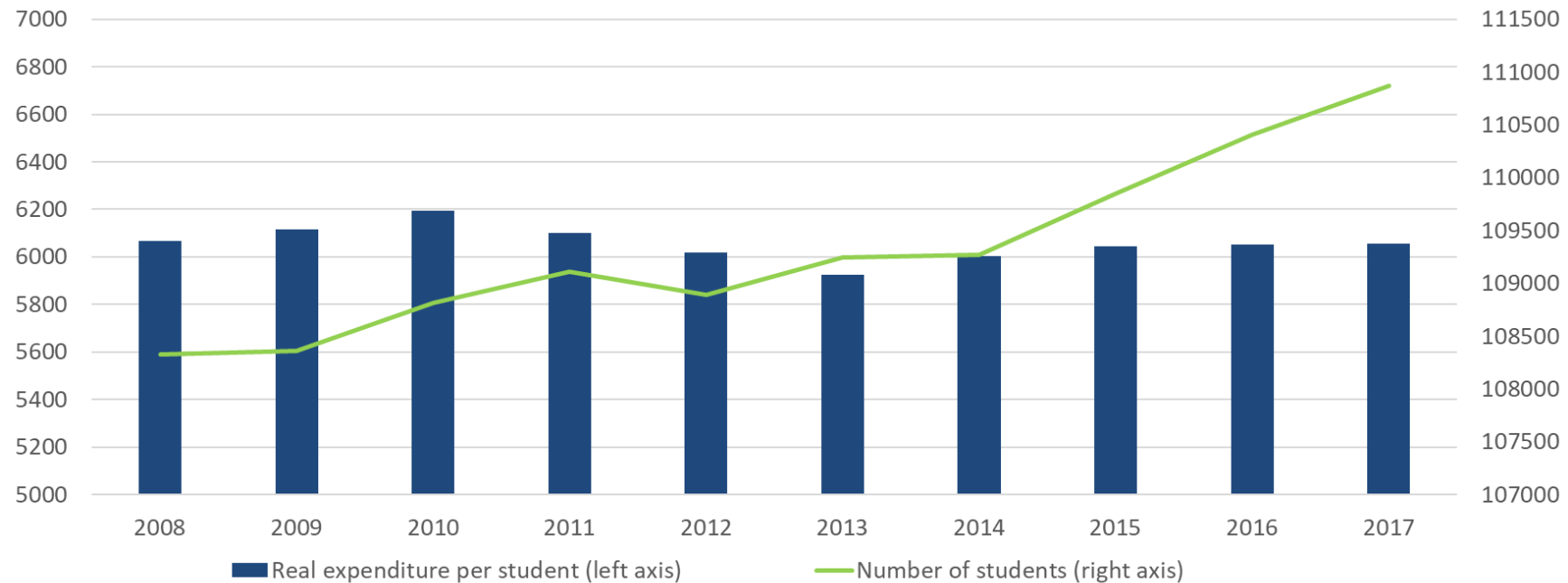


Inequality in childcare use

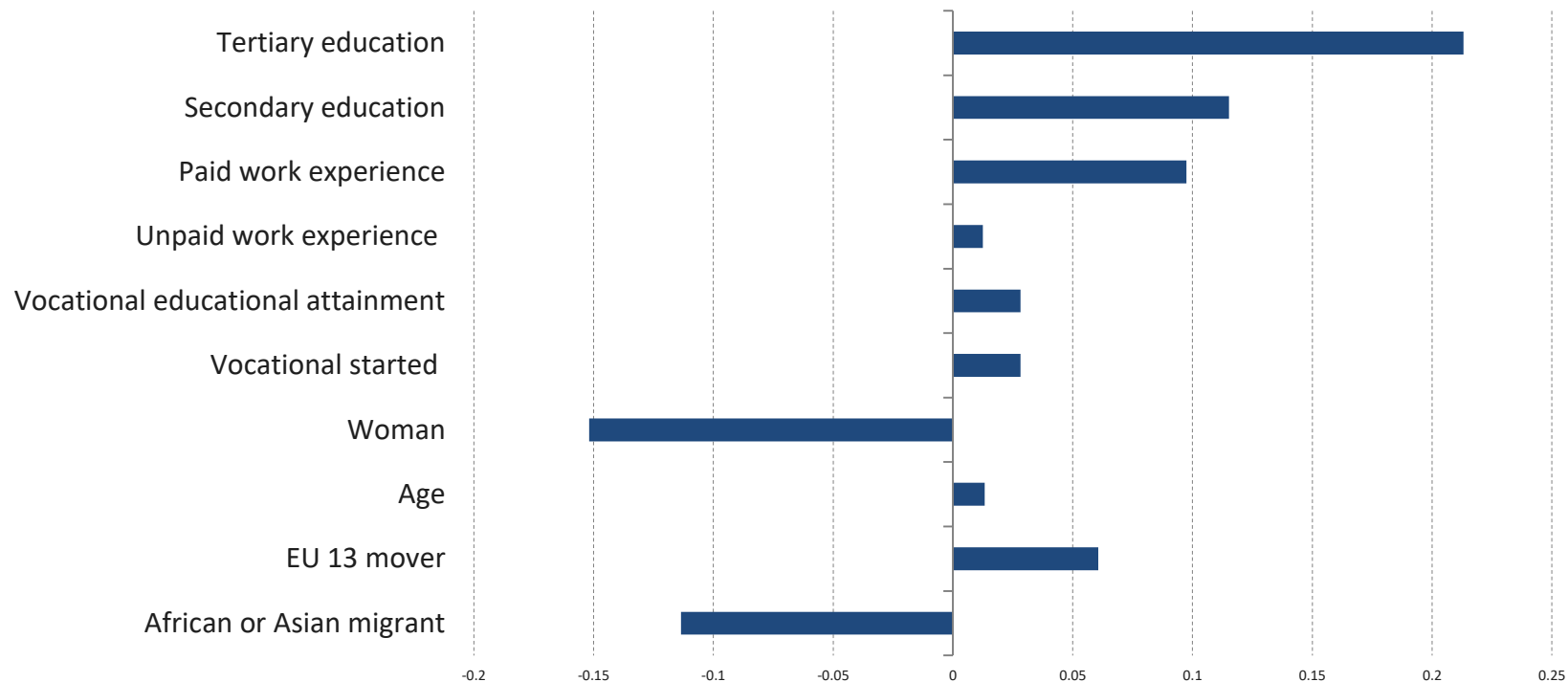


Education expenditure

Number of students increased over the last decade but not the real expenditure per student



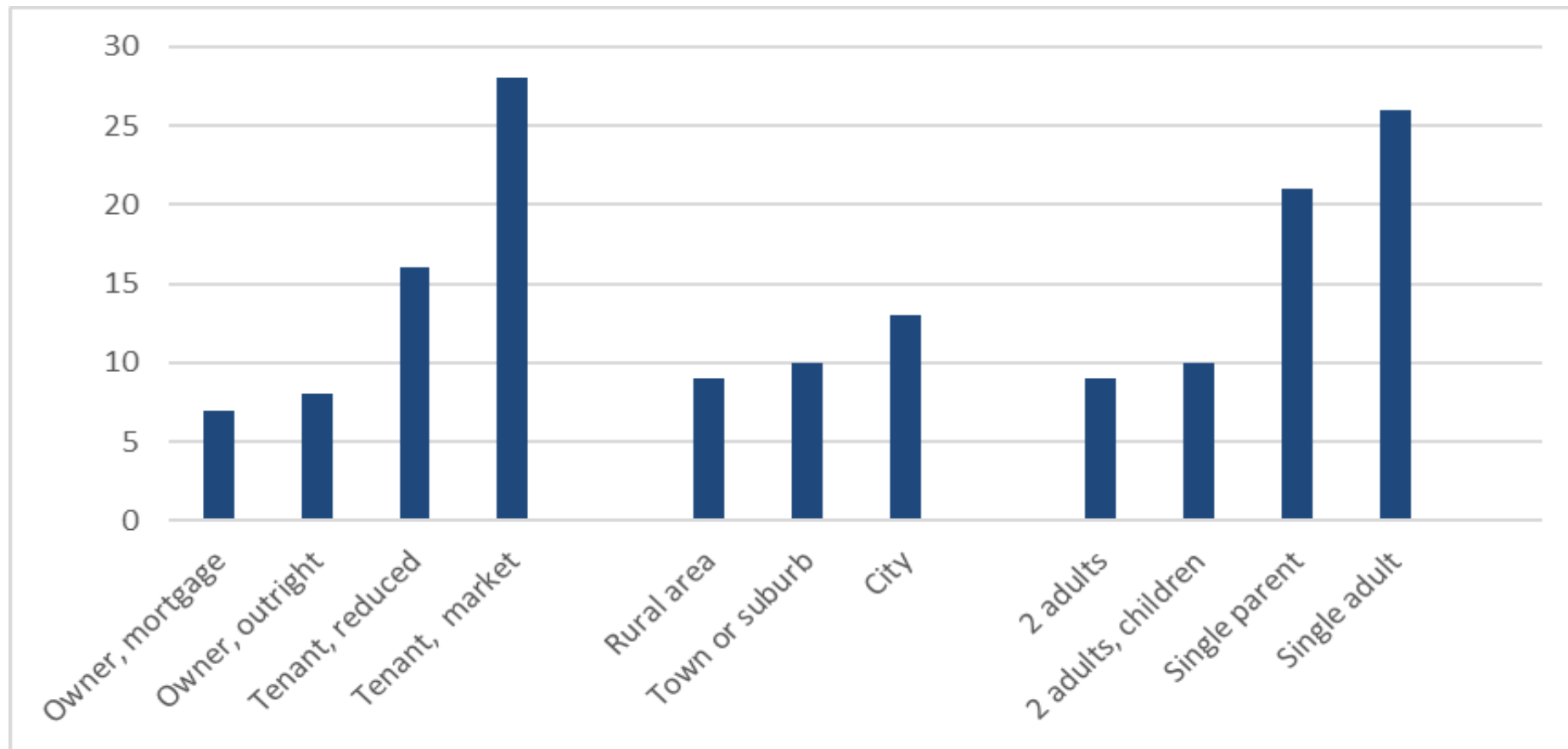
Education and work experience during studies put people into jobs



Note: Average marginal effect on the probability of being employed.
Source: LFS AHM 2016 - Young people on the labour market – microdata.

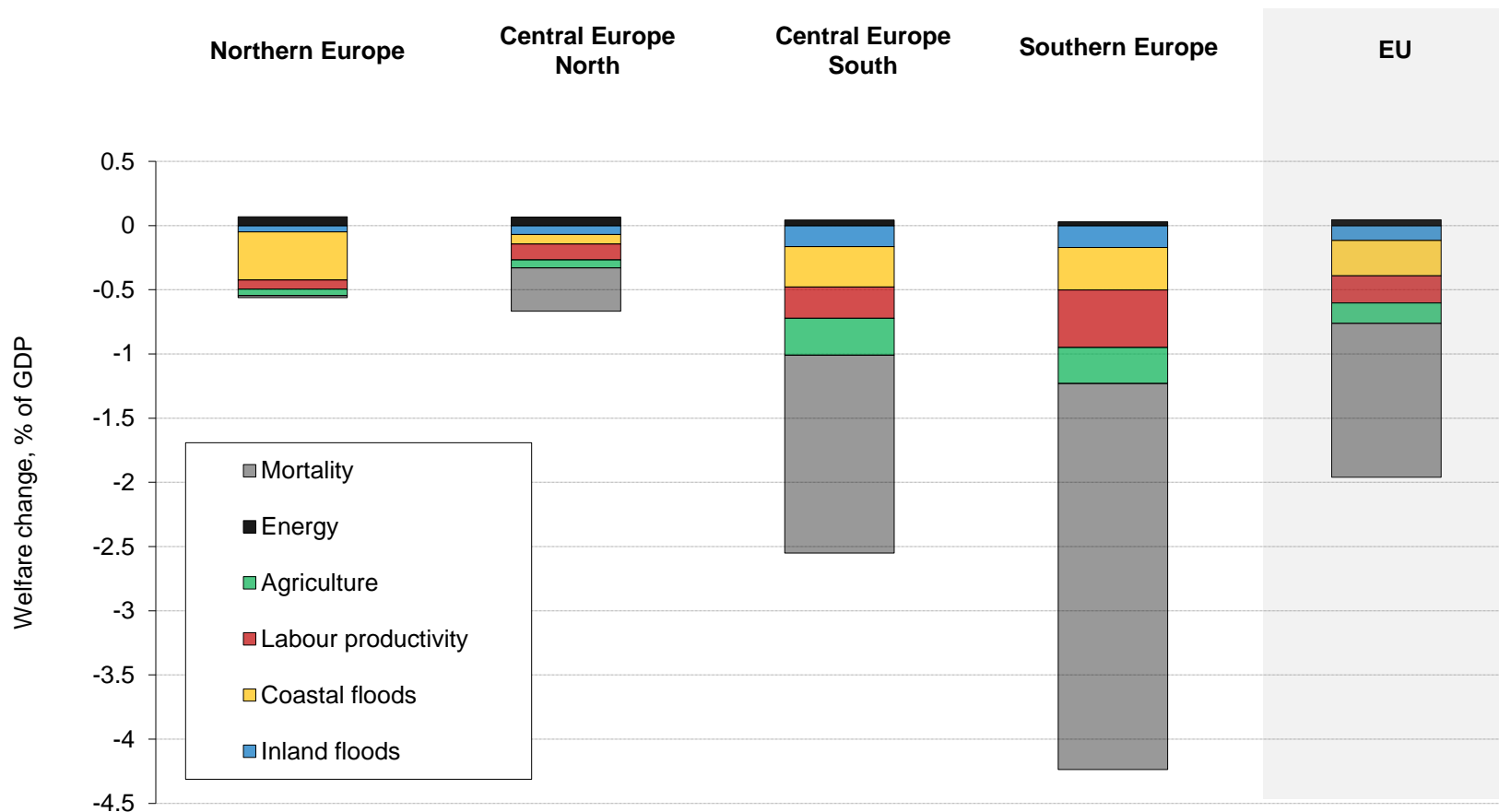
Many Europeans are overburdened by housing cost

Housing cost overburden: >40% of income spent on housing (EU, 2016)



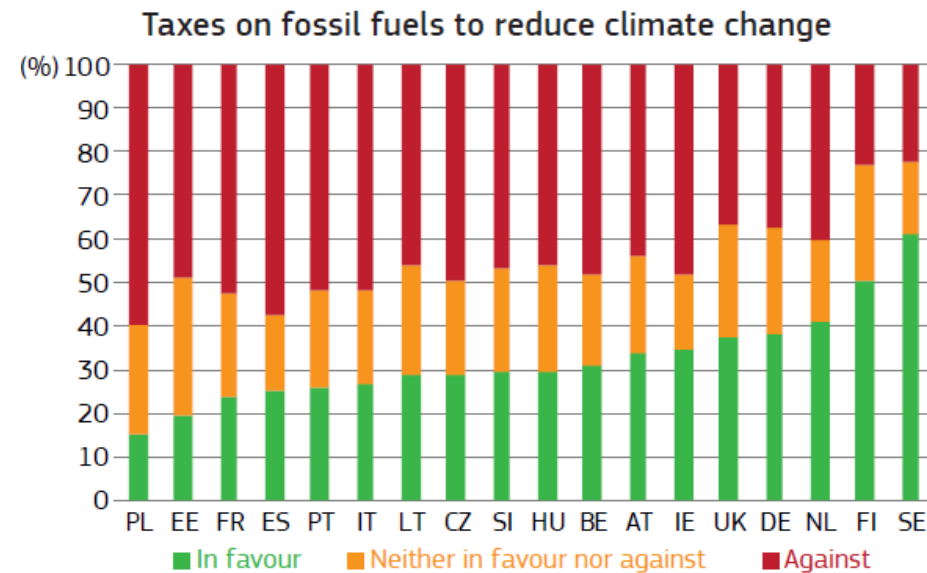
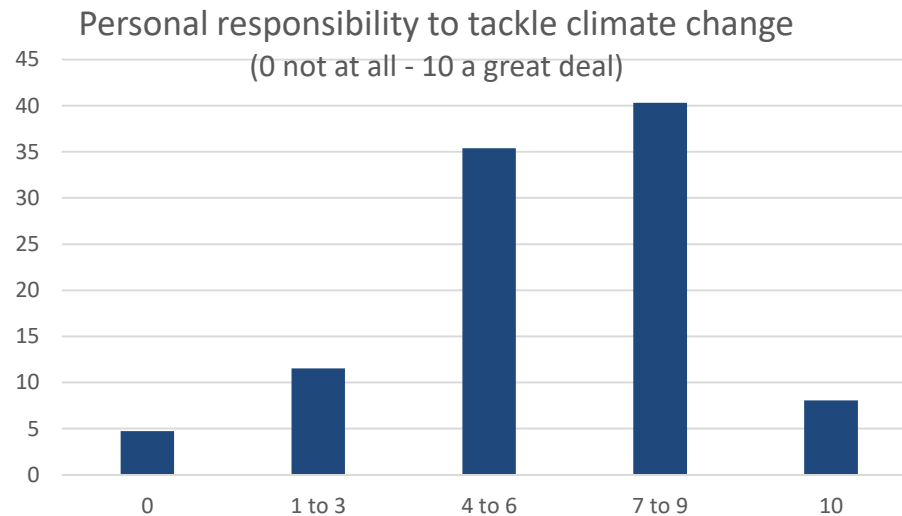
Source: EU-Statistics on Income and Living Conditions

Socio-economic costs of climate inaction in the EU (long-term impact on GDP)



Source: In % of GDP; PESETA III studies, JRC (2018)

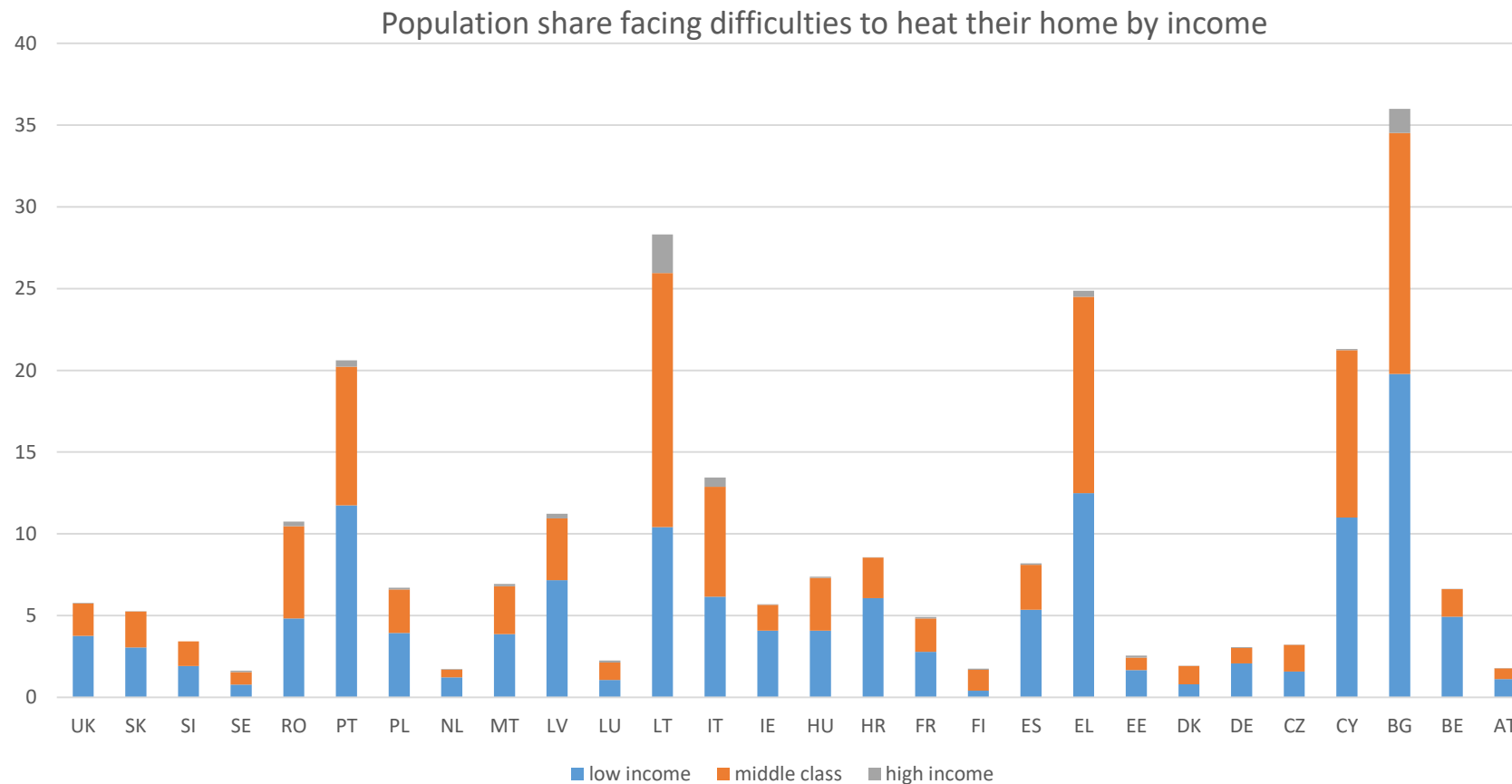
EU citizens broadly support climate action in principle



Source: European Social Survey 2016

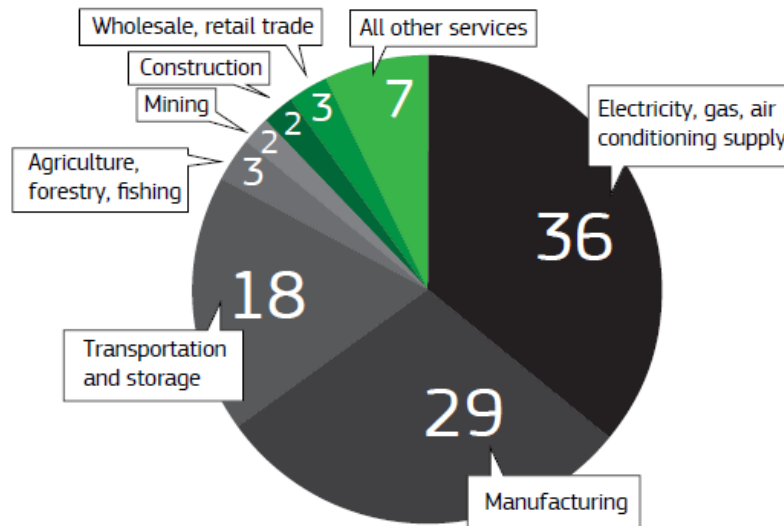
Note: Categories Refusal to Answer and Do not know omitted.

Significant proportions of those unable to keep their home warm are middle income households

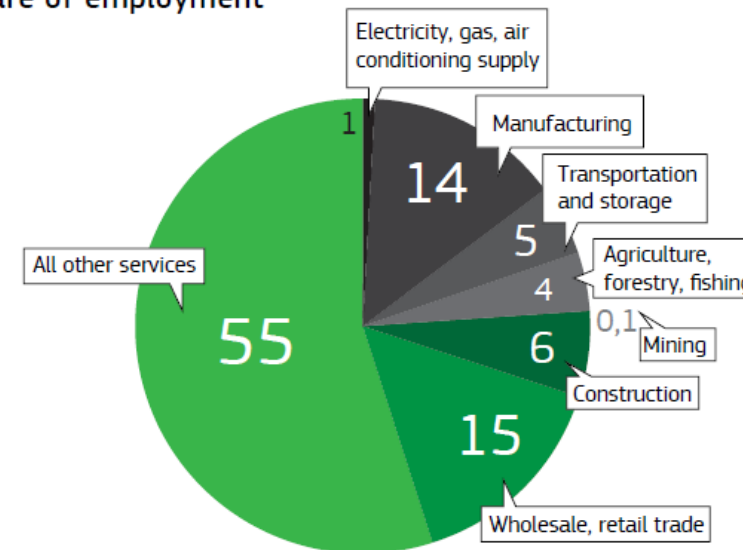


More than 75% of jobs are in sectors that emit less and grow faster

Share of emissions



Share of employment

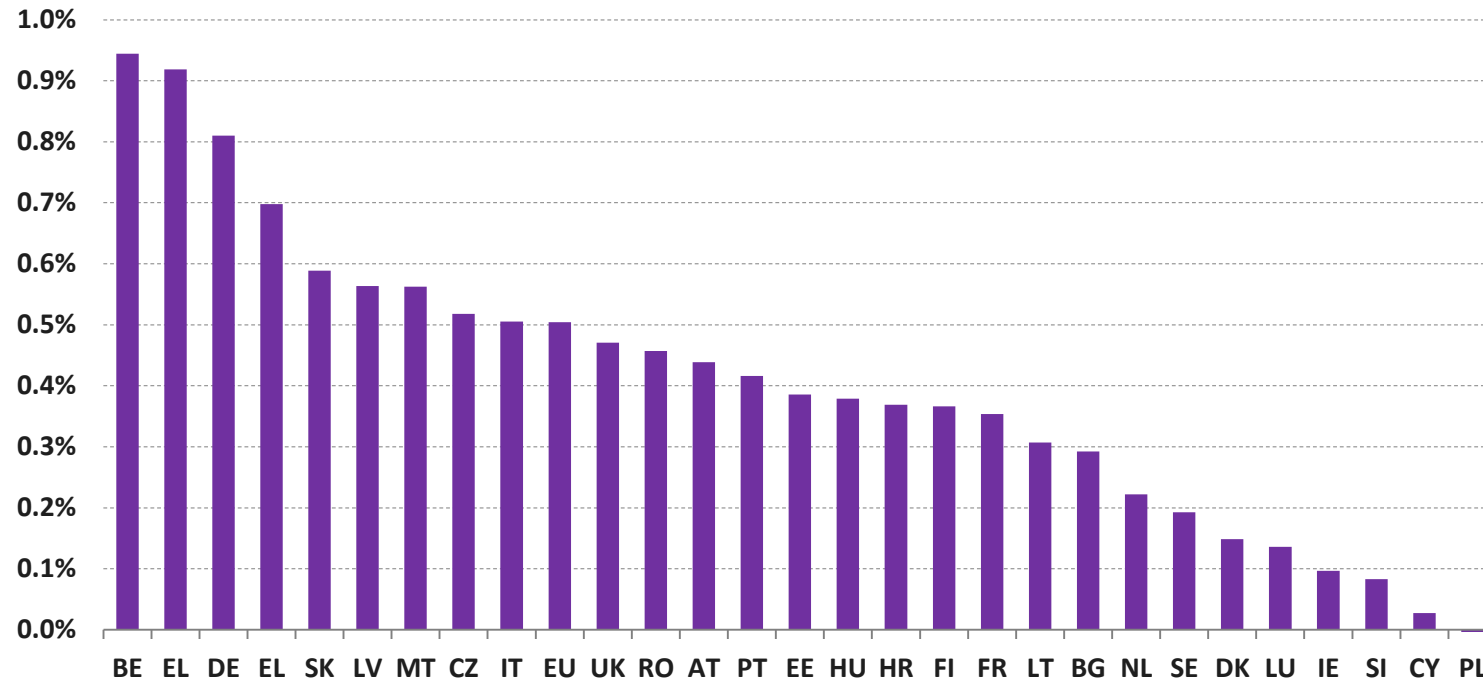


Higher CO₂ emission sector
 Lower CO₂ emission sector

Source: Eurostat and calculations by Bowen and Hancké (forthcoming).

Note: Employment and emissions in % of total, with sectors (NACE 08) ordered by decreasing share of CO₂ emissions.

Climate action helps total employment to grow, but varies with starting conditions and policies ...



Source: Eurofound (2019); Note: in % of total employment

... requiring reskilling, labour reallocation across sectors and concentrated job losses ...

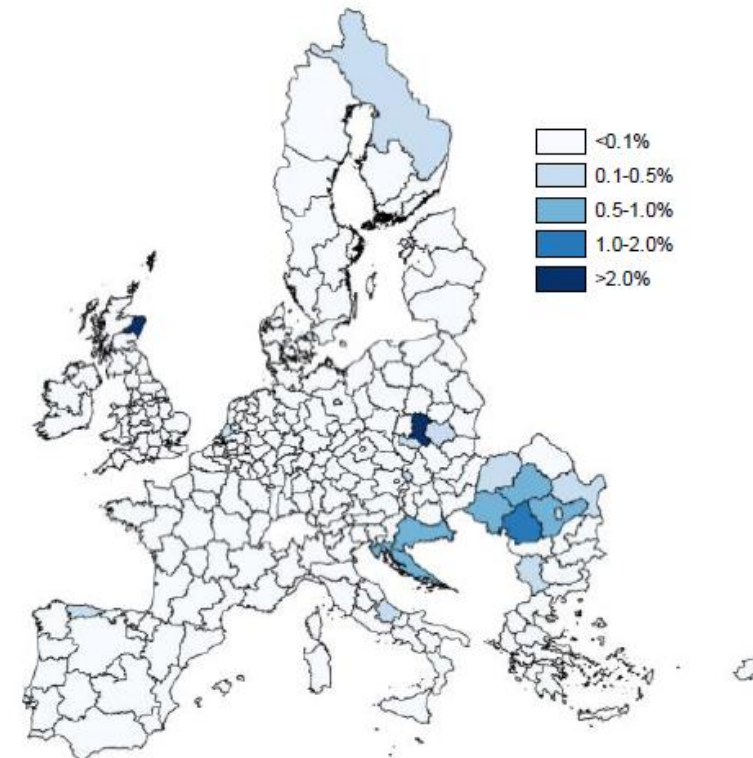
Employment implications in the EU at sectoral level, 2030

Deviation from the baseline in % and thousands of employees

Sector	percent	thousands
Agriculture	0,5	40
Mining	-16,6	-93
Manufacturing	0,7	209
Utilities	-2,4	-72
Construction	1,1	160
Distribution, retail, hotels, catering	0,6	305
Transport, communications	0,5	64
Business services	0,7	473
Non-business services	0,3	142
Total	0,5	1228

Source: Eurofound (2019); Note: in thousand employees

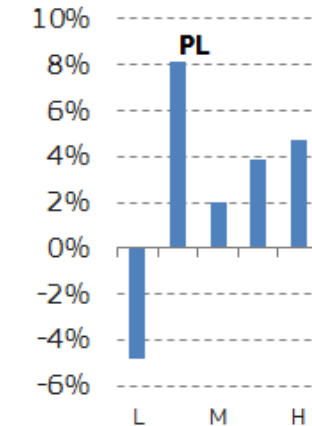
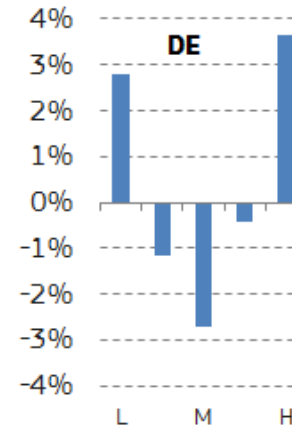
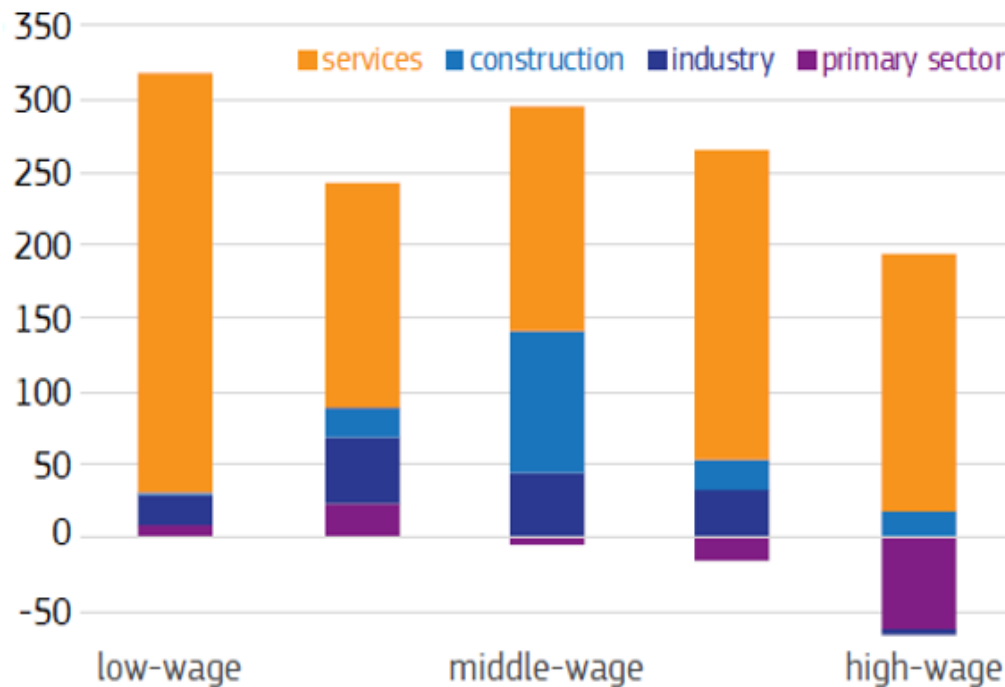
Share of employment fossil fuel extraction and mining



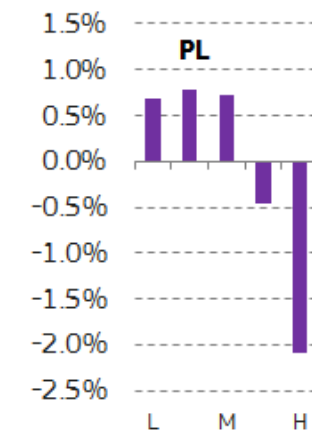
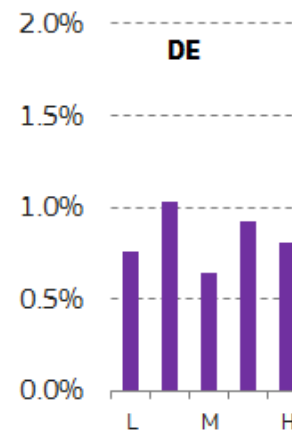
Source: European Commission (2018)

... mitigating job polarisation and supporting inclusive job growth

Employment gains from climate action
by skill-wage profile and sector, 2030

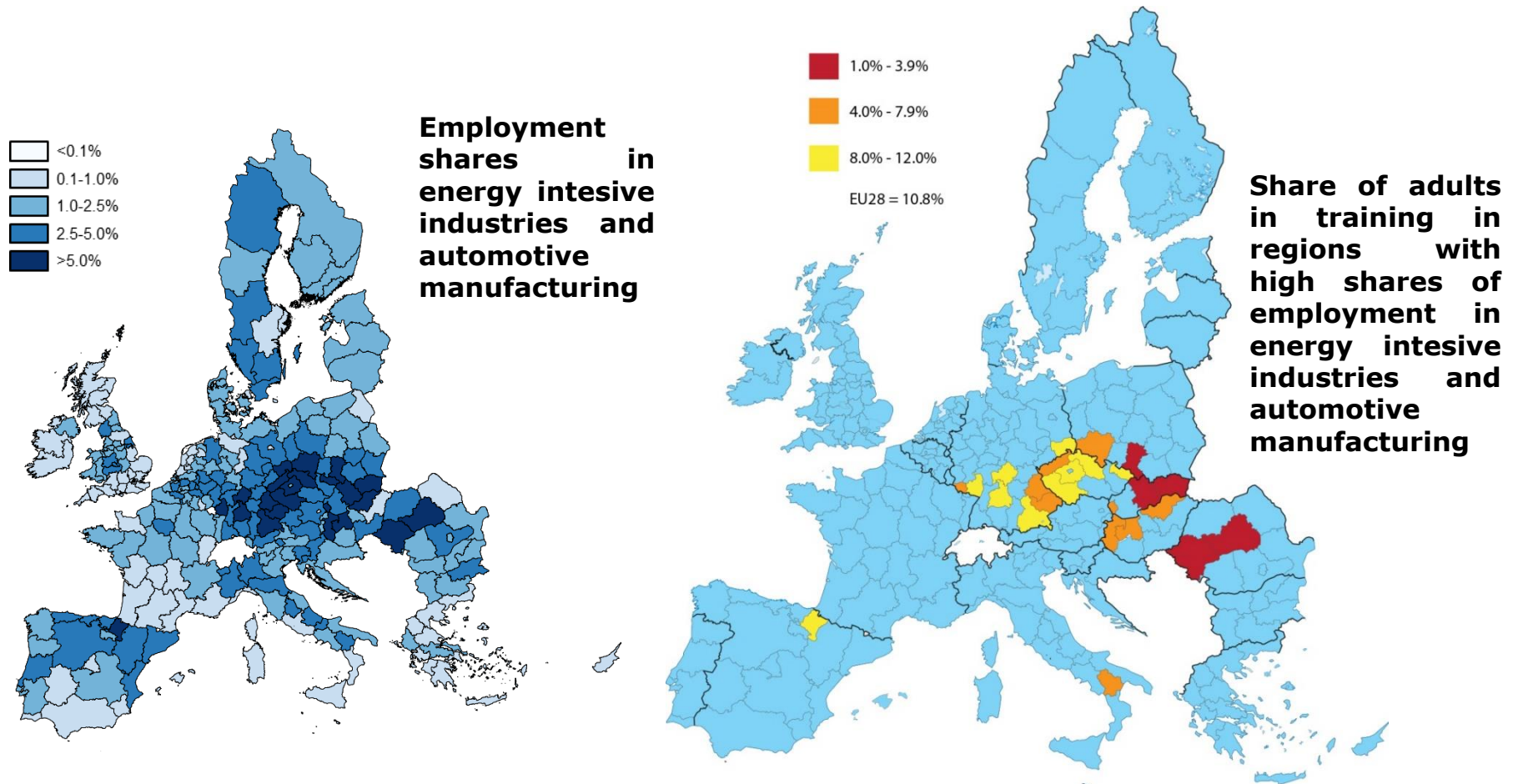


FOME Baseline



FOME Energy scenario

Transition challenges vary across regions



Policy pointers

'Think social from the outset':

→ better invest upfront than compensate ex-post

→ integrated policies and governance to boost productivity and activity through:

- innovation
- new and better skills
- inclusive labour markets
- inclusive social protection
- a just transition to a climate-neutral economy and society (leaving nobody behind)
- social dialogue focus on sustainability solutions

Policy tools for just transition

Key role for social and employment policy to accompany the transition and mitigate potentially adverse effects:

- stimulating investments, including in retraining and upskilling of the workforce
- diversification of the economy and creation of new businesses and employment, including in the social economy
- income replacement, social protection and mobility support to accompany labour market transitions
- energy-efficiency, social benefits and social housing measures to reduce energy poverty and mitigate financial pressures on households
- adequate funding for investments and accompanying or compensatory measures, including revenue recycling and fair burden sharing

Enabling frameworks

EU

- European Pillar of Social Rights
- European Structural and Investment Funds, notably ESF+
- European Globalisation Adjustment Fund
- InvestEU and Horizon Europe programmes

Member States

- Country-specific recommendations under European Semester and Energy Union governance (NECPs)
- Coal and Carbon-Intensive Regions in Transition

Social Partners

- social dialogue for sustainability and just transition

European Green Deal

first priority in political guidelines of President-elect

- Europe as the first climate-neutral continent
- just transition for all, leaving nobody behind
- new industrial strategy and circular economy action plan
- biodiversity strategy, sustainable food, zero-pollution, ...

proposal in the first 100 days in office including:

- European Climate Law
- Just Transition Fund
- European Climate Pact
- Sustainable Europe Investment Plan
incl. "Europe's climate bank"



*Employment and Social Developments
in Europe 2019*

*Sustainable growth for all:
choices for the future of Social Europe*

#ESDE2019

ESDE 2019 – FULL REPORT

ESDE 2019 conference, 27 September 2019, Brussels

EMPL-A4-UNIT@EC.EUROPA.EU

2019 Social Scoreboard: preliminary results

Federico Lucidi

DG EMPL, Employment and Social Aspects of the European Semester



The Social Scoreboard

- Statistical monitoring tool for the Social Pillar
 - ✓ *NB: Not the only monitoring tool!*
- 3 dimensions, 12 “policy areas”
- 14 headline indicators, 21 secondary indicators
 - ✓ No 1-to-1 correspondence between indicators and principles

Equal opportunities and access to the labour market

1. Education, skills and lifelong learning	Early leavers from education and training
	Adult participation in learning
	Underachievement in education
	Tertiary educational attainment, age group 30-34
2. Gender equality in the labour market	Gender employment gap
	Gender gap in part-time employment
	Gender pay gap in unadjusted form
3. Inequality and upward mobility	Income inequality (quintile share ratio S80/S20)
	Variation in performance explained by students' socio-economic status
4. Living conditions and poverty	At-risk-of-poverty or social exclusion rate (AROPE)
	At-risk-of-poverty-rate (AROP)
	Severe material deprivation rate (SMD)
	Persons living in a household with a very low work intensity
	Severe housing deprivation
5. Youth	Young people neither in employment nor in education and training, age group 15-24 (NEET rate)

Dynamic labour markets and fair working conditions

6. Labour force structure	Employment rate (20-64)
	Unemployment rate (15-74)
	Activity rate
	Youth unemployment rate
7. Labour market dynamics	Long-term unemployment rate
	Activation measures – labour market policies participants per 100 persons wanting to work (total)
	Employment in current job by duration
	Transition rates from temporary to permanent contracts (3-year average)
8. Income, including employment-related	Real unadjusted gross disposable income of households per capita: Index 2008=100
	Net earnings of a full-time single worker without children earning an average wage
	In-work at-risk-of-poverty rate

Public support / Social protection and inclusion

9. Impact of public policies on reducing poverty	Impact of social transfers (other than pensions) on poverty reduction
	General government expenditure by function
	Aggregate replacement ratio for pensions
10. Early childhood care	Children aged less than 3 years in formal childcare
11. Healthcare	Self-reported unmet need for medical care
	Healthy life years at the age of 65
	Out-of-pocket expenditure on health care
12. Digital access	Digital skills (% of individuals with basic or above basic overall digital skills)
	Connectivity dimension of the Digital Economy and Society Index (DESI)

The Social scoreboard

Where to find the data?

- EUROSTAT:
 - ✓ <https://ec.europa.eu/eurostat/web/european-pillar-of-social-rights/indicators/social-scoreboard-indicators>
 - ✓ <https://ec.europa.eu/eurostat/web/european-pillar-of-social-rights/indicators/main-tables>
- JRC tool:
 - ✓ <https://composite-indicators.jrc.ec.europa.eu/social-scoreboard/>

The JER methodology

- Agreed in EMCO and SPC in 2015
 - ✓ Initially used for the scoreboard of key employment and social indicators (KESI)
- Jointly assesses MS performance on levels and changes of headline indicators
 - ✓ Allows checking for convergence/divergence trends
- Thresholds based on distance from the (unweighted) EU average

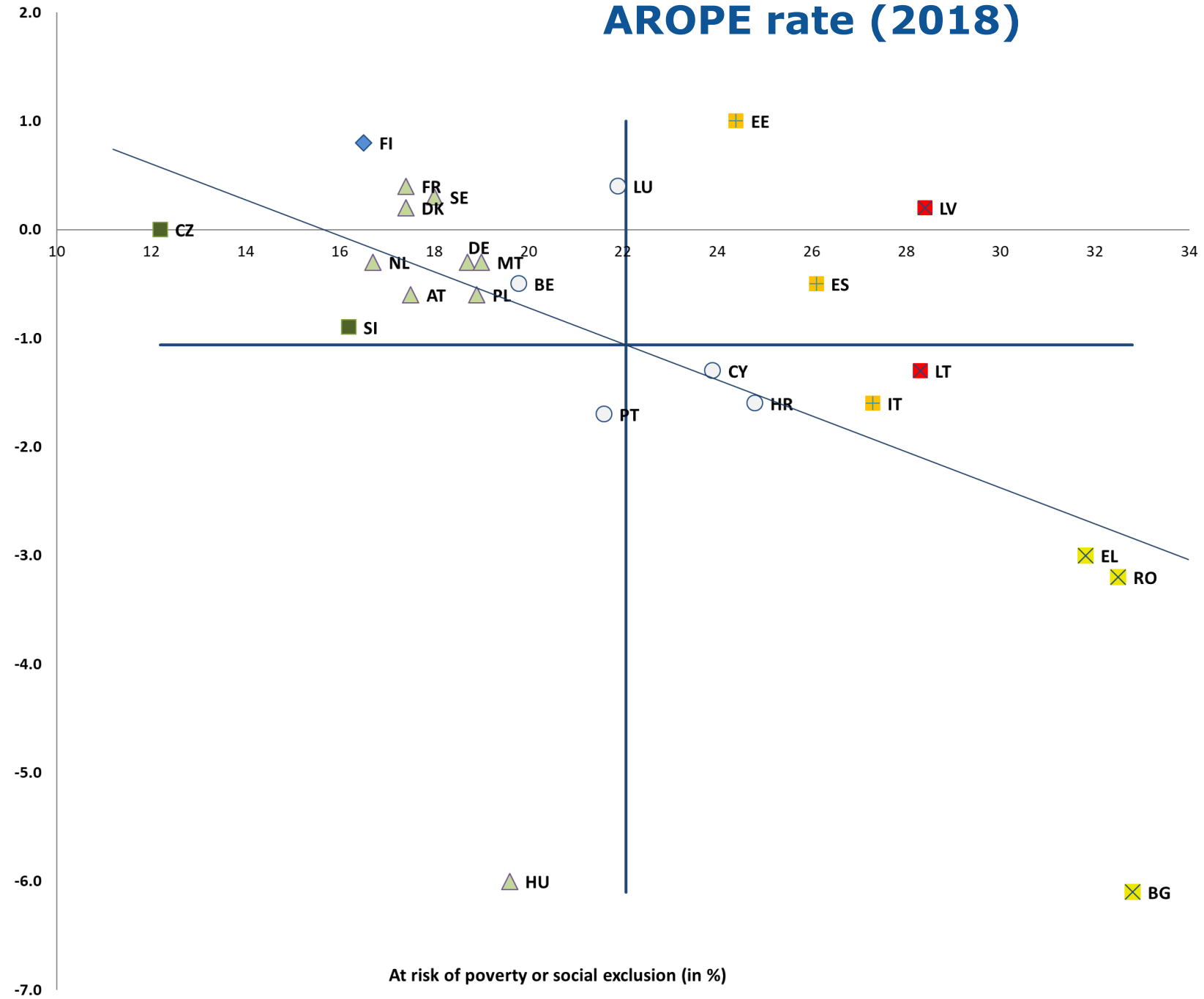
Example: indicator *lower is better* (e.g. unemployment rate)

Level 2016	Change				
	Much lower than average	Lower than average	On average	Higher than average	Much higher than average
Very low					
Low					
On average					
High					
Very high					

Critical situations
To watch countries
Weak but improving
On average / neutral
Good but to monitor
Better than average
Best performers

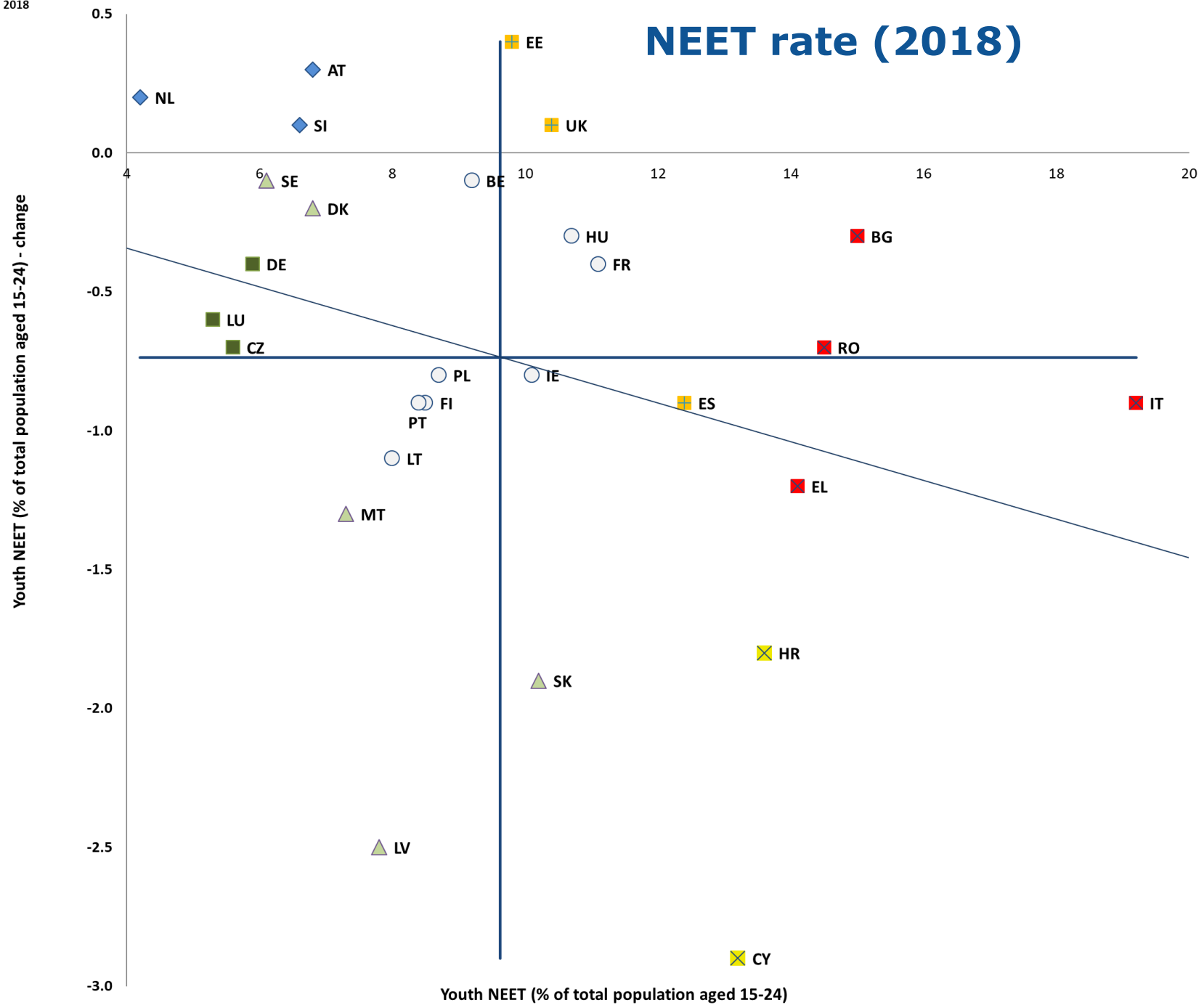
AROPE rate (2018)

At risk of poverty or social exclusion (in %) - change



At risk of poverty or social exclusion (in %)

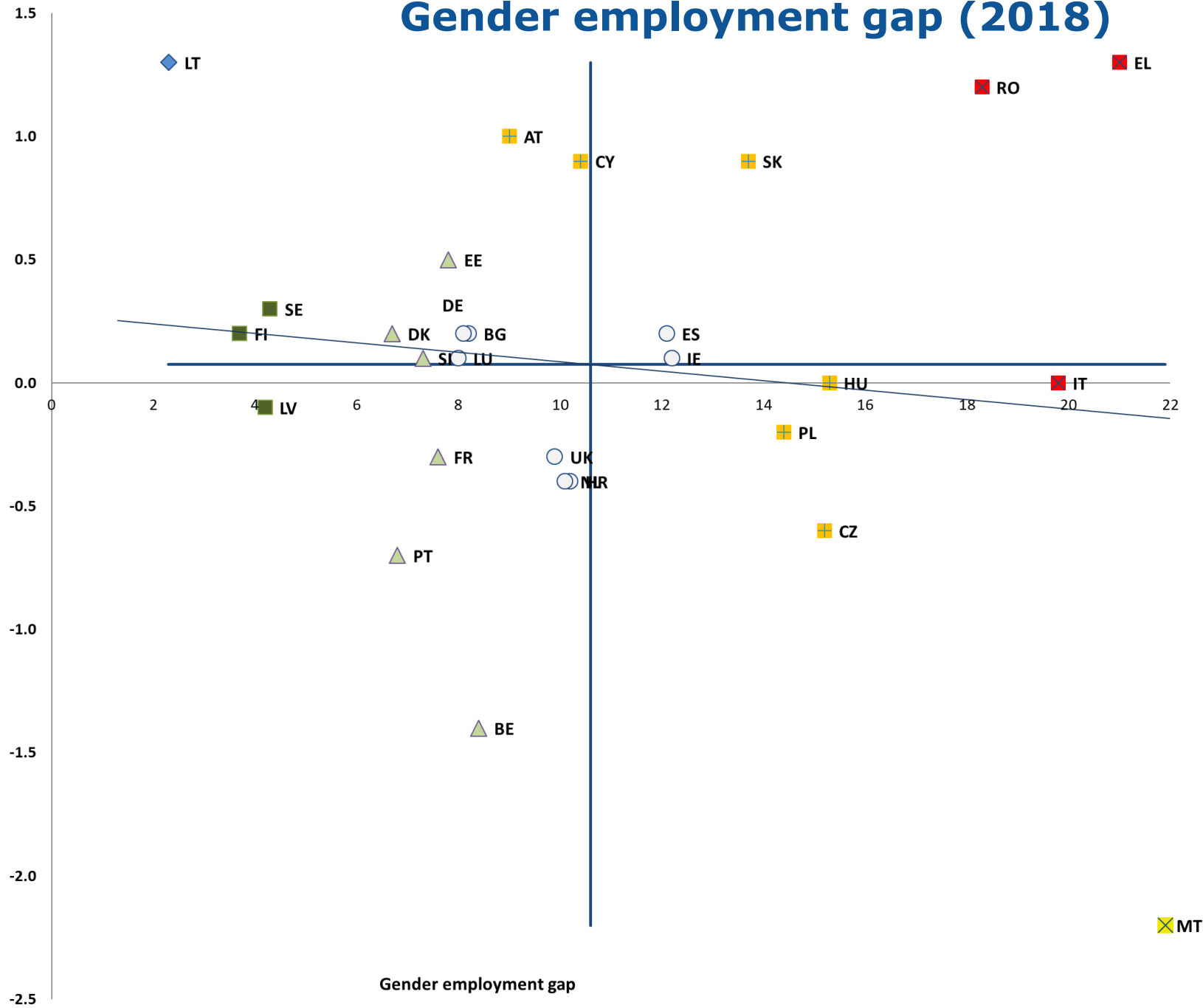
NEET rate (2018)



2018

Gender employment gap (2018)

Gender employment gap - change



An overview of recent evidence

- Most headline indicators are improving, on average:
 - ✓ ER (20-64) from 72.2% in 2017 to 73.2% in 2018
 - ✓ UR (15-74) from 7.6% in 2017 to 6.8% in 2018
 - ✓ AROPE from 22.4% in 2017 to 21.7% in 2018
- ... but others are stable or slightly worsening:
 - ✓ Early school leaving, gender employment gap, impact of social transfers on poverty reduction, self-reported unmet needs for medical care

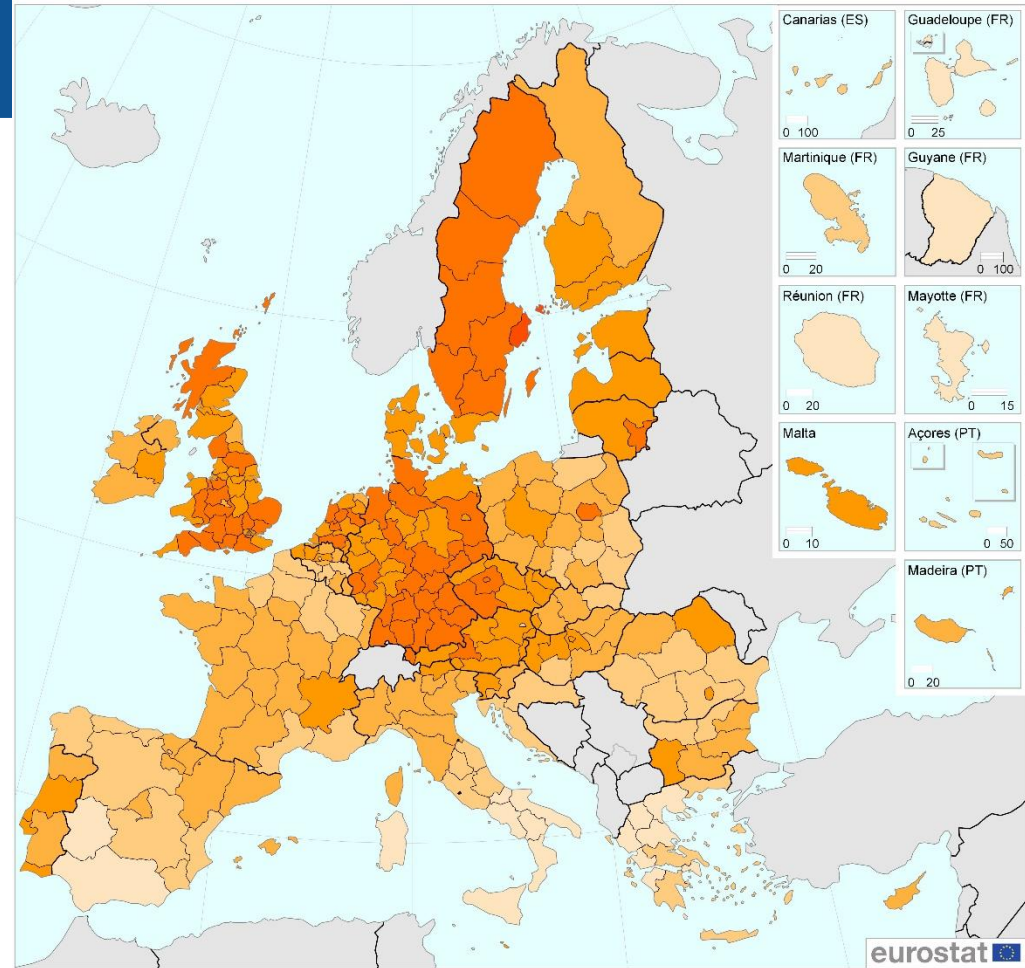
An overview of recent evidence

- The number of “challenges” has slightly increased:
 - ✓ From 118 in JER 2019, to current 125 (i.e. from 31% to 33% of total assessments)
 - ✓ EL, ES, IT, RO have 10 or more “challenges”
- ... but “critical situations” are stable:
 - ✓ 41 vs. 40 in the JER 2019
 - ✓ IT is the country with most “critical situations”
- ***Preliminary figures! Please do not quote***

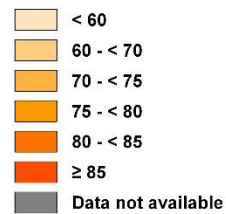
Regional dimension of the Scoreboard

- **Eurostat and JRC websites:**
 - ✓ regional breakdowns at NUTS 2 level for each headline indicator for which regional data are available
 - ✓ indicators of regional dispersion by Member State for each Social Scoreboard headline indicator
- **Joint Employment Report:**
 - ✓ maps showing regional breakdowns for each headline indicator for which regional data are available
 - ✓ references in the text where relevant

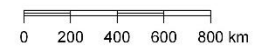
Employment rate, 2018
 (% , share of people aged 20-64 years, by NUTS 2 regions)



EU-28 = 73.1



Administrative boundaries: © EuroGeographics © UN-FAO © Turkstat
 Cartography: Eurostat — GISCO, 10/2019



Third Civil Society Seminar

Legal Environment and Civic Participation

Helmut K Anheier
Hertie School of Governance

October 2019

Introduction

What is Civil Society?

Countervailing force keeping power of markets and the state in check:

“That set of non-governmental institutions, which is strong enough to counter-balance the state, and, whilst not preventing the state from fulfilling its role of keeper of peace and arbitrator between major interests, can, nevertheless, prevent the state from dominating and atomising the rest of society“

(Ernest Gellner 1994: 5)

Self-organization of special interests:

“A complex and dynamic ensemble of legally protected non-governmental institutions that tend to be non-violent, self-organizing, self-reflexive, and permanently in tension with each other and with the state institutions that ‘frame’, constrict and enable their activities”

(John Keane, 1998:6)

Diversity of purposes and organizations

- Museums
- Orchestras
- Schools
- Universities
- Adult education
- Research institutions
- Policy think tanks
- Healthcare organizations
- Childcare, elderly homes
- Credit and savings
- Environmental groups
- Local development initiatives
- Humanitarian relief associations
- International development organizations
- Human rights organizations
- Rural farmer's associations
- Religious organizations
- Foundations
- Service organizations
- Fraternities and sororities
- Special interest associations
- Advocacy groups
- Self-help groups
- Sports and recreational clubs, etc...

What do civil society organizations do?

- Service provision
- Advocacy
- Vanguard
- Value guardian

Some Facts

- 5-7% of total employment in OECD
- Significant growth in economic importance, with 5% growth rates annually in some countries
- Education, health, social services account for 65-70% of expenditure
- Revenue: about 50-60% public funds; 30-40% market-type income; 5-15% donations
- Increase in number of foundations & assets
- Associations: levelling off
- Corporations: increase in economic importance

What forms do they typically take

- Membership-based (association)
- Asset-based (foundation)
- Liability-based (corporation)

Note: social movements and many cyber activities are informal, unincorporated

Legal Environment

Civil Society Organisations and the Law— What are the issues?

- Protect space for civil society activities and organising
 - Freedom of speech, freedom of association
- Regulate space internally
 - Providing organizational forms for civil society activity
 - Governance, agency
- Regulate space externally
 - Establishing and monitoring borders between market, the state
 - Market: restriction on revenue and expenditure behaviour
 - Politics: restrictions on lobbying and electioneering

Incorporation and tax treatment

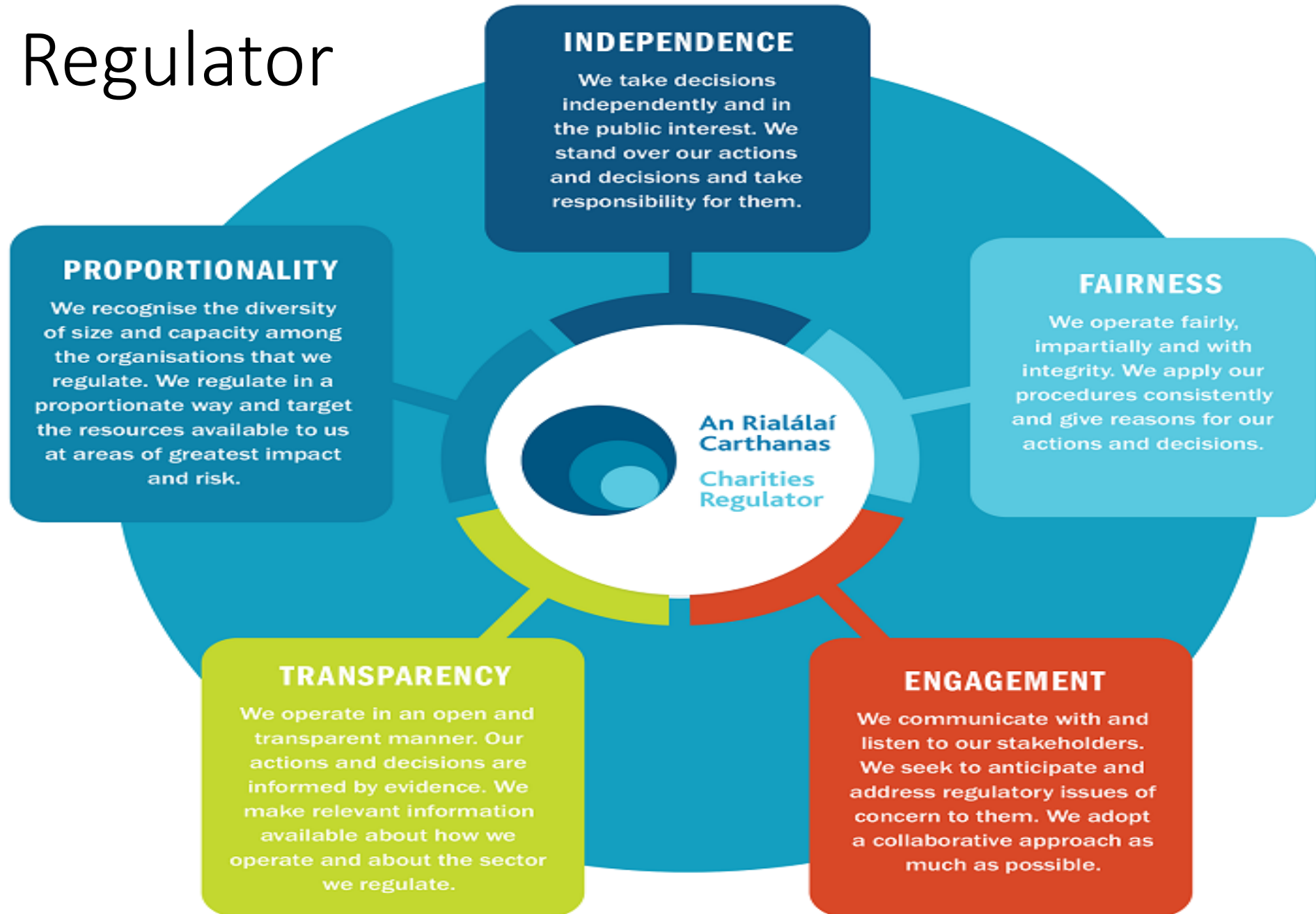
- Incorporation mostly unproblematic
- Recognition as tax-exempt organization complex:
 - Based on conditions and prescribed behaviours
 - Regulated by tax authorities or dedicated regulator
 - Contested - are conditions and prescriptions still adequate?
 - Regulatory reform
 - Changes in tax treatment
 - Hybrid forms (e.g., social enterprises; political action)

Ireland (Charity Regulator)

- Arm's length institution to oversee and help develop civil society organizations

“To regulate the charity sector in the public interest so as to ensure compliance with the law and support best practice in the governance, management and administration of charities”

Charity Regulator



Tax exempt purposes (Germany)

1. science and research
2. advance of religion
3. health
4. youth and the elderly
5. art and culture
6. memorials and monuments
7. education
8. environment, natural habitats
9. social welfare
10. victims of war, displaced and missing persons
11. life saving
12. preparedness for calamities
13. international understanding and tolerance
14. animal welfare
15. development assistance
16. consumer information and protection
17. rehabilitation of released prisoners
18. gender equality
19. protection of marriage and family
20. preventing crime
21. sport and recreation
22. community
23. customs
24. democracy
25. civic engagement

Germany (local tax authorities)

- “A corporation shall serve public benefit purposes if its activity is dedicated to the altruistic advancement of the general public in material, spiritual or moral respects.”

CSOs are charitable if they serve their purpose in a way that is:

- selfless
- exclusive
- direct
- timely

France: la règle des 4 P / Ministry of Interior

- the [P]roduct (“le produit”) offered satisfies a need not met by the private sector
- the [P]ublic (“le public”) is unable to afford the product offered by the private sector
- the [P]ricing (“le prix”) is lower than in the private sector; and
- the [P]romotion (“la publicité”) of a public interest mission may not use advertising or marketing tools in the same manner as corporations.

Reform needs?

- Review purposes defined as charitable?
 - Flexible forms, also hybrids combining commercial and non-commercial activities, related and unrelated business income?
 - Greater capacity to build up reserves?
 - Allow more lobbying?
- Need for a review of national regulatory models, also at EU level

Civil Participation

Civil Participation and civil society

- **Civic culture** (broad concept of civic duty)
- **Civic engagement** (informed, involved citizens for common good)
- **Civility** (respect for others' dignity, empathy beyond self-interest)
- **Social capital** (embeddedness in personal networks, memberships)

Civil participation includes membership, volunteering, engagement, caring

Membership in voluntary associations

EU regions	Sport & Recreation	Professional	Culture	Unions and related	Political Parties	Religion and related	Environment	Trend Since 1990s
North	39	13	19	44	7	41	12	up
West	32	10	17	12	5	23	10	up
South	9	4	7	4	3	6	4	stable
East	14	6	11	7	3	14	5	up

Volunteering - Large Differences

EU average: 19% formal volunteering / 21% informal volunteering

Netherlands (82.5 % for informal volunteering and 40.3 % for formal)

Finland (74.2 % informal and 34.1 % formal)

France (23% both)

Romania (3.2 % for both)

Cyprus (2.6 % informal and 7.2 % formal)

https://ec.europa.eu/eurostat/statistics-explained/index.php/Social_participation_and_integration_statistics#Formal_and_informal_voluntary_activities

Civil participation – what do we know

- Europeans are active in terms of civil participation
- Significant differences across EU regions and countries
- Rates for memberships are more or less stable, rising slowly
- Volunteering is stable
- Giving is stable
- Social cohesion less so, with divided societies emerging

Social participation – what are the issues?

- Changing pattern:
 - Older forms declining (fewer associations)
 - New forms, including cyber-related, increasing
 - Leadership positions (board positions unfilled, incentives)
 - Rural-urban divide

Reform needs, policy measures

- Incentives
 - Asking, reaching out
 - Actively enlisting more diverse population groups
 - Social cohesion via cyber space, new kinds of communities
 - Rediscovering the local
- Need for a civil participation review locally, nationally, EU-level

Thank you!

WORKSHOP B: FINANCIAL STABILITY AND INDEPENDENCE

Dr Sandra Kröger, University of Exeter

How are CSOs usually funded at Member State level?

- ❑ **Institutional variation** in state support, private support and earned income

Corporatist (Continental):

- ❑ CSOs are highly institutionalised and dependent on government support and vice versa;
- ❑ CSOs are actively involved in the provision of social services and may be the main providers;
- ❑ State funding represents well over half (usually 55%-75%) of the income of the sector.
- ❑ Austria, Belgium, Germany, Netherlands

How are CSOs usually funded at Member State level?

- ❑ The relationship with the state changed from a partnership to a customer-supplier relationship.
- ❑ CSOs were able to compete successfully against commercial providers.
- ❑ CSOs can look back on many years of expertise as service providers and also have the infrastructure.
- ❑ CSOs have defended their position as a core provider of social services.

How are CSOs usually funded at Member State level?

Social-Democratic (Scandinavian):

- The state is the main service provider.
- CSOs are not typically involved in provision of social services.
- Consequently a low level of public funding of CSOs (25-35%).

How are CSOs usually funded at Member State level?

Emerging (Mediterranean and CEE):

- The relationship between the state and CSOs is still evolving.
- Characterized by low levels of public funding;
- Welfare systems are typically rudimentary and much of the care remains with the family.
- Social anchorage of CSOs is still limited (low levels of membership = fees + voluntary engagement).

How are CSOs usually funded at Member State level?

CEEs

- ❑ Public funds are limited;
- ❑ Corporate funding also decreased.
- ❑ Small amount of donations;
- ❑ EU-funds are of particular significance.
- ❑ Highly professionalized organizations have evolved around EU-funded themes.
- ❑ Large parts of organizational resources are bound to administrative requirements, to apply for funds, to monitor tenders and to maintain contact with funding institutions.

How are CSOs usually funded at Member State level? General trends

- Move of public funders from institutional support to project related grants;
- Grant: CSOs propose a way to meet the funder's objectives and funders choose whether to support them.
- Move of public funders from grants to a contract model;
- Contract: CSOs are legally obliged to deliver a service according to precise specifications defined by public authorities.
- CSOs as 'common contractor', not as partner, who can help to develop and implement public policies.

How are CSOs usually funded at Member State level?

- NPM: competitive tendering procedures where CSOs are competing against each other and commercial providers;
- CSOs compete with the business sector, which can afford lower prices = Cost and efficiency pressures as a decisive factor to win the bid against other competitors – ‘doing more with less’.
- CSOs are not reimbursed for providing a supply structure but only for providing the service itself.

How sustainable is the financial situation of CSOs in Europe?

- ❑ CSOs are facing an increasingly hostile environment.
- ❑ Large cuts due to the economic crisis and austerity policies.
- ❑ Proliferation of markets in areas of traditional public and third sector dominance;
- ❑ NPM: competitive tendering procedures where CSOs are competing against each other and commercial providers;
- ❑ Volunteering and membership with a high voluntary commitment is changing and becomes more fluid and temporary.
- ❑ Age of populism: increasing distrust against CSOs;

How sustainable is the financial situation of CSOs in Europe?

- ❑ CSOs are under permanent bureaucratic stress to report to their funders.
- ❑ That and an increased need to raise revenues from business activities is keeping them away from their real purpose - community building and advocacy.
- ❑ These mission critical functions are hard to maintain as they are not covered by reimbursement schemes.
- ❑ Planning insecurity and lack of capacity to establish a sustainable infrastructure;
- ❑ Small CSOs are particularly disadvantaged as they lack the capacity.

How sustainable is the financial situation of CSOs in Europe?

- CSOs have worked on diversifying their funding sources, particularly more economic activity.
- But also, the pressure on EU funds has increased. CSOs that used to work only at national level, started to apply for centralised EU funds, especially from CEE countries.
- Strategy could be financially successful in the short term but in the long run, it affects CSOs core activities as the EU funds do not cover CSO core business.

What are the safeguards to avoid undue influence at Member State level?

- Funding CSOs allows governments precisely to influence CSOs' activities and how they function.
- In some Eastern states, funding for certain types of activities is not available anymore.
- *“Lots of NGOs struggle for financial survival as distribution of grants is maintained by authorities with strong governmental influence, ensuring that NGOs critical of the government do not or scarcely receive financial support for their projects.”*

What are the safeguards to avoid undue influence at Member State level?

- *‘Increasingly, organisations are expected to work for or with the government on government policy priorities. (...). In one case, an organisation that had been critical of government policy was recently publicly ‘threatened’ it was not doing what it has been funded for and that regulatory action would be taken. This way of challenging civil society is definitely a new, but slowly-emerging development.’*

Networking Officer, Belgium

- Evidence from Sweden that holding back criticism is an active strategic choice made by CSOs, reflecting a climate that promotes service delivery, competition and strong financial ties between CSOs and public institutions.

What would be needed to ensure financial stability and independence of CSOs?

- Answer will depend on how one conceives of CSOs' role in the first place.
- Both – financial stability and independence – are difficult to achieve.
- Dilemma: less state funding means CSOs can concentrate on their core mission and need not engage in the heavy bureaucracy that comes with state funding schemes, but might struggle to survive.

What would be needed to ensure financial stability and independence of CSOs?

- ❑ Diversification of income: this strategy may be less realistic for smaller or newer organizations.
- ❑ Is possible only with corporate and individual donations;
- ❑ Donations will increase only if people trust CSOs.
- ❑ Education responsibility of state to act against populist media environment.
- ❑ Funding 'detox' even if this means growing smaller.

What would be needed to ensure financial stability and independence of CSOs?

Independence

- ❑ To do advocacy, CSOs must be independent from the state.
- ❑ CSOs need funding that better supports social values, locally based activity, and advocacy.
- ❑ State has a role to play in supporting critical infrastructure, solidarity and education.
- ❑ The EU has a role to play as well, in monitoring the civic space, supporting the advocacy function and perhaps also more the infrastructure CSOs provide.

Human capital and analytical capabilities of civil society organisations

Carlo Ruzza

School of International Studies

University of Trento

Introduction: democracy and organised civil society

- Organized civil society has acquired prominence as a component of the European service delivery and decision-making system. Numerical growth of its organizations and affiliates. Important policy areas rely on its expertise, resources and personnel, although there are important variations in the EU.
- Civil society participation and its impact.
- Changing functions of hollowed out states (lack of resources). Changes in political discourse. Both from left and from right give a central role to the sector.

Large regional differences in the European third sector

- SALAMON, L. M. & SOKOLOWSKI, W. 2018. The Size and Composition of the European Third Sector. In: ENJOLRAS, B., SALAMON, L. M., SIVESIND, K. H. & ZIMMER, A. (eds.) *The Third Sector As A Renewable Resource for Europe*. London: Palgrave.

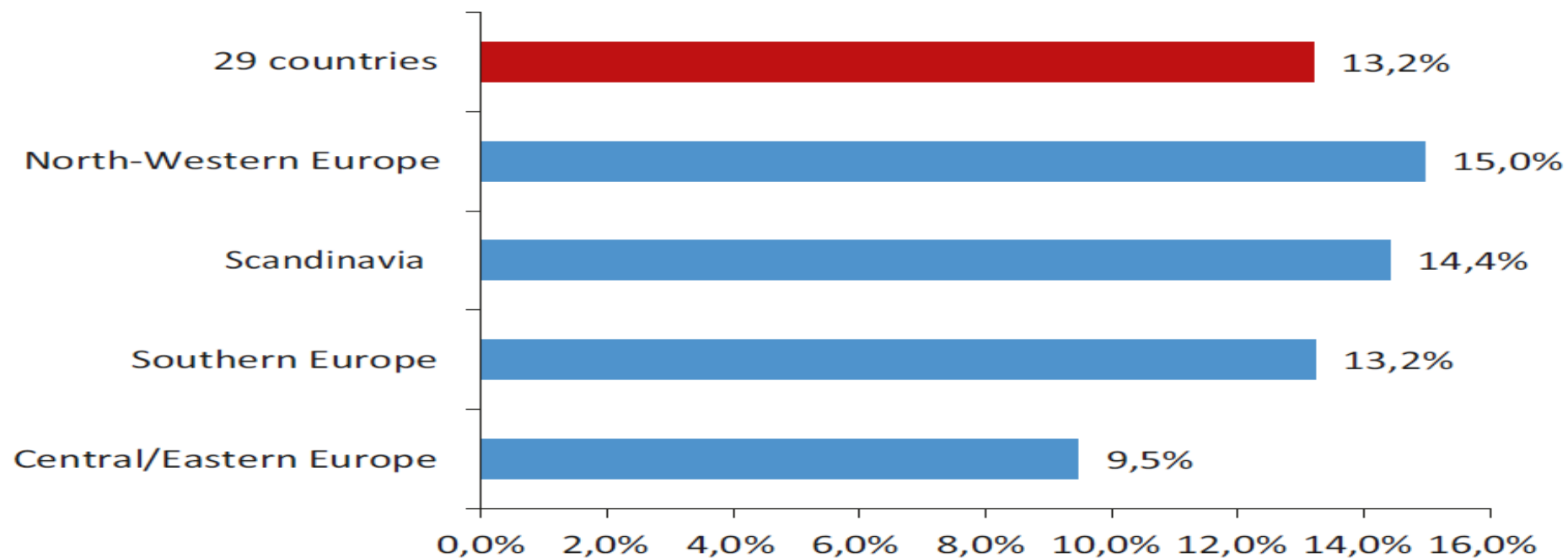


Fig. 3.7 European TSE sector workforce as a percent of total employment, by region, 2014

Size of the European third sector workforce

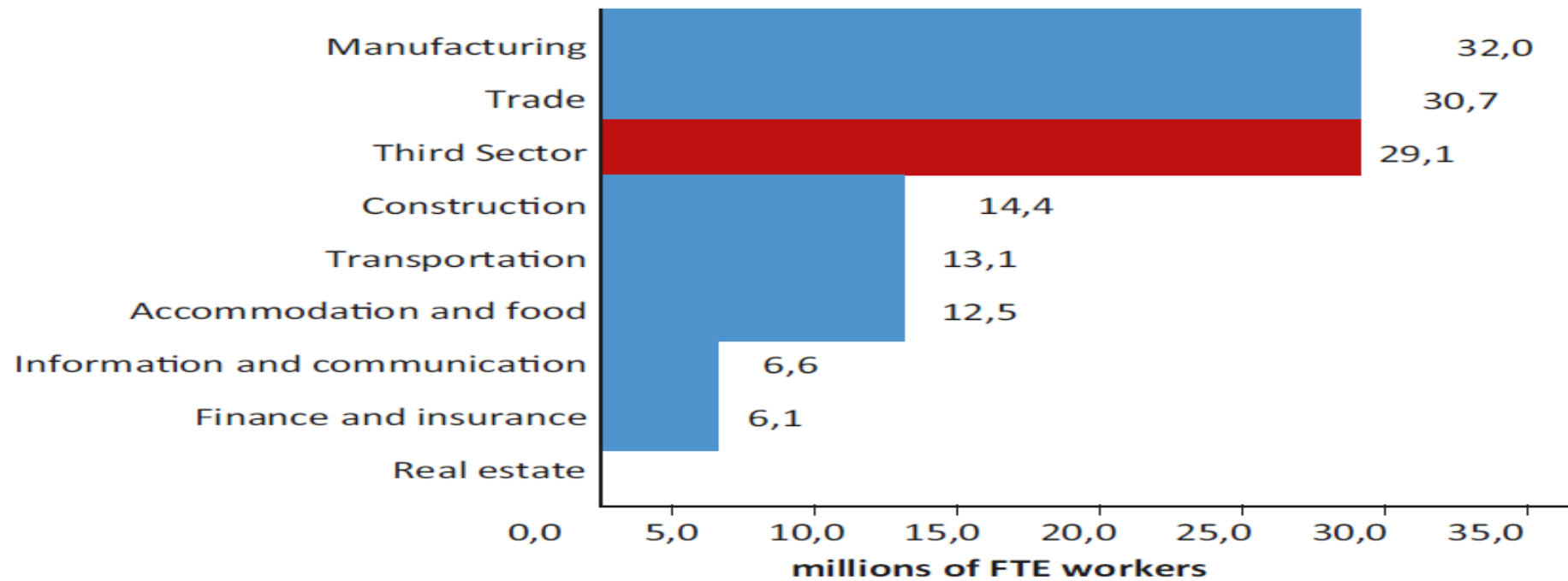
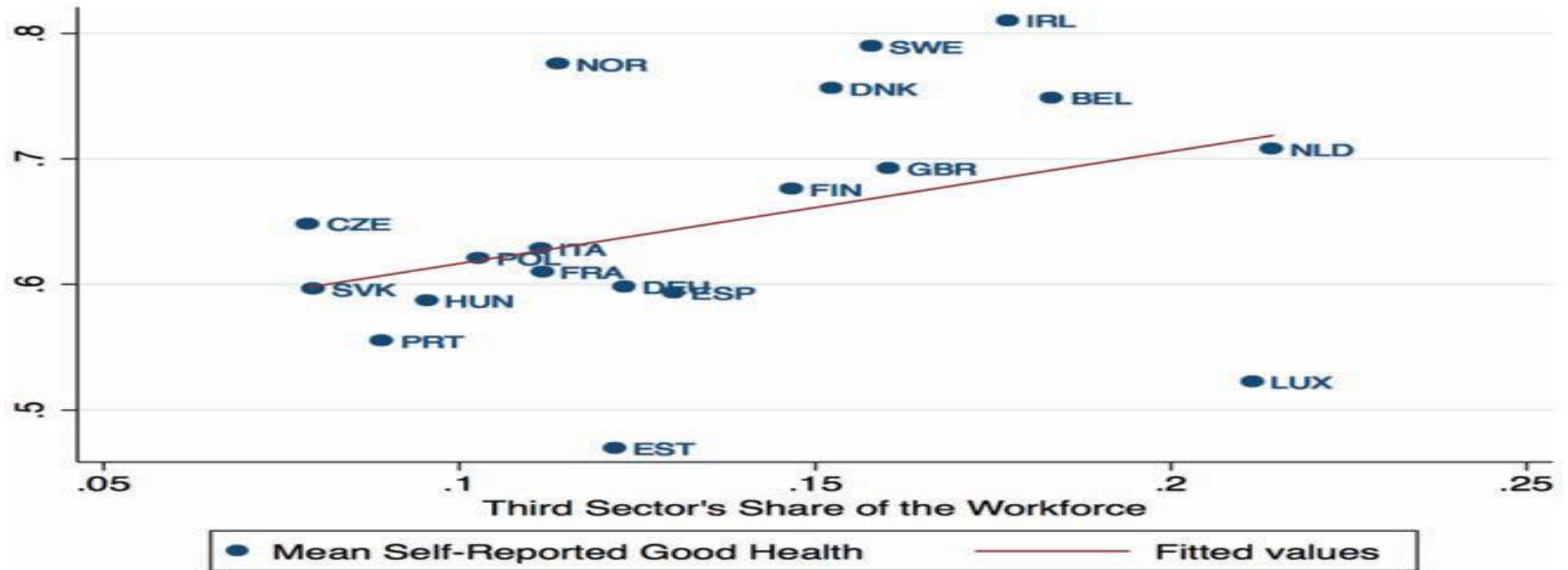


Fig. 3.1 Size of the European TSE workforce versus employment in major industries in 29 European countries, 2014

Volunteers, health (and happiness) in different countries

(Lester M. Salamon and Wojciech Sokolowski 'The Size and Composition of the European Third Sector')



Hollowed out states and barriers to the development of civil society

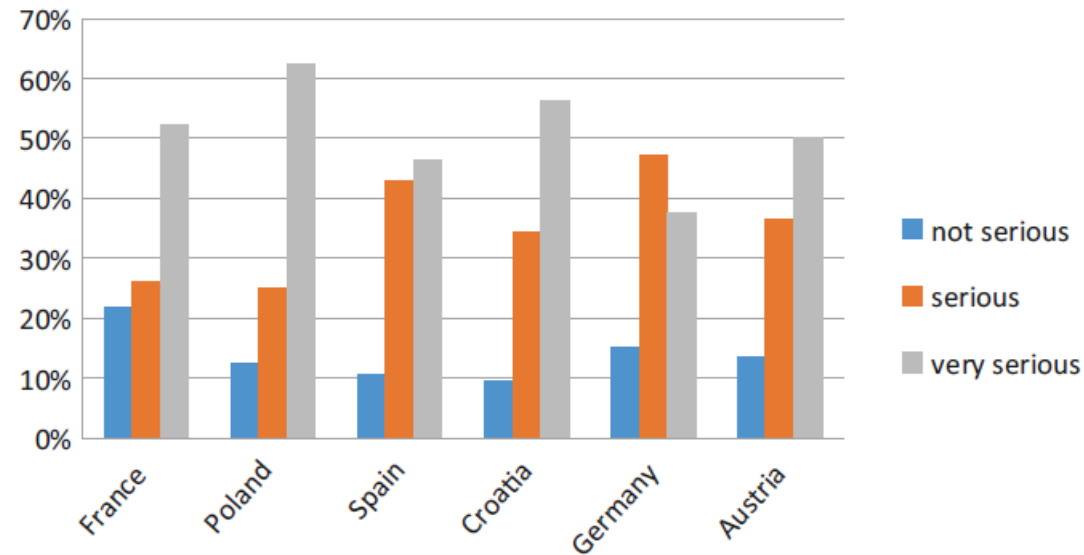


Fig. 5.1 Financial Barrier: Lack of Public Funding. Source: Zimmer and Pahl (2016: 10)

Introduction (2): Political systems and civil society

- As the sector becomes institutionalised political systems determine its margins of operation.
- They shape its organizational architecture, resources available, tax regimes, normative frameworks for relationships with other social institutions, such as churches and businesses.
- Key variables are also the human capital and the capabilities of the sector.

The relevance of civil society for effective democracies

- Research and analysis & approaching policy crises with competent and innovative approaches
- Service delivery
- Advocacy (sensitizing policy makers, providing information to decision makers, representing collective interests, negotiating legitimacy for public decisions)
- Monitoring compliance; Campaigning; Supporting implementation
- Organizing and mobilizing citizens, aggregating consensus in specific policy sectors.
- As an alternative channel of representation for vulnerable & disenfranchised minorities
- Enrich decision making with new policy ideas and policy learning; Stimulate forms of active citizenship

Human resources

- Available resources:
 - Leaders,
 - Staff,
 - Volunteers
- Hierarchies and governance structures
- Advocacy and service delivery
- Human resource scarcity

Human resource scarcity in different contexts

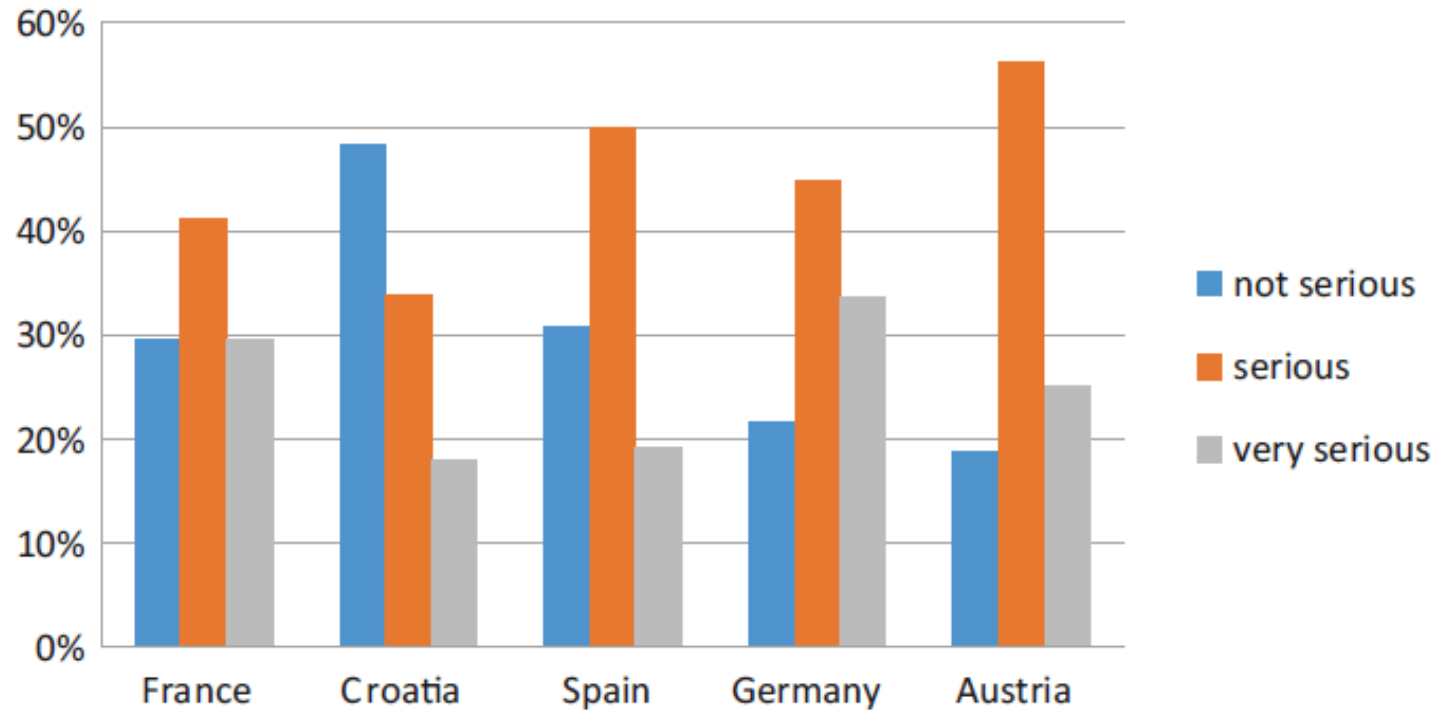


Fig. 5.2 Human Resource Barrier: Difficulties Recruiting Volunteers. Source: Zimmer and Pahl (2016: 6)

Leadership

- Elected spokespersons and employed managers (presidents and directors): roles, relations, and location of work
- Excellence for presidents:
 - Political legitimacy; Representativeness; Political skills
- Excellence for directors:
 - management skills (organizational abilities), capacities to cooperate within and outside civil society, networking skills and resource base.
- How to keep these roles separate, guaranteeing collaboration between them?

Organizational structures and difficulties in recruiting volunteers

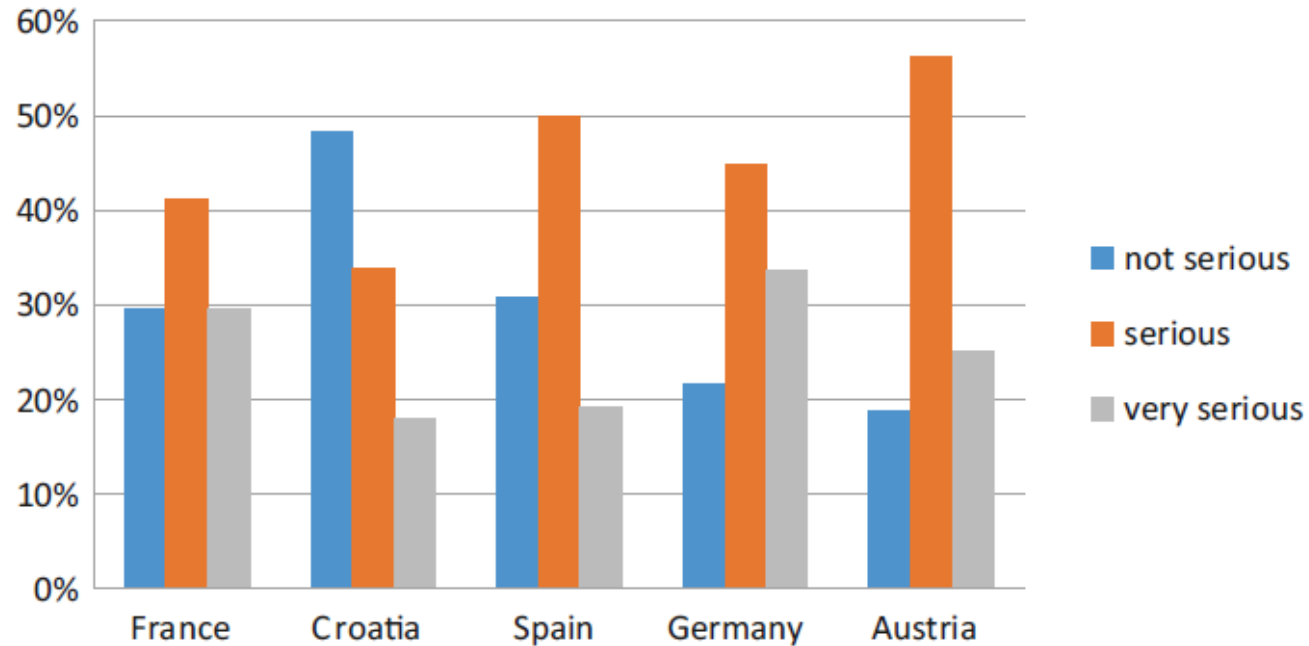


Fig. 5.2 Human Resource Barrier: Difficulties Recruiting Volunteers. Source: Zimmer and Pahl (2016: 6)

Difficulties recruiting board members

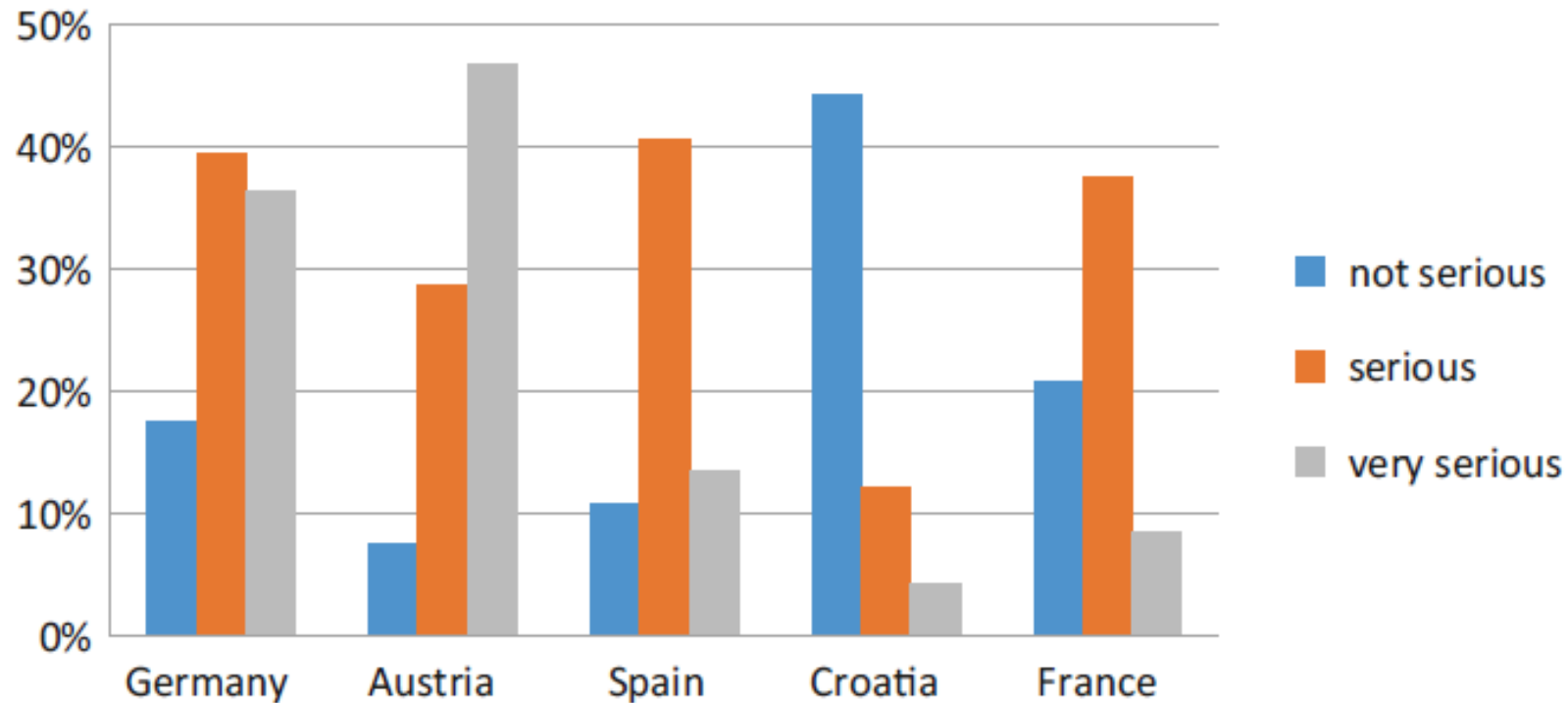


Fig. 5.3 Human Resource Barrier: Difficulties Recruiting Board Members. Source: Zimmer and Pahl (2016: 7)

Staff and Volunteers

- Most organizations have both staff and volunteers. They provide different kinds of skill.
 - Staff have specific competences related to their education, work experience. They are employed so they assure continuity of work.
 - Volunteers are personally committed on the basis of their values and might or might not have technical, legal, social and organizational competences. Their commitment might be less reliable.
- How do we balance these potentially conflicting roles? How to ensure continuity and personal commitment? How do we keep everybody engaged? Importance of social, religious and ethnic diversity: opportunities and difficulties?
- Do professional communicators have a role? Do they have to share the organizational values?

Staff and Volunteers

- SALAMON, L. M. & SOKOLOWSKI, W. 2018. The Size and Composition of the European Third Sector. In: ENJOLRAS, B., SALAMON, L. M., SIVESIND, K. H. & ZIMMER, A. (eds.) *The Third Sector As A Renewable Resource for Europe*. London: Palgrave.

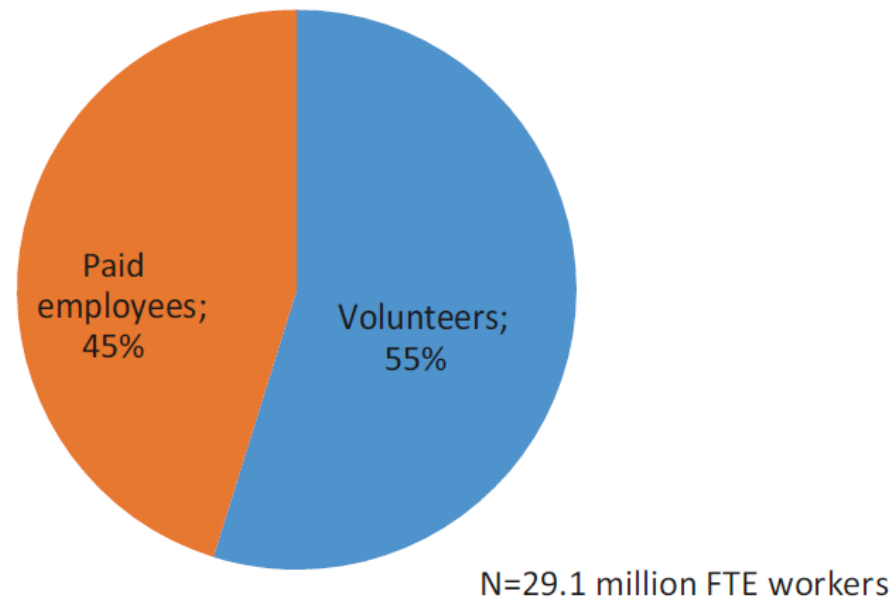


Fig. 3.2 Composition of European TSE workforce, FTE Paid versus Volunteer Workers in 29 European countries, 2014

Pay and recruitment difficulties

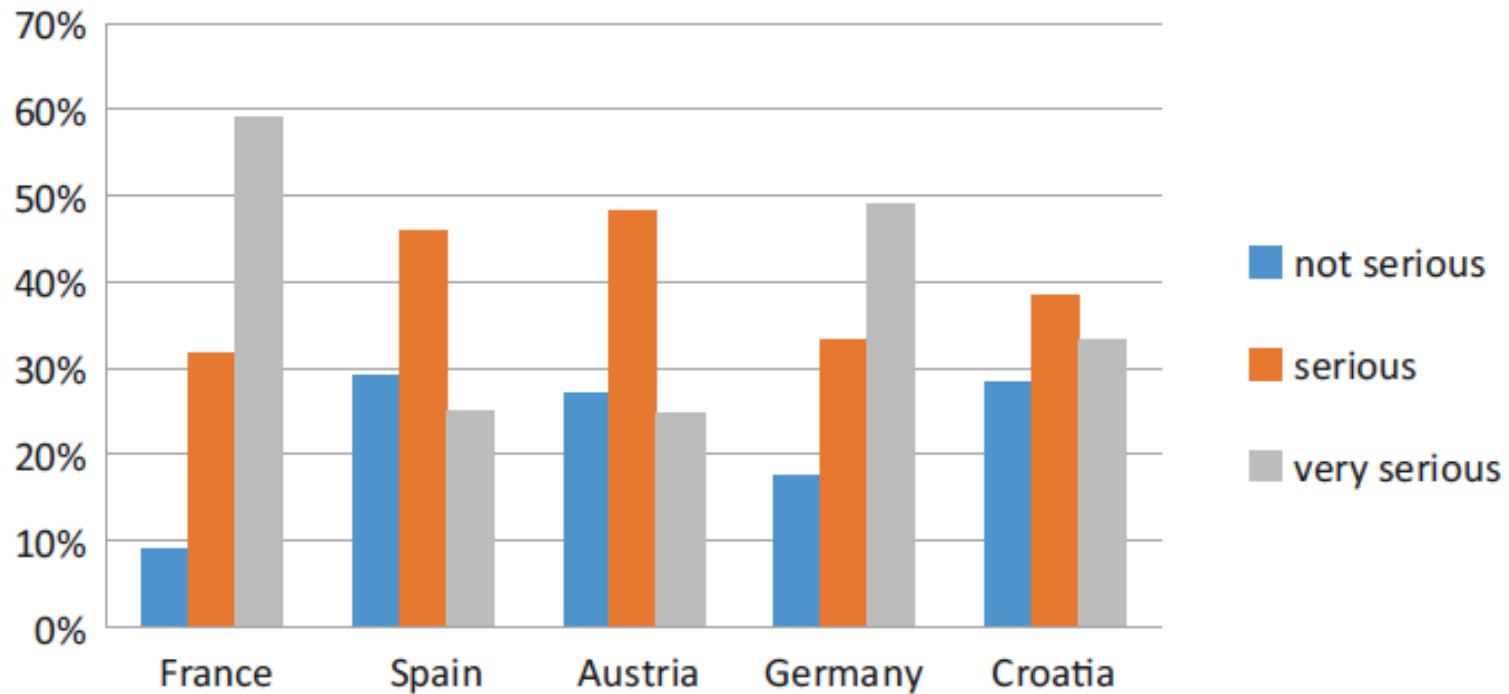


Fig. 5.5 External Relations Barrier: Low Pay of Employees. Source: Zimmer and Pahl (2016: 11)

Hierarchies

- The civil society idealised organizational structure is often a flat organization which supports democratic decision making and strong participation by the base.
- However, this sometimes clashes with efficiency, clear role allocation, clear functions in relation to communication strategies.
- How do we create effective organizations while keeping the grassroots involved and motivated?

Governance structures and chains of representation

- Many organisations have different levels (local, regional, national, European and international). Long chains of representation.
- How to create effective links between different levels? How to assure sufficient professionalization at all levels? How to distribute resources and capacities? Advantages and risks of centralization?
- How to handle internal conflicts, career expectations, personality clashes, conflicting views, power struggles? More formalisation of roles or better conflict-resolution structures and participation?

Advocacy and Service Delivery

- The balance between advocacy and service delivery varies. Often one is prevalent but both are present. How do we optimise relations between the two functions?
- In advocacy the interlocutor is the state. In service delivery the state is the partner. How to balance relations?
- Venue shopping: How to identify interlocutors for advocacy? Which public institution?

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**Third Civil Society Seminar on ‘Strengthening the
Involvement of Civil Society in the European Semester’**

Tuesday, 22 October 2019

Impact on policy making

Dr. Cristiano Bee

Senior Lecturer in Politics and Jean Monnet Module Leader

Oxford Brookes University (UK)

Overview

- Introduction: public policy, contesting the mainstream
- Civil society and active citizenship
- Public policy, public administration styles and civil society
- Conclusion

Public policy: contesting the mainstream

Public policy is a course of government action or inaction in response to social and public problems. It is associated with formally approved policy goals and means, as well as the regulations and practices of agencies that implement programmes-

‘What government chooses to do or not to do’ (Thomas Dye 1972)

This definition has different implications:

- Primary agent of policy making is a government...it has the authority to take decisions on behalf of citizens
- Public policy making involves a fundamental choice on the part of the government to do something or not about a problem through processes of deliberation and decision making
- Policy solutions result from government's decisions and not those of other actors in society
 - KEY QUESTION: is this always true?

Contesting the mainstream

- Authority of the state in public policy making is contested and questioned by
 - various processes (transnationalisation, europeanisation, globalisation, decentralisation, etc.)
 - by the complexity of the policy process itself
 - by the emergence of policy networks
 - by the enhancement of multi-level governance structures that shape policy processes differently in respect to the past

Multilevel governance (roughly dispersal of power to a variety of actors) suggests that the (policy) process is messy: many actors may be involved at various levels of government and their relationship vary across time and policy issues) (Cairney 2011)

Civil Society: from representative to participatory and deliberative democracy

- Governance reforms → strengthening of variety of policy actors in policy making
- Rise of the importance given to input legitimacy in policy making
- New questions regarding WHO is involved in setting policy agenda and influencing the outcome of policy
- Emergence of participatory and deliberative democracy nearby representative democracy: importance of citizens participation
- Debate on legitimacy more and more focused on participation, civil society and transparency
- → Central in new Public Management Reforms

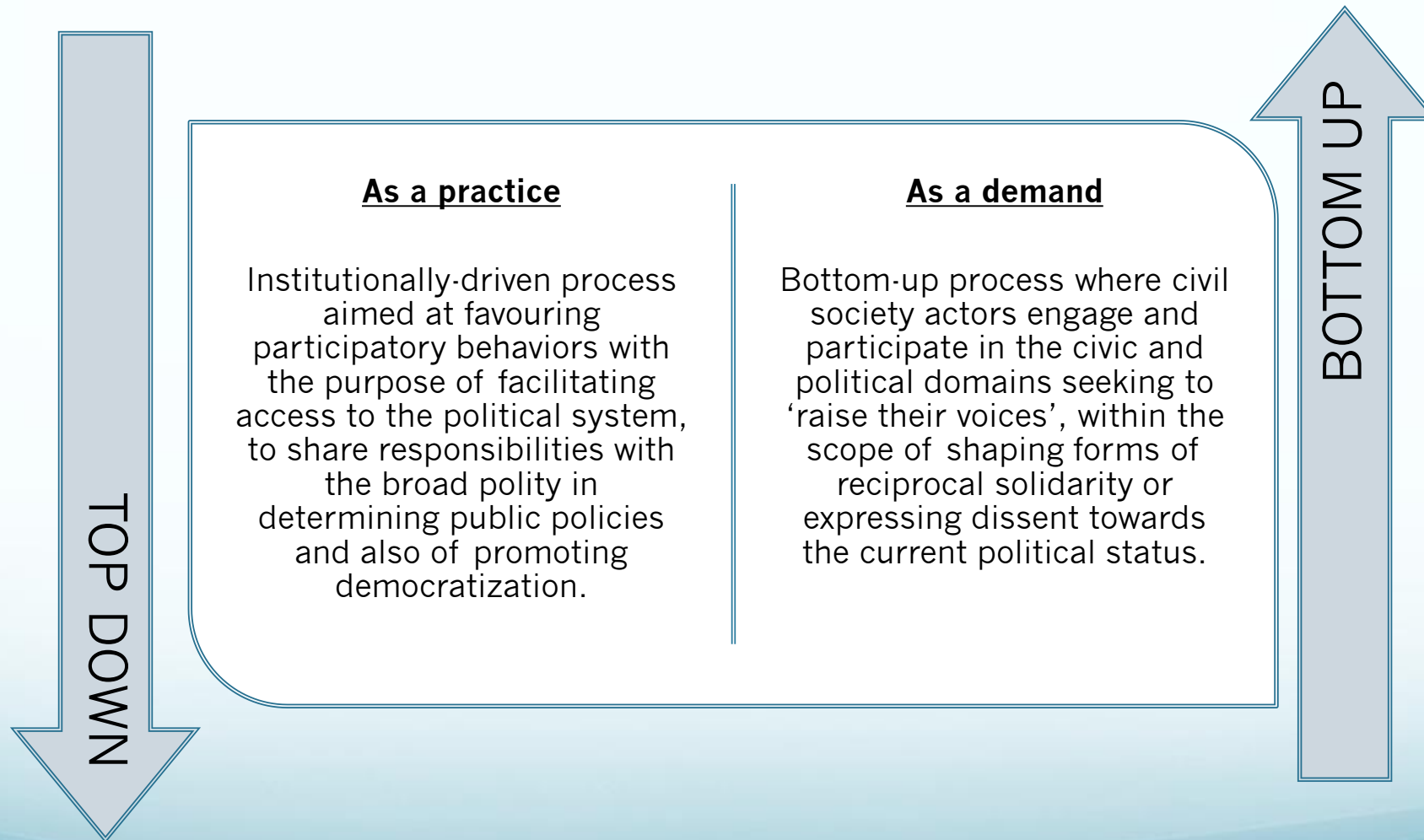
Organised Civil Society...

- ...direct, institutionalised relationship with public institutions
(Adapted from Ruzza 2004)
- Non-state actors **that represent certain interests** and that through diverse tactics and forms of participation (direct, indirect) impact on the policy process

Why are interest groups as part of the Organised Civil Society so important?

- Concern on the representation of interests and functions
 - Interest groups are key actors in contemporary forms of governance throughout the western world. Civil servants seek group input, because they *may have expertise, assist with implementation or they add democratic legitimacy to the outcome* (Greenwood 2008)

Active citizenship



Impact and functions in the policy process

- Enable participation and dialogue
- Interest driven
- Collect and gather wider civil society interests
- Collect and gather data for policy makers
- Help following the phases of policy making formulation and implementation
- Criticise the policy making
- Help improving the public policies
- ...
- IN GENERAL VARIOUS INSTITUTIONS set the basis for better, broader engagement of non state actors
- Also key to legitimise policy processes (input legitimacy)

HOWEVER The administrative tradition of a country influences state-society relations, the form of political organization and the dominant policy style / Depending on the country and the context there are differences in how civil society participate

Let's think about different models of Public Administration ...

Tradition of Public Administration

Anglo-Saxon (Minimal state)

Germanic (organicist)

Scandinavian (Anglo + Germanic)

Continental Europe (Napoleonic)
(South and Eastern Europe)

Participation and state-society relations

Pluralist state-society relations

Co-operative state society relations

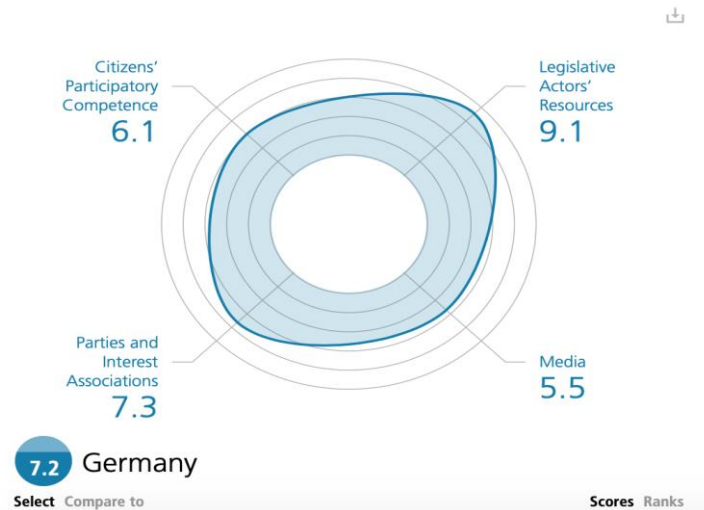
Mixed model based on consensus,
collaboration and linked with legal
and social accountability

Centralized and antagonistic state-
society relations

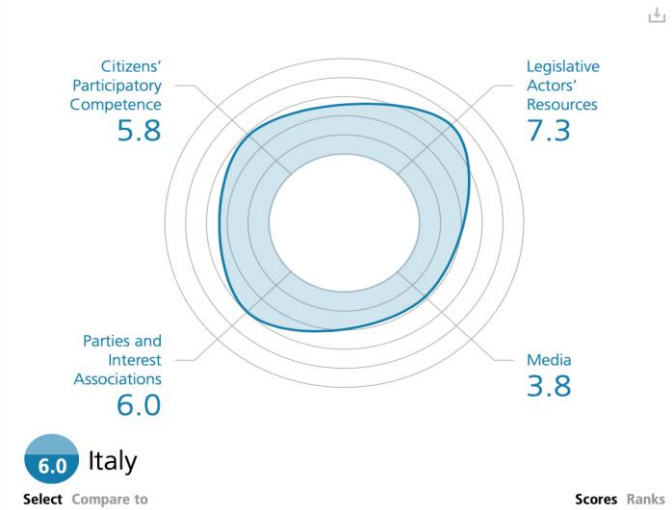
Huxley et al 2016

...and compare (Source: SGI-Bertelsmann)

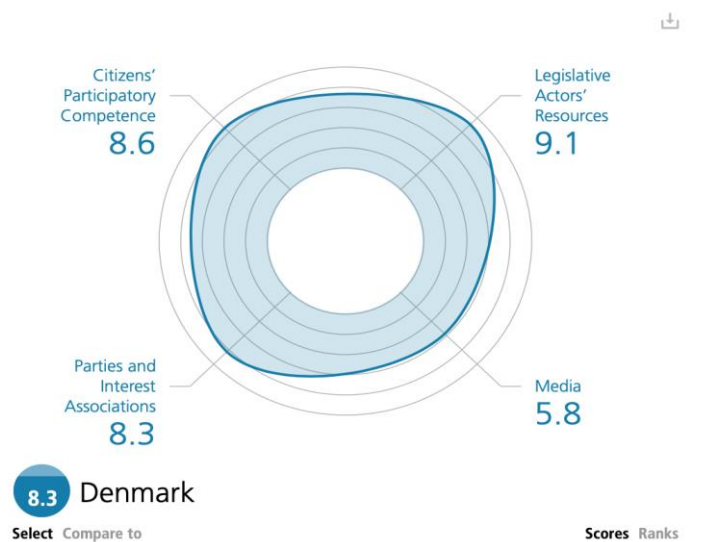
Are non-governmental actors involved in policy-making?



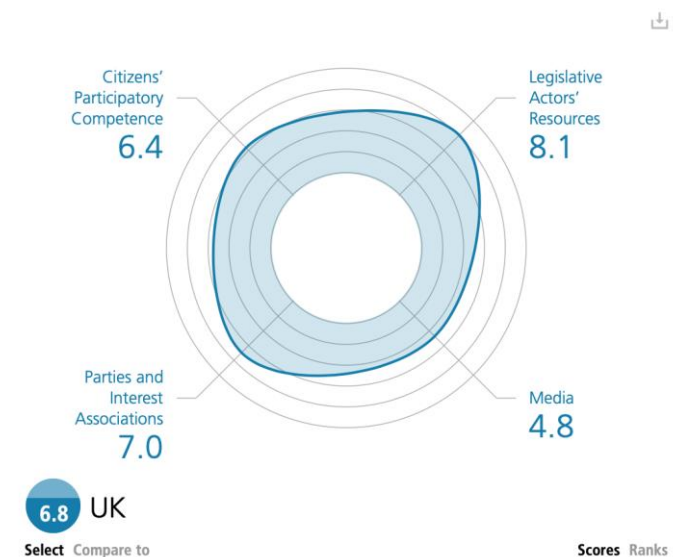
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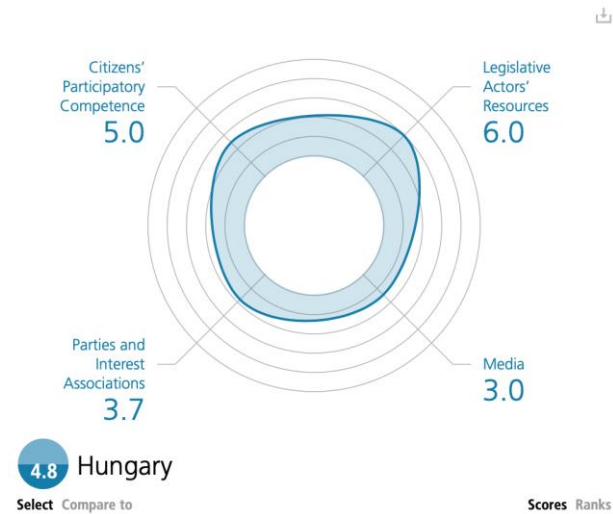


Are non-governmental actors involved in policy-making?

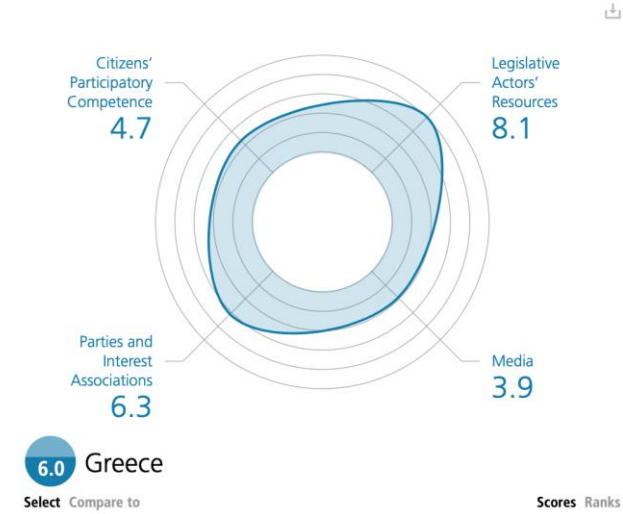


...and compare (Source: SGI-Bertelsmann)

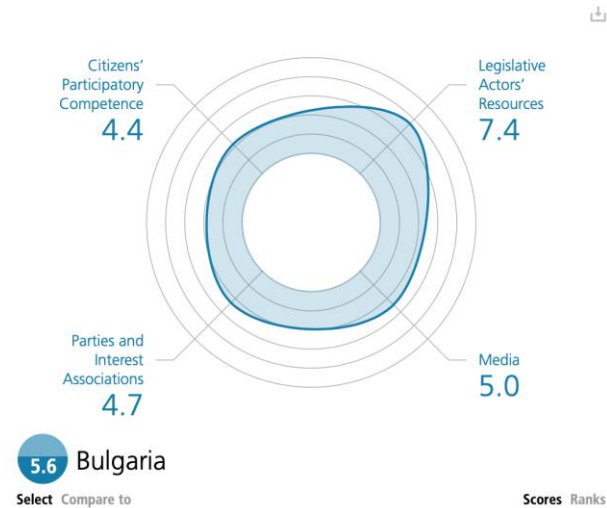
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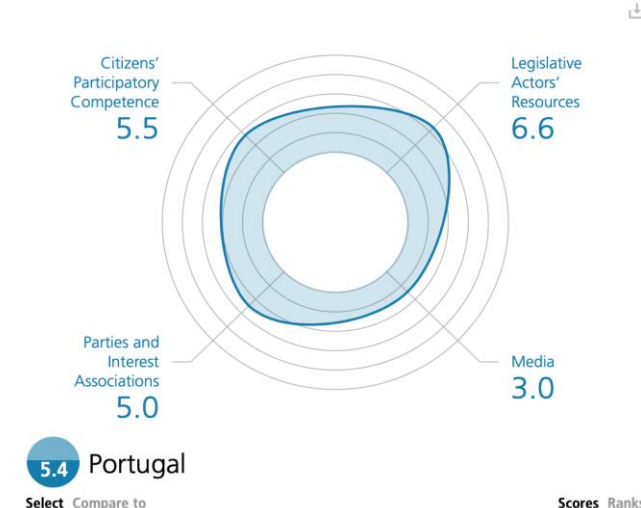
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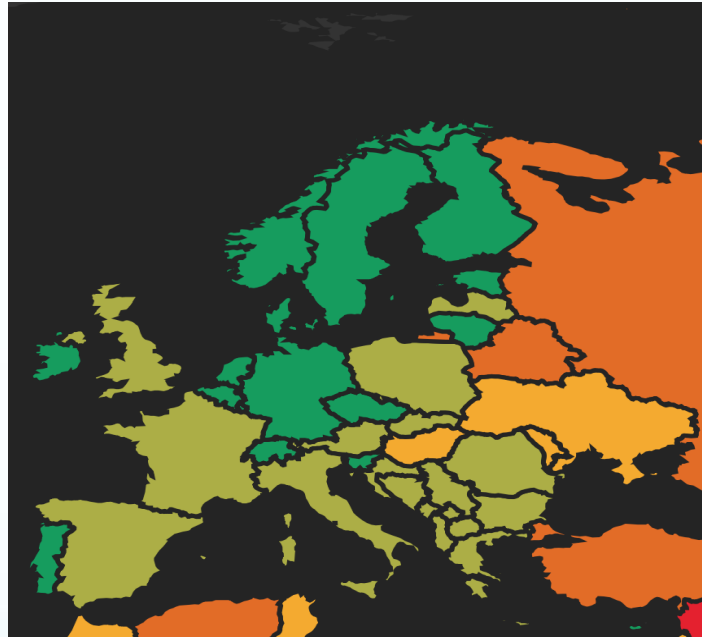


Are non-governmental actors involved in policy-making?



...and compare (Source: Civicus Monitor)

- *Annual State of Civil Society Report analyses how contemporary events and trends are impacting on civil society, and how civil society is responding to the major issues and challenges of the day*
- *CIVICUS Monitor provides overview and rating of civic space at the national and regional level*



- Closed
- Repressed
- Obstructed
- Narrowed
- Open

Comparative Research – some highlights

- European Public Administration Country Knowledge (EUPACK)
<https://www.hertie-school.org/en/eupack/>
- Coordinating for Cohesion in the Public Sector of the Future (COCOPS) <http://www.cocops.eu/>
- Processes which influence democratic ownership and participation (PIDOP) in nine European countries– Belgium, Czech Republic, England, Germany, Italy, Northern Ireland, Portugal, Sweden and Turkey <http://www.pidop.surrey.ac.uk>
- EU Member States consultations with civil society on European policy matters
https://cadmus.eui.eu/bitstream/handle/1814/19357/eudo_report_2011_04.pdf?sequence=1

Open issues and conclusion

- Interest groups part of the OCS are diverse in form, aim, resources and tactics and this very much depends on the Public Policy Styles and Models that are part of the EU
- Open critical questions (answered differently by different models)
 - To what extent can the organised civil society provide the bases for legitimising public policy?
 - Do organisations really engage in public policy or are they mostly having consultative function?

Reporting back from the sessions

Chair:

Katia BERTI, Deputy Head of Unit EMPL.A1

Rapporteurs:

Valentina GUERRA, European Social Network

Haydn HAMMERSLEY, European Disability Forum &

Guillaume JAQUINOT, Inclusion Europe &

Sian JONES, European Anti-Poverty Network

Heather ROY, Eurodiaconia

Conclusions and way forward

Jeroen JUTTE, Head of Unit EMPL.A1