

Citizen centred

The recession provides an opportunity for Europe to refocus its priorities, says **Pervenche Berès**

The European Union is seeking a route towards sustainable growth, what it seems to have done, however, is borrowed the one leading to sustainable unemployment. With a further two million unemployed in a single year, its balance sheet shows that in 'flexicurity', flexibility has prevailed over security. A social Europe, envisaged in the past as a new horizon, is now, all too often, something resembling a mirage, invoked by some as purely a force of habit. Financial

market appeasement is considered in some quarters to be more important than battling unemployment, even though social protest continues to grumble on behind the economic troubles. If Europe is no longer able to convince the citizens it protects, it risks exposing itself to a fresh rise of nationalism and xenophobia and, worse still, it could become the target of bitterness. Paradoxically, in calling for reflection upon the European social model, the recession constitutes an opportunity to rethink the strategies for fighting poverty and unemployment.

In the short term, priority should be given to the instruments in the service of workers, such as the European fund for adjustment to globalization (FEM). Given the raft of social plans, this FEM aid, added to legal measures, should be made to last. The FEM should also become an instrument whereby workers could take over their company. Similarly, the European social fund should be consolidated with a 25 per cent spread within the structural funds so as to contribute to the achievement of the EU 2020 strategy for employment. Moreover, we should not forget the redundant workers who do not receive any unemployment benefits, temporary workers and those employed in the informal sector as well as the long-term unemployed. There would seem to be a need for relaxing the conditions for entitlement to unemployment benefits and widening the scope of social welfare. In this regard, the employment package requires a mention. This is actually the first time that the European commission has acknowledged that minimum wage levels make it possible to combat poverty among workers, ensure decent jobs and, above all, stimulate demand.

Lastly, the resources allocated to public services should be preserved. The sacrifice of such resources is tempting for governments under the pressure of budgetary stringency. Such an approach would negate the importance of certain obstacles to accessing employment, such as lack of training, public transport and child care. Although all these measures should be put in place as soon as possible, they should, nonetheless, be accompanied by a more wide-ranging thought process in order to be able to meet the challenge of employment during the decades to come.

We need to acknowledge that the argument in favour of growth will no longer suffice. The years of transforming the economy into a financial sector bear witness to that effect. Unbridled access to capital has favoured the emergence of speculative ventures to the detriment of employment. This is why Europe will have to keep an eye on the content of investments. Furthermore, given the exhaustion of resources and ever fiercer



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worldwide competition, Europe should promote an industrial policy centred on the climate-energy package. As early as 2005, the green paper on energy efficiency showed that each million invested in this area creates 12 jobs, three times more than would be the case with investment in a coal-fired power station. Apart from the energy sector, it is the ecological make-over of the entire economy which must generate sustainable jobs.

Success in achieving this transition would, however, presuppose the re-establishment of equality between countries. Analysis of macroeconomic imbalances does, indeed, show a reverse seismology in which the social shock wave grows the further one moves away from the epicentre which is the Rhine basin, where the work of the European instrument in question is concentrated and where most of the added value is acquired, while peripheral areas report record levels of unemployment. Nothing further will be done without more in-depth examination of European democracy and gover-

nance. While the European parliament will not be found wanting in this task, its efforts would be much enhanced by more of the burden of the work involved being shared by national parliaments. Lastly, a return to full employment would require the involvement of European social partners, just as corporate restructuring necessitated a response at European level. The building of a Europe of employment would remain a useless project if intra-European fiscal and industrial relocations were not discouraged.

In conclusion, Europe will overcome unemployment by redefining its vision of progress. What Europe needs to do is to defend its tradition of social excellence, embark resolutely upon the route to ecological transition and build a finer democracy. It is on the creation of decent, sustainable jobs, by re-introducing solidarity into the heart of its undertakings that the role and, indeed, the health of Europe depend. ★

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