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PAPER ON

“The Active Inclusion discourse in times of economic recession”

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The Panelist

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- He was the senior policy expert for “*The Green Paper on the National Social Inclusion Strategy*” (Greek Ministry of Labour, Social Insurance and Welfare, 2013-2014)

INTRODUCTION

This Paper addresses the development of the *Active Inclusion discourse* in times of economic recession and its contribution to the integration of persons at high risk of poverty and social exclusion. The active inclusion model is chosen as a fundamental mechanism for strengthening the effective-ness and efficiency of national social policies against poverty and social exclusion.

The Paper is based on the main findings of my recent monograph *The commitment to active inclusion of vulnerable groups – Key Lessons from Social Europe* (Papazisis, Athens, May 2014 - in Greek) with a foreword from **Laszlo Andor**, *EU Commissioner for Employment, Social Affairs and Inclusion*

The rise of a controversial debate

The European Commission has placed the fight against poverty at the heart of its economic, employment and social agenda – **the Europe 2020 Strategy**. Heads of State and Governments have agreed in 2010 for the very first time a major breakthrough: a common target that the European Union should **lift at least 20 million people out of poverty and social exclusion*** in the next decade. However, the **social impact of the crisis** has been extremely severe so far.

*This headline target has been defined by the European Council on the basis of three indicators: the at-risk-of-poverty rate (after social transfers), the index of material deprivation and the percentage of people living in households with very low work intensity

The new face of poverty

The economic crisis has led to new risks as it now affects strongly and the middle classes, which had been traditionally - by payment of social security fees and income taxes – provided funding for national social protection policies (social insurance and welfare), while their purchasing power used to ensure high levels of private consumption of products and services. Long-term and youth unemployment marginalize big sections of the labour force, while financial exclusion (lack of access to basic banking services) and high loans (overindebtedness) stand in the way of employment and sound entrepreneurship. Lack of decent housing and strong discriminations to accessing basic goods and services lead to extreme deprivation, while energy poverty creates risks to meet subsistence needs.

The social profile of Europe (EU Member States) during 2014

- 120 million EU citizens (nearly a quarter of the EU population) were at risk of poverty and social exclusion;
- 43 million people were unable to meet their basic needs;
- 32 million lived in jobless households;
- 26 million were unemployed;
- 25 million children were at risk of poverty;
- 4 million were homeless.

The Active Inclusion Discourse at the national level

France

2008 – Green Paper «*Livre Vert vers un revenue minimum de solidarite active*» (SARKOZY administration) concerning the reform of the MIS Programme (2008 Law on RSA)

UK

2010 – Green Paper “**21st Century Welfare**” (CAMERON administration) concerning the reform of welfare benefits

Ireland

2012 – **Consultation Paper on the Review on the National Poverty Target** concerning the reform of the National Anti-Poverty Programme

The Active Inclusion Discourse at the EU level

This Discourse is interpreted by the European Commission as part of the E.U. social policy agenda according to two models:

- the doctrinal / sociological argument for the analysis of new risks and needs that go beyond the measurement of relative poverty and economic inequalities
- the political model to address poverty consequences during the economic crisis and to introduce targeting of social benefits for broader policy aims

The definitions of social exclusion and social inclusion are different according to national priorities. Consensus may be achieved with regard to two fundamental exclusion characteristics: inability to enjoy social rights and persistence of non- income related social needs (material deprivation)

The scope of the Discourse

Official EU documentation adopts a comprehensive policy approach which combines activation and social inclusion policy, termed active inclusion. This vocabulary was put forward as the best measure that can tackle poverty while potentially 'paying for itself' in the medium term.

The concept of "active inclusion" is based on three main pillars, namely: (i) a **link to the labour market** through job opportunities or vocational training; (ii) **income support** at a level that is sufficient for people to have a dignified life; and (iii) **better access to services** that may help some individuals and their families in entering mainstream society, supporting their re-insertion into employment (through, for instance, counselling, healthcare, child-care, lifelong learning, ICT training, psychological and social rehabilitation and more broadly, adequate public transport and social housing facilities)

The legal foundations of the Discourse (1)

E.U. competences in the social inclusion field are supplementary to national actions. They were first applied through soft law instruments. Now, they are based on specific guidelines (art. 153 – ex. Art. 137 TEC) of the 2008 Lisbon Treaty and could be promoted by the incorporation of the right against poverty and social exclusion in the E.U. Charter of Fundamental Rights (art.34 par.3), that reads as follows:

“In order to combat social exclusion and poverty, the Union recognises and respects the right to social and housing assistance so as to ensure a decent existence for all those who lack sufficient resources, in accordance with the rules laid down by Community law and national laws and practices”.

The legal foundations of the Discourse (2)

EU bodies highlight that Member States have sole responsibility for determining rates of income support and for establishing the appropriate mix between social assistance, social services provision and labour market policies in the light of the situation and needs at local, regional and national level and taking the various types of disadvantage into consideration.

However, in order to support and complement the activities of the Member States to integrate persons excluded from the labour market, EU bodies launched a set of legal initiatives to support the design and implementation of active inclusion strategies, combining adequate income support, inclusive labour markets and access to quality services in an integrated approach.

The legal foundations of the Discourse (3)

Recommendations

- Council Recommendation 92/441/EEC *on common criteria concerning sufficient resources and social assistance in social protection schemes* (OJ L 245, 26.8.1992)
- Commission Recommendation 2008/5737 *on the active inclusion of people excluded from the labour market* (OJ L 307, 18.11.2008)
- Council Recommendation of 28.6.2011 *on policies to reduce early school leaving*, EE 2011/C 191/01
- Council Recommendation of 20.2.2013, *Investing in Children, - Breaking the cycle of disadvantage*, C(2013) 778
- Council Recommendation of 9.12.2013 *on effective Roma integration measures in the member states*

Council Recommendation 92/441/EEC

Member States should recognize the basic right of a person to sufficient resources and social assistance to live in a manner compatible with human dignity as part of a comprehensive and consistent drive to combat social exclusion, and to adapt their social protection systems, as necessary, according to the following general principles:

- it is to be a right based on respect for human dignity;
- the scope of that right is to be defined vis-à-vis individuals, having regard to legal residence and nationality, in accordance with the relevant provisions on residence, with the aim of progressively covering all exclusion situations in that connection as broadly as possible, in accordance with detailed arrangements laid down by the Member States.

Commission Recommendation 2008/5737

Member States should design and implement an integrated comprehensive strategy for the **active inclusion of people excluded from the labour market** combining adequate income support, inclusive labour markets and access to quality services. Active inclusion policies should facilitate the integration into sustainable, quality employment of those who can work and provide resources which are sufficient to live in dignity, together with support for social participation, for those who cannot.

Council Recommendation of 28 June 2011

Member States should:

1. Identify the main factors leading to early school leaving and monitor the characteristics of the phenomenon at national, regional and local level as the foundation for targeted and effective evidence-based policies.
2. Ensure that comprehensive strategies on early school leaving are in place by the end of 2012, and that they are implemented in line with national priorities and the Europe 2020 objectives. Comprehensive strategies are taken to include prevention measures, intervention measures and compensation measures, the latter being aimed at re-engaging people who have dropped out of education.
3. Ensure that those strategies include appropriate measures for groups at increased risk of early school leaving in the Member State, such as children with a socio-economically disadvantaged, migrant or Roma background, or with special educational needs.

Council Recommendation on *Investing in Children*

Member States should:

- Tackle child poverty and social exclusion through integrated strategies that go beyond ensuring children's material security and promote equal opportunities so that all children can realise their full potential;
- Address child poverty and social exclusion from a children's rights approach, in particular by referring to the relevant provisions of the Treaty on the European Union, the Charter of Fundamental Rights of the European Union and the UN Convention on the Rights of the Child, making sure that these rights are respected, protected and fulfilled;
- Always take the child's best interests as a primary consideration and recognise children as independent rights-holders, whilst fully acknowledging the importance of supporting families as primary carers.

Council Recommendation of 9.12.2013

Member States should:

1. Take effective policy measures to ensure Roma equal treatment and the respect of their fundamental rights, including equal access to education, employment, healthcare and housing. This goal could be achieved either by means of mainstream measures or by means of targeted measures, including specific measures to prevent or compensate for disadvantages, or by a combination of both, paying special attention to the gender dimension.

2. Adopt measures that may be based on socio-economic indicators, such as high long-term unemployment, level of educational attainment and health parameters, or may focus on geographical areas that are marginalised and/or segregated.

The legal foundations of the Discourse (4)

Commission Communications 1990 - 2009

- *“Towards a Europe of Solidarity - Intensifying the fight against social exclusion, Fostering integration”*, COM(92)542, 23.12.1992
- *“Modernising and Improving Social Protection in the European Union”*, COM(97)102, 30.10.1997
- *“A concerted strategy for modernizing social protection”*, COM(99)347, 1999
- *“Building an Inclusive Europe”*, A Communication from the Commission, COM(2000)79, 1.3.2000
- *“A consultation at EU level to promote the active inclusion of the people furthest from the labour market”*, COM (2006)44/ 8.2.2006
- *“Modernising Social Protection for greater social justice and economic cohesion: Taking forward the active inclusion of people furthest from the labour market”*, COM (2007)620/ 17.10.2007
- *“Opportunities, access and solidarity: Towards a new social vision for 21st century Europe”*, COM (2007)726/ 20.11.2007

The legal foundations of the Discourse (5)

Commission Communications 2010 – 2014

“The European Platform Against Poverty and Social Exclusion - A European Framework for Social and Territorial Cohesion”, COM(2010) 758

“An EU Framework for National Roma Integration Strategies”, COM(2011) 173/5.4.2011

“European Agenda for the Integration of Third-Country Nationals”, COM(2011) 455/20.7.2011

“National Roma integration strategies: A first step in the implementation of the EU Framework”, COM (2012)133/26.5.2012

“Towards Social Investment for Growth and Cohesion - including implementing the European Social Fund 2014-2020”, COM (2013)83/20.2.2013

“Steps forward in implementing National Roma integration strategies”, COM (2013)454/26.6.2013

Conclusions

- The *Active Inclusion discourse* is a new policy concept in the broader doctrine about poverty and exclusion
- It combines elements of traditional and innovative approaches to combat poverty and social exclusion
- It promotes fundamental values and principles, as social solidarity, activation, social innovation, collective responsibility and welfare pluralism
- It may lead to the re-orientation of the scope of welfare policies, if public action is targeted (using sustainability and responsibility arguments) to active labour market categories (unemployed and working poor) excluding non active target groups at high risk of poverty (children, disabled, elderly, homeless, asylum seekers)

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