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Commentary

Social Europe: moving forward but with small and cautious steps

By Fabian Zuleeg

On 2 July, the European Commission published its 'Social Package' - a range of proposals, communications and working documents collectively aimed at bringing the EU closer to its citizens by helping them to access services across borders and protecting those negatively affected by change, exclusion and discrimination.

The package's underlying objectives chime strongly with the French EU Presidency's emphasis on showing that Europe can do more to address its citizens' concerns. It might also be welcomed by those who have voiced a broader wish for a more 'Social Europe' to help overcome the 'disconnect' between the Union and its citizens, which might avoid crises such as those caused by the 'No' votes to the Constitutional and Lisbon Treaties.

While defining 'Social Europe' is beyond the scope of this commentary, it is possible to assess whether this package really is a significant step forward.

The main substantive proposals - on cross-border healthcare, discrimination and worker representation in companies operating across borders (European Works Councils) - have all been in the pipeline for a while and have already generated substantial controversy and resistance. Rather than moving the social agenda onto new territory, these proposals aim to conclude long-running debates.

Most of the package's remaining elements are either quite specific - for example, on international maritime working standards and the mobility of young volunteers - or are communications and working papers aimed at providing information on issues such as public services (services of general interest), cooperation between schools, and the integration of Romas, plus a Green Paper on the education of migrants' children and a report on the operation of the Globalisation Adjustment Fund.

But despite the package's limited scope and novelty, it has generated a wide variety of responses. Some have questioned whether it does enough to promote workers' rights, equality and European jobs. Others have raised concerns about the potential costs to business of some of the proposals. While some have complained that the proposals do not go far enough, others think the EU should not be active in this policy area at all.

The Commission cannot win: by proposing a more limited package, it might have avoided some accusations of exceeding its competences but, inevitably, further down the line, it risks being criticised on the grounds that the package has done too little to help those EU citizens who most need support.

The most controversial proposal, which aims to give individuals greater access to healthcare across borders, became necessary due to a number of European Court of Justice rulings in this area. The proposed Directive would enshrine this right, but with an important caveat: Member States would be able to require prior authorisation for many treatments if they fear a negative impact on their national healthcare systems. Also, the Directive does not touch the thorny issue of cross-border competition between healthcare providers.

It remains to be seen what will happen to the proposal during the legislative process. Some countries have already expressed strong reservations about potential 'health tourism' and

might seek to further strengthen the restrictions on cross-border access. The European Parliament's reaction is also hard to predict, as it is extremely unlikely that the Directive will complete the legislative process before the end of this Parliament's term.

Despite the variety of reactions to different elements of the package, there was one point most commentators agreed on: its ambitions and content are rather limited. Instead of a decisive step forward, it is little more than a useful and necessary housekeeping exercise, aiming to complete ongoing work, clarify the Commission's intentions in other areas and set out some of its broader thinking on social policy.

But the Commission is not to blame for this. Most Member States do not want the EU involved in key areas of social policy, especially health and education. Predictably, even the more limited elements of the package relating to education were criticised by some as exceeding EU competences.

So is there no scope for a more ambitious social agenda?

There is. The Flexicurity debate has shown that progress is possible even in very controversial areas. Labour market policy is at the heart of European social provision and yet here, real progress has been made. So maybe it is now time to move beyond a narrow focus on competences and start a much broader debate on what should be on the European social agenda in future.

There are a number of common challenges to Europe's social systems: ageing is not only going to impact on the sustainability of health and pensions systems, but will also change labour markets fundamentally; the integration of migrants is becoming a pressing issue across Europe; increasing globalisation can threaten low-skilled jobs, especially in labour markets which do not generate new employment opportunities; income inequalities are increasing in many places, driven in part by high food and energy prices; a new approach to education is needed not only to ensure future competitiveness but also to increase employment opportunities for all – the list could be continued *ad infinitum*.

To be able to decide what social policy citizens want and need at European level, we need an open debate involving stakeholders and citizens much more closely. As a starting point, 'Social Europe' should be a central focus of the 2009 Euro-election campaign and a key task for the next Commission. But the debate also needs to take place in Member States to avoid a populist backlash against 'Brussels meddling'.

This debate needs to address some difficult issues: what is 'Social Europe'? Are there common values which Europeans share? To what extent does Europe need to 'protect' its citizens against globalisation? Can 'Social Europe' be an opportunity for the future and a source of competitive advantage?

All this boils down to one central question: what must we do at the European level to ensure that current and future generations can continue to enjoy the high quality of life currently provided for by Europe's social systems? This is a debate which is overdue. The social package is a step along the way, but we now need a more ambitious debate about what 'Social Europe' should look like in future.

Fabian Zuleeg is a Senior Policy Analyst at the European Policy Centre. The issues raised in this paper are discussed and analysed in the EPC's Economic Policy Forum.
