

'The Fight Against Youth Unemployment'

SPEECH

by

Mr Luca JAHIER

President of Group III 'Various Interests'

of the

European Economic and Social Committee

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Distinguished Members of the Hellenic Parliament

Dear ladies and gentlemen

It is with enormous personal pleasure and deep emotion that I am here with you today *stin Vouli ton Ellinon*, in the country which is the cradle of European democracy. Here in Greece, 'History' is inescapable, we are imbued with its memory, we are graced by its wisdom and we are humbled by its responsibility. And it is a *shared* European history and responsibility, for did not the former French President Valéry Giscard d'Estaing say in 1979 that "*Europe without Greece is simply not Europe*"? Unfortunately today, we share the very challenging problem of European-wide unemployment, notably among our youth. And although I do not yet consider our youth to be a 'lost' generation, we are nonetheless in the process of losing it. For according to the latest figures of Eurostat, the EU's statistical service, in the 28 EU Member States there are some 26.9 million unemployed persons of which the young constitute almost one quarter. Compared to the previous month, there has been an increase of 978,000 unemployed persons and in the last year there have been increases in unemployment levels in 16 countries! Unfortunately, the highest rates of unemployment are to be found in Greece (27.6%) and Spain (26.6%). Moreover, the European Commission expects the current levels to remain the same in the EU Member States for the next two years.

In the case of Greece, without doubt the crisis and austerity have had a *devastating* impact socially, economically and even politically. When parents have to suffer the pain of almost 2 out of every 3 young people without a job; when almost one third of the total working population is unemployed and socially excluded; when it is predicted that by the end of this year there will be 3.9 million Greeks living in poverty out of a total population of 11 million, then we are facing an explosive situation. Indeed, throughout Europe, the crisis has worsened environmental degradation, energy poverty and demographic challenges. It has placed a *severe* strain on the economic and social fabric of several countries and as we all know, we are increasingly witnessing political extremism, demagoguery and prejudice. Most worryingly, among citizens who will vote in the European elections next May, there is anger, or at best apathy and ignorance regarding the EU. According to a recent Eurobarometer study, only 31% of European citizens 'trust' the EU, whilst 60% simply do not.

So how should we move forward, how do we combat unemployment, how do we build a sustainable Europe of citizens for tomorrow? And what role can civil society play in this process? The first point that I would like to make is that in the next few months we need to fast track legislation and measures which will stimulate growth, employment creation, inclusiveness, competitiveness, the real economy, SMEs and access to credit for businesses and individuals. As stated by the President of the European Commission, Mr Barroso, during his recent State of the Union speech "*The current levels of EU unemployment are economically unsustainable, politically untenable and socially unacceptable*". A first step to remedying the situation would be to increase the scope and available funds for the

European Youth Guarantee Scheme. Clearly, the amounts available are completely insufficient to deal with the problem. In addition, the scheme should be extended to young people aged 30 and to regions where youth unemployment is less than the current requirement of 25%. However, we also need to invest in social capital and social innovation, by directly involving a multitude of civil society actors in Europe's recovery, including SMEs, the liberal professions, the green economy, the Social Economy, etc.

As President of the Various Interests Group of the EESC, I would particularly like to insist on the added value and potential of the Social Economy Sector, whether it be cooperatives, social enterprises, associations, the non-profit sector or mutuals. For the social economy currently employs 14.5 million Europeans, which is the equivalent of 6.5% of the active population. Moreover, between 2003 and 2010, there was an *increase* in the number of jobs in the sector from 11 to 14.5 million, *despite* the crisis. Indeed, several studies indicate that social economy enterprises have survived the economic crisis much better than private sector companies. In the case of Greece, I am aware that the European Social Fund has earmarked 60 million euros specifically to help develop the social economy sector. From the experience of Italy, France, Belgium and other countries where the sector is very active, it has clearly been demonstrated that the social economy *can* create employment, it can spur entrepreneurship, provide alternative solutions notably to the young and at the local level. Perhaps through the exchange of experiences and networking with successful social economy enterprises in other European countries, perhaps by simplifying existing legislation to support the sector, the social economy could actively contribute to Greece's recovery.

Distinguished parliamentarians, before ending my presentation I would like to briefly touch upon the other, more obvious fields of action for spurring growth, employment and recovery both in Europe and Greece. The first step is of course to consolidate and stabilise the European economic and financial system. Hence, we urgently need to progress towards establishing the European banking union and introduce the Single Resolution Mechanism. Secondly, we must complete the Internal Market, implement the Europe 2020 Strategy and the Compact for Growth and Jobs. Priority should be placed on taking advantage of the single most important benefit of European integration, namely: the free movement of goods, services and people. And this implies investing in re-industrialising Europe, in innovation, research and development. It also means making mobility within Europe easier, for example by simplifying procedures for the provision of unemployment benefits for citizens seeking employment in another Member State.

Thirdly, we must take urgent steps to re-build trust in national and European leadership. Without results, there will be no trust and without trust, no progress. For this reason it is imperative that we return to the real life of our citizens, that we complement austerity with equity promoting measures. And I would like to take this opportunity to stress that the EU must develop a new European Social Action Programme which would set clear tangible targets, updating the targets of the Europe 2020 Strategy and exploring the right of European citizens to a minimum guaranteed income. We need more socially responsible investment, for example, through the establishment of European Social Bonds, to be sponsored by individual citizens, businesses, trade unions and wider civil society. And if we want to give unemployed persons a chance of re-training and inclusive participation in society,

then we should introduce a European Education Network for Unemployed Workers, which would offer unemployed persons the opportunity of a two-year educational programme and cross-border education vouchers.

Ladies and gentlemen, European citizens cannot take any more empty promises! For 'Europe' is not a 'project', it is a living reality, which impacts all of us in a myriad of ways. Next year under the Greek Presidency of the EU Council, the elections to the European Parliament will take place. Unless we want to witness the total disenfranchisement of the EU by European citizens at these elections, we need to act today! But to do so, we need the power of imagination and the strength of determination!

Dear friends, allow me close by recalling that 2013 is the 150th anniversary of the birth of the distinguished Greek poet Constantinos Cavafys, who in his famous poem 'Ithaki' calls on the reader to "Keep Ithaki always in your mind, arriving there is what you are destined for". So let Europe's sustainable recovery from this crisis be the 'Ithaki' for all of us!