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Crisis may boost 'Social Europe', not treaty

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Amid growing unemployment and increasing inequality in Europe, the new social provisions in the Lisbon Treaty will not immediately correct social imbalances, according to experts. But the crisis might trigger the right kind of social innovation and reform the market economy, they say.

Background:

The Lisbon Treaty, which amends the current EU and EC treaties without replacing them, is designed to provide the European Union with the legal framework to respond to citizens' needs.

Although the treaty does not give the EU any fundamentally new competences in the social field, it does consolidate existing ones and opens up a few opportunities if they are properly seized:

- The treaty makes specific references to the respect of human dignity, human rights and equality;
- A power of 'consent' for the European Parliament when adopting non-discrimination legislation. This means that the Parliament may use its power of veto in order to improve a legislative proposal;
- An horizontal clause on non-discrimination (Art. 19, replacing Art. 13 of the previous treaty) states that the EU should combat discrimination in the definition and implementation of all its policies and activities;
- A social clause of general application requiring the Union, when it defines and implements its policies, to take account of employment, social protection and the fight against social exclusion;
- The Lisbon Treaty introduces the Charter of Fundamental Rights into European primary law, providing for new solidarity mechanisms and ensuring better protection of European citizens. The provisions of the charter will be legally binding;
- Greater involvement of national parliaments in EU decision-making: any national parliament may, within eight weeks of being sent a legislative proposal, issue a reasoned opinion stating why it considers that the proposal is not relevant;
- 'Citizens' Initiative': the treaty also incorporates an innovation adopted at an inter-governmental conference in 2004: the citizens' right of initiative, whereby one million people may call on the European Commission to present a legislative proposal in areas falling within the Union's competence.

"Despite small improvements in the social field, the treaty will not change much, unless the new social provisions are interpreted in a dynamic way," said Philippe Pochet, director-general of the European Trade Union Institute (ETUI).

Benefiting from the Charter of Fundamental Rights

The Lisbon Treaty does not give the European Union any fundamentally new competences in the social field, but it arguably consolidates existing ones.

Experts underline, however, that even the Charter of Fundamental Rights, which now has the same legal status as the EU Treaties, will not automatically boost social justice. "It will depend very much on how the Court of Justice will interpret the text," said Pochet.

"The fact that the treaty recognises the Charter could make a big difference," echoed Vladimir Špidla, the EU's commissioner for employment, social affairs and equal opportunities. "It could give social rights greater importance in

the case-law of the European Court of Justice and in the activities of the Union in general," he added.

Yet, despite the opportunity to develop 'Social Europe' presented by the treaty, involving political actors will be decisive, notes Pochet. Citizens taking legal action to enforce their rights will not be enough, he said.

June's EU elections increased the power of Europe's centre-right political parties and that may hamper the development of a genuine social movement across Europe, the ETUI director said.

Towards a more social single market

The economic crisis, however, might provide the right impulse to trigger further development of Europe's social dimension.

In October, European Commission President José Manuel Barroso entrusted former EU Commissioner Mario Monti with the preparation of a report on solutions and recommendations for relaunching the single market.

"This may require a fresh look at how the market and the social dimension of an integrated European economy can be mutually strengthened," said Monti upon accepting the task.

According to the Italian, the key test for market economies, perhaps even for democracies, will be whether they master growing inequalities triggered by ungoverned globalisation and aggravated by the crisis.

Monti's vision goes in two directions: getting the best out of competing economic models - Anglo-Saxon vs. the social market economy - and boosting market integration by moderating tax competition, primarily via more fiscal coordination.

At the core of the European single market is its social model, according to experts. That model is first and foremost about values, including the fundamental ones of equality, solidarity and redistribution of wealth, as well as universal, free or cheap access to education, health care and a variety of other public services.

"If the EU is to have the support of its citizens, it must address the social deficit, and people living in the EU must be convinced that the EU, as a priority, is actively and visibly addressing their social needs," notes Fintan Farrell of the European Anti-Poverty Network.

An expert from the European Commission's Bureau of European Policy Advisers (BEPA), who preferred not to be named, believes only an equitable system of wealth redistribution will quell resentment against the EU and its single market.

A redistribution mechanism should pour resources into training for young people and education for children, according to the BEPA analyst, who noted that the Union should also invest in women as a means of investing in families.

"That would redraft inter-generational equality, while ensuring a balance in EU budgets," the source said, adding that because there is no EU taxation instrument, an innovative new redistribution system would need to be found.

Social clause: Avoid window dressing

A social clause in the Lisbon Treaty also requires the Union, when it defines and implements its policies, to take account of employment, social protection and the fight against social exclusion. The commitment of policymakers will be key to applying this clause, said the BEPA analyst. Since 1996, the EU has actively worked to mainstream gender equality, for example, but even though the structure is there, policymakers have failed to make it a priority, the expert added.

According to experts, too many inter-service meetings in the European Commission are attended by interns and the process does not fully deliver on mainstreaming policies. The highest levels of the Commission should make sure that the system works better, sources told EurActiv.

Commissioner Špidla's words could be emblematic of any future EU vision. "The treaty," he said, "shows that the Union is ready to transcend those contradictions between 'social' and 'economic' people criticise so often".

Links

NGOs and Think-Tanks

- European Anti-Poverty Network (EAPN): The Lisbon Treaty's Social Side
- Institute of International and European Affairs: Making Sense of European Social Policy: Ireland and the Lisbon Treaty

European Union

- European Union: Questions and Answers on the Lisbon Treaty
- European Commission: Social Aspects of the Lisbon Treaty by Vladimír Spidla

Press articles

- EurActiv Czech Republic: Krize by mohla pomoci „sociální Evropě“ spíš než Lisabon, říká levice
- EurActiv Slovakia: Sociálnu Európu rozhybe kríza, nie Lisabonská zmluva