

How can the European social dimension be reinforced ?

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Prevailing policy paradigms

- Employment-centred national welfare reforms
- European economic convergence & social trickle down

The outcomes

Inequality of work and income in the EU	Before the crisis	In the crisis
Within MS	-increase in some -standstill in many -decline in some	-standstill in some -increase in many
Between MS	decline	increase

- Between 2007 and 2012 : 2 million new jobs in Germany compared with the loss of 2.7 million jobs in the Union as a whole
- Greek minimum wage : 450 euro (UE benefit = 60% if eligible)
- Unemployment rate, 15-24 y, first and second stage tertiary education
 - Greece : 43,9 % (Spain : 30%, It 23 %)
 - more than 10% elsewhere (Germany : 6,6 %)
- Minimum incomes almost everywhere below the poverty line

We are led inevitably

- back to a debate of social redistribution (income *and* work) at the national level
- to the development of solidarity mechanisms at the EU-level *per se* (not only to enhance the budgettary efforts of MS)

Let the train go faster

- Social OMC usefull *only if* a) EU2020 targets are taken seriously when reducing deficits and b) the link between policies and outcomes is made explicit
- Reorientation of ESF and European Fund for Aid to the Most Deprived usefull *only if* poor countries are assisted to increase their innovative capacities
- Europe should urgently do more to combat youth unemployment