

A synopsis of ideas discussed in this Working Group on the European Social Model
Chaired by Stefan Wallner

Speakers:

Dr. Carlo Knöpfel, Caritas Switzerland

Dr. Helmut Renöckl University of Linz, Austria

The European Social Model is a strange animal. Nobody knows what it looks like. Can we identify the substance, can we contribute to the debates around the European Social Model as Caritas and can we put the debate in the context of Catholic Social Teaching?

Dr. Carlo Knoepfel started his intervention by asking the central question of: Why talk about it on a European level? Why not deal with it on only a national level? He identified three trends that are important to take into account whilst discussing the European social model:

- 1 Economic globalisation, companies can choose where they want to invest. They compare which countries suit them best and in this comparison, social welfare plays a big role. This urges us to look at what we have in common, in order not to be played off, one against the other
- 2 The fact that we now have an internal market plays a big role. Social regulation should change accordingly. European rules should play a role in social and environmental policy.
- 3 Not just the EU, but all of Europe is affected, accession states or not.

Furthermore, Carlo discussed the differences between the regions of Asia, the USA and Europe. In Asia and the USA, competitiveness was highest on the agenda and social security was less important with the difference that in Asia freedom is often subordinate because of authoritarian regimes. In the USA, freedom means that any individual can make it, regardless of their social background. Welfare is minimal, it is up to the individual to create it for themselves. In Europe, social security is highest on the agenda, but competitiveness is in trouble.

In Europe, we have 40 different social welfare states, each with their own particularity, there are similarities and overlaps, but no system is the same. Creating a common system would be impossible. If we look at Europe from above, we can identify some common ground in the:

- 1 Lisbon Strategy
- 2 The EU Constitution proposal
- 3 The EU strategy for Social Inclusion

The Lisbon strategy aims to make Europe the most competitive society whereas social inclusion, social cohesion and sustainable environmental objectives remain part and parcel of these efforts. The preamble in the EU constitution contains important elements referring to human dignity and the rule of law. Justice and solidarity and the equality between men and women are prescribed in the EU constitution, but it is down to the individual member states to implement these principles. Clear is that they are essential elements of a European Social Model. The Strategy for Social Inclusion aims at social mainstreaming; political decision makers must give reasons for decisions that have an impact on the eradication of poverty and social exclusion.

An active social policy is needed to support the market, we believe in Europe. Our society should be participatory and democratic, which is a tall order. There should be co-decision. Voting rights are, however, not always granted to migrants, such as is the case in Switzerland.

In Europe we believe that social policy is not just a cost, but that it is an investment in society. Education is an example. Social policy should give protection and equality of opportunity. The PISA results have shown that people from poor social backgrounds, perform less well in schools. In Switzerland the education system does not compensation for this setback. A fair distribution of wealth and income is necessary. Existing systems need to give new elements. We need to be aware that we have gone from an industrial society to a service society. We need flexible employment contracts, obtaining a job and keeping a job has become more difficult. The social model should take account of changes. There is a breakdown of society into what they call in Switzerland an EGO society. Changes in family structures have taken place. Women often face a double burden, because men have not changed with the times; women end up working and looking after the household.

We need migration, if we look at the demographic future of Europe. However, Europe tends to close its borders rather than open them. People are getting older and living longer.

In conclusion, Carlo asked how the European states can adapt to changes. He stated that a renewal of the welfare state should take place, rather than a reform. The debate should concentrate on economic performance and social cohesion. Employment should be more flexible but more reliable. Europe should adjust to new realities in terms of social protection. Social justice should be found in tax systems, right now there are too many loopholes.

Among the reactions from the working groups, the following remarks have been recorded:

- There should be a continued debate on the European Social Model, sharing and comparing on a European Level works.
- The questions to reflect on in this debate are: what elements are missing in the European Social Model. Who are the driving forces and who do we need to work with?
- Another important question is: how can we balance flexible employment arrangements and pay for Social Security? What is advocacy towards the EU concerning migration flows and minimum revenue? If there is no competence at EU level, how do we lobby on national levels?
- Social Cohesion is at the core of our work in Caritas Europa. The European Social Model is a rights-based model. In the same vein, Caritas Europa is finalising a List of Principles for Social Policy which offers a coherent approach for all Caritas Members.

In his intervention, **Dr. Helmut Renöckl** stated that we should defend the Social Model and attempt to renew it, especially when it is threatened by financial unsustainability. We will need to think about flexible solutions and strengthen the role of education. There is a clear link between Catholic Social Teaching and the European Social Model, Church organisations should point out this link and advocate from the CST vantage point. It should strive to influence those in power and not come too late as was the case with Rerum Novarum during the Industrial Revolution and the Catholic Social Teaching in the 20th century. The optimism

that was brought along by the European Unification Process launched after the war by Christian thinkers (Shuman, Adenauer, de Gasperi) should not be bogged down in narrow-minded quarrelling. Christian faith is a source of inspiration and an orientation for one's personal life and the shaping of society. The presence and creative power of Christians in society should be examined.

Defining social welfare as provision is too one-sided and can create passivity and dependence among the receivers and excessive power among the "helpers".

The participants present defined some common challenges that will need to be faced by the network:

- The economy is changing because of global markets
- The nature of jobs is changing, no life-long jobs and security anymore
- Family structures have changed, less children, less solidarity, working mothers, more family break-ups
- More geographic mobility
- Demographic changes: More and longer living elderly, but also more chronic diseases

Amongst the concluding remarks offered by the participants in this group, the following have been recorded:

- Caritas should find convergence in social systems and advocate for keeping the social model alive. Through trial and error we should look at practices in different countries.
- The EU has no competence in directing the social model, but does play an important role in exchanging good practice and making good solutions visible from one member state to the next. However, good systems might work in one country and fail in another one. Finland has a good social system, but it cannot be copied anywhere else. Essential is to establish social and civil dialogue everywhere in Europe.
- Although not all 48 MO's are in the EU, the EU legislation in the social field can be felt everywhere.

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by Jacqueline Tordoir, Caritas Europa