Minutes of the EESC and Luxembourg ESC joint conference on

**Common social values and principles & social governance**

Luxembourg, 4.11.2015

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**Welcome address by Marco Wagener, vice-president of the ESC of Luxembourg**

**Mr Wagener** welcomed the participants. He described the current situation of the European Union as very challenging from the economic, financial and social perspectives. The economic and financial crisis, ageing of the European population, the refugee situation and the increase in social problems in some EU countries required economically and socially sustainable and inclusive responses. At the same time there was a growing need to improve the level of skills and qualifications of the workforce. For Mr Wagener, the sustainability of social systems in Europe depended on resolving these problems. He added that the Luxembourg presidency was working to strengthen the EU's socio-political commitment. The presidency wanted to prioritise the social dimension in the governance of the Union and especially of the Eurozone. The sustainability of the European social model had to be ensured, including minimum social protection for all, and improved efficiency and reliability of the social protection, social security and healthcare systems. In addition, greater convergence of social systems was necessary to increase equality of opportunities and freedom of movement within the EU.

Since the focus of the conference was on deepening the European social dimension, Mr Wagener proposed concentrating on three key questions: 1/ What was the purpose and role of social policy in Europe? 2/ What was the present situation of social security in the EU? 3/ What specific measures were needed to establish effective social security systems at European level? While the first question was actually a matter of human rights and of social cohesion across Europe, the second was more complex, since socio-economic challenges nowadays seemed immense compared with the means of addressing them. As far as the third question was concerned, fiscal consolidation and macroeconomic adjustments must be consistent with social objectives, the social consequences of political choices and their distributional impact across income groups, generations and time. Pensions, healthcare and long-term care were particularly important areas for policy priorities. Firstly, a preventive approach should be taken to reduce the economic burden on national healthcare systems. Then, the implementation of the EU's multiannual public health programme should protect citizens from risks to their health linked to free movement. Finally, Europe should have better indicators and analyses to assess progress in prevention measures and address the challenges of demand for and supply of healthcare and long-term care.

Mr Wagener concluded that the social partners should be key players in the development of underlying principles in social policy, social security and social protection, and that in order to ensure solidarity-based financing and legal protection the EU should establish coherent social policy principles and introduce social policy measures to complete the internal market.

**Welcome address by Pavel Trantina, president of the EESC's Section for Employment, Social Affairs and Citizenship**

As co-chair of the conference, **Mr Trantina** also welcomed the participants. He started by noting that the European social policy was based on human rights, the lessons from the two World Wars, the chapters of the Treaty on social policy, the Charter of Fundamental Rights of the EU, the European Social Charter, the principles of active inclusion, and the objectives of the smart, sustainable and inclusive Europe 2020 Strategy, especially with regard to employment growth and poverty reduction. However, the economic and financial crisis had made it more difficult for citizens to access their social rights and even their basic rights, like the right to live a dignified life. The austerity had shrunk budgets, benefits and social services. Social inequality was increasing and a quarter of the population was living, or at risk of living, in poverty and social exclusion. According to Eurostat, in 2014 this figure was 122 million people, or 24.4% of the population. The devastating effect of the crisis had made Member States give priority to economic policy above employment and social policies, when in reality the Member States that had better weathered the crisis were those that had invested more strongly in social governance. The crisis – which was responsible for the economic recession and increase in social problems – had undermined confidence in the Union. The EU institutions and the Member States had to work more on social, economic and territorial cohesion to create an upwards social convergence process that would restore people's confidence in the European Union.

For Mr Trantina, the most urgent need was to improve the lives of all citizens by tackling extreme poverty and investing in human capital. To do this and improve the legal certainty of welfare provision, policy-makers should be aware of the need to improve Europe's social governance. Social governance had to be part of the European Semester. This should begin with the inclusion of recommendations to achieve the "inclusive growth" objective of Europe 2020 in the Annual Growth Survey. The social dimension of the country-specific recommendations then had to be assessed and action should be taken if Member States failed to observe them.

Based on the EAPN's assessment of the 2015 National Reform Programmes (NRPs), Mr Trantina added that 88% of National Reform Programmes in the EU did not have poverty as a main priority. 76% of EAPN's national anti-poverty networks said that austerity was still the main reason for poverty and social exclusion, and 65% said that the NRPs focused on macroeconomic and financial management and not on the Europe 2020 goals and targets. Mr Trantina thus agreed with the EAPN that the European Semester should have an explicit social dimension and be linked to the National Reform Programmes (NRPs) to deliver on the Europe 2020 social targets. Moreover, there should be Country-Specific Recommendation (CSRs) on poverty reduction for all countries.

Mr Trantina pointed out that the EESC contribution to this joint conference was the EESC own-initiative opinion on *Principles for effective and reliable welfare provision systems*. That opinion confirmed the three strands of the Active Inclusion Recommendation from 2008 (1/ inclusive labour markets, 2/ an adequate minimum income and 3/ access to quality services), while adding the important principle of legal certainty of services and benefits. The second topic of the conference was the trend towards socialising the European Semester, a trend that needed to be even more accentuated.

A third related aspect was the strengthening of social and civil dialogue. The limited involvement of non-governmental stakeholders at both the EU and national levels remained an important flaw of the EU's socio-economic governance architecture when civil society organisations were in a unique position to connect European and national policy-makers with citizens.

**PANEL 1 – COMMON SOCIAL VALUES AND PRINCIPLES IN THE EUROPEAN UNION**

**Fran Bennett, co-author with Sandy Ruxton of the report *Common social values in the European Union: stocktaking, with a focus on social inclusion and social protection***

**Ms Bennett** started by saying that there seemed to be a high level consensus that the time was ripe for action: 1/ the recent Five Presidents’ document called for a "social triple-A"; 2/ in his State of the Union speech, Commission president Jean-Claude Juncker had mentioned the launch of a European pillar of social rights in the near future; 3/ in several speeches, Commissioner Thyssen had said that social issues should be at the heart of economic policy and that there was a need for increased policy coordination and upward social convergence. There were also countervailing pressures, some of which were addressed in the report co-authored with Sandy Ruxton written for the Luxembourg Presidency, which built on recent calls to deepen ‘social Europe’ by providing a stocktaking of the current position by outlining common social values in the EU. These were grounded in the European Union treaties (Article 3 TEU, Article 9 TFEU (horizontal social clause)) and Charter of Fundamental Rights and amplified in the shared views (expressed by the Council, Commission etc.) on common EU objectives in the social area, in particular in relation to social protection/inclusion. Recognised key tools of EU cooperation for pursuing common social values were the social Open Method of Coordination (OMC) and the Europe 2020 strategy.

The report identified a series of shared objectives, agreed indicators, monitoring and mutual learning (including peer reviews) that had been developed over time within the EU in the social field. It focused in particular on social inclusion (combating poverty and social exclusion, child poverty and child wellbeing, homelessness and housing exclusion) and social protection (pensions, healthcare, long-term care).

The report also recapitulated the following important steps taken recently for confronting the challenges of the crisis and reconciling social and economic objectives.

In 2012, the Social Protection Committee (SPC) had recommended addressing the social consequences of crisis, through maintaining adequate social protection for all. The Council had argued that investing in employment and social protection enhances growth, and the SPC had said that mitigating inequalities in Europe was important in itself and for confidence in inclusive growth.

In 2013, the SPC had said that the Annual Growth Surveys (AGSs) should pay more attention to the long-term social priorities in the Europe 2020 Strategy and that social impact assessments were essential in choosing the right reforms.

In the same year, the European Commission had published the Social Investment Package to support measures addressing risks across people's lifecycle, considering such investment "growth-enhancing".

The 2014 Council had decided that the European Semester needed to work in a more balanced way to steer progress on all Europe 2020 strategy targets.

The 2015 SPC/Commission services report had noted that social protection was needed for high-performance, highly inclusive and high-employment social market economies. Finally, the 2015 Council had welcomed the strengthening of the employment and social aspects of economic governance and of the link between the AGSs and the Europe 2020 Strategy.

Gender and other forms of equality, rights and the involvement of stakeholders are all also central to EU values, though some have argued that gender in particular has been insufficiently prioritised recently. It is also important to note that the EU institutions' role is to complement and support national action and provide the framework to monitor and coordinate policy developments so that all can benefit from the synergy thus created.

However, Europe was still putting more emphasis on economic/fiscal aspects than on social ones. Inequality within and between Member States was still very high, public opinion was still sceptical of EU action, and topical debates on the current asylum/migration crisis were jeopardising improved social provision.

Considerable challenges to fostering common social values were therefore posed by the difficulty of reconciling economic and social objectives in times of crisis, by consolidation measures, and by the difficulty of making improvement of the social situation a widely shared priority for EU institutions and Member States. This would require a renewed commitment to mainstreaming social objectives, strengthening social governance mechanisms, and drawing up systematic social impact assessments of all relevant policies, at both EU and Member State levels.

In its chapter on social inclusion, the report highlighted the need to implement the Active Inclusion Strategy (2008) with its three strands: 1/ adequate income support, 2/ inclusive labour markets and 3/ access to quality services. Decisive for the first strand was the current focus on minimum income schemes and the development of reference budgets for adequacy. Support for secure work was important for the second strand, and accessibility and quality standards were critical for the third strand.

In the social inclusion area, the report also covered issues such as child poverty and well-being (which, although no specific target was specified in the Europe 2020 Strategy, should be monitored and mainstreamed in all policy areas) and homelessness (requiring integrated prevention and inclusion strategies).

In the chapter on social protection, the report covered healthcare (which required better coordination to ensure universal access, adequate and sustainable financing, and a focus on prevention and on the reduction of health inequalities), and long-term care (needing an increasingly proactive policy, taking into account gender aspects, support for informal carers and implementation of the European Quality Framework for Social Services (SPC 2010)). The report stressed the need for adequate social protection to ensure political (and thereby financial) sustainability, and noted that raising the retirement age was not seen as the only route to ensuring that older workers’ needs were met. It also drew attention to gender issues and asked for closer examination of private pensions, including tax exemptions.

In conclusion, the report found that Europe was on the right track to become more social, but urged the EU institutions to look at the economic and social disparities within and between countries, to mainstream Europe's social objectives in all policy areas, to develop social benchmarks, to undertake social impact assessments of all relevant policies, and to strengthen social governance mechanisms. There was also now sufficient experience to consider creating guidelines for the involvement of civil society stakeholders in the EU policy-making and evaluation process. All of this should be included in a new social agenda for Europe.

**Bernd Schlüter, legal adviser, EESC member, and rapporteur for the EESC opinion on *Principles for effective and reliable welfare provision systems***

**Mr Schlüter** started by saying that the EU had been founded as a community of values. As Member States were now facing common social policy challenges, they needed to translate those values into action. Important attempts had been made through the social OMC, the country-specific recommendations (CSRs), comparisons, best practice procedures, and data collection, but this was still not enough because of limited progress, setbacks, the increase in both wealth on the one hand and poverty on the other, and the cuts in welfare benefits during the crisis.

Many social principles were still not universal in the EU: a guarantee of adequate subsistence support; an active labour market policy; active assistance for the homeless; collectively financed long-term care; basic healthcare provision for all, clear legal and financial protection for independent welfare providers; effective inclusion of people with disabilities, etc.

Moreover, there were serious contradictions in Europe, for instance between the social objectives of the Treaties and the dominance of single market freedoms; common values and the currently struggling welfare systems; social objectives and economic and budgetary constraints and cuts; commitments to solidarity and absence of collective financing systems; real expenditure and the effective output of systems; public social responsibility and privatisation trends; EU declarations of intent in the area of social policy and Member States' areas of competence; competitive opportunities in a globalised economy and the limited efforts being made in the areas of education, empowerment and inclusive labour markets.

Examples of principles for welfare systems worth looking at (and learning from) were: 1/ collective financing of welfare provision through taxes or social security contributions; 2/ legal certainty for users; 3/ ability to choose among different welfare services and types of service; 4/ legal certainty for welfare services; 5/ good framework conditions for non-profit services, civil society actors from the spheres of social policy and service provision; 6/ rules for taking profits from for-profit enterprises when they receive public funding; 7/ guaranteeing working conditions and training for employees working in welfare services and public welfare administration; 8/ promoting personal responsibility and general protection of the individual; and 9/ acceptance of Member States' different systems, cultures and traditions within the framework of a European community of social values.

Mr Schlüter wound up with the following specific suggestions for implementing the social policy principles:

* Social policy should be considered a pillar of the EU policy framework.
* Social policy principles and specific benchmarks needed to be monitored and assessed with a view to drawing up more specific recommendations in the framework of the European semester.
* Social principles should be linked to ESF funding.
* Social policy principles should be incorporated into the EU’s economic governance, management of the crisis and single market policies.
* More rigorous social impact assessments of all policies were needed based on the common social policy principles.
* Systematic involvement of civil society and social partners in Europe's social policy should be provided for.

**DISCUSSION**

**Questions:**

– Europe had a wealth of information and policies – why weren't these having any impact?  
– Quality criteria were lacking in Europe's social protection systems – what implications did this have?  
–What would be the best option – targeted or universal social protection coverage?  
– How could European common social values be incorporated into the European Semester to monitor social progress?  
– How could the achievements of social programmes be measured – through social impact assessments?  
– Had any innovative services been provided for to tackle the refugee crisis?

**Answers:**

– Governance was paramount. The social dimension should be given more prominence in the EU, but sometimes there was confusion about the social priorities of the EU and its Member States. EU institutions and Member States used the open method of coordination (OMC) on social matters as a way of working together in different fields of expertise. This method had already borne fruit and should be continued in order to create further synergies. It had made it possible to incorporate and prioritise the social dimension because Member States had agreed with the process of mutual learning.

– The social sphere fell within the Member States' remit, but the Council could and should take more initiatives and draw more attention to the advantages of social security systems. What was still to be tackled was their legal certainty.

– It was necessary to maintain and widen social protection for the whole population, not only the most deprived. That was the only way to prevent difficulties, to ensure social investment and to eliminate the gap between contributors and receivers. The most important principle was the adequacy of social protection.

**PANEL 2 – SOCIALISING THE EUROPEAN SEMESTER**

**Bart Vanhercke, Director, European Social Observatory, co-author with Jonathan Zeitlin of the study *Socializing the European Semester? Economic Governance and Social Policy Coordination in Europe 2020***

**Mr Vanhercke** presented his study, which considered and drew conclusions from recent social trends.

The study reported that between 2011 and 2015 there had been a partial, slow but progressive "socialisation" of policy coordination under the European Semester. This socialisation could be understood not only as the European Commission's response to the growing social and political discontent with austerity policies, but also as a product of learning and adapting.

During that period increasing emphasis had been placed on social objectives in the AGSs, and especially in the CSRs. DG EMPL was increasingly prominent in preparing and drafting CSRs, as were the Employment and Social Protection committees of the Council (EMCO and SPC), which fed in their views and amended draft CSRs.

But there had been (and still were) jurisdictional struggles with ECOFIN advisory committees about overlapping issues, especially the ones linked to the Stability and Growth Pact (SGP) and the Macroeconomic Imbalances Procedure (MIP). Moreover, in most Member States a very limited role had been given to social partners and civil society organisations in the Semester process at both EU and national levels.

Furthermore, although the "socially oriented" Country Specific Recommendations (CSRs) had expanded from year to year in scope and ambition, this was still counterbalanced by other CSRs giving priority to fiscal consolidation. While issues like employment, pensions and healthcare received more attention, the EU's Social Inclusion Agenda seemed to have lost momentum.

In 2015, the Commission decided to "streamline" the Semester: it merged the In-Depth Reports (IDRs) and the Staff Working Documents (SWDs) into single Country Reports, to be released earlier in the Semester in order to allow more time for review and debate at EU and national levels. On the other hand, the number and scope of the CSRs would be considerably reduced, to focus on what was "actionable" within 18 months and "monitorable", and also more on the what than the how.

In the 2015 Annual Growth Survey (AGS) the social pillar was no longer an overarching priority, but the AGS did refer to social and employment issues in the second pillar (structural reforms). In the 2015 CSRs there was still a stronger link between social inclusion and employability.

The key objective of the streamlining exercise had been to increase national "ownership" and implementation, which was welcomed by Member States. The SPC and EMCO committees had focused on identifying common emerging challenges and on promising policy responses, as well as on reviewing the implementation of national reforms (social and employment performance monitors, social scoreboard). Mutual learning had become increasingly prominent (experimentation with ex-ante reviews of major national reforms before their enactment).

There seemed to be more time for multilateral deliberation thanks to the revised timetable (EMCO, SPC) and to improved cooperation between the EPSCO and ECOFIN advisory committees. The role of the social partners and civil society organisations had been formally enhanced, but it remained to be seen whether this would make a difference in practical terms.

There were also obvious problematic consequences of the streamlined CSRs: significant policy challenges were omitted from the CSRs; the selection and amendment processes for CSRs were more "political"; an increased proportion of social and employment CSRs were still mainly linked to the Stability and Growth Pact (SGP) and the Macroeconomic Imbalances Procedure (MIP); and the narrowed scope of the CSRs created a major challenge for multilateral surveillance, peer review and monitoring of progress towards EU social objectives.

Mr Vanhercke then made the following recommendations:

* The CSRs on social and employment policy issues should not be too prescriptive.
* The CSRs on all issues should take full account of EU social objectives and values (horizontal social clause).
* The final review process for amendment and adoption of the CSRs should be conducted more transparently and be better discussed.
* The SPC and EMCO committees should continue to monitor and review the full range of EU social and employment policy commitments and objectives, as well as CSR implementation (including Europe 2020 targets and the Social Investment Package).
* The results of this monitoring and review process in the SPC and EMCO committees should be fed into the broader EU policy debate. Key messages should be discussed by the EPSCO Council, as well as with EU social partners and NGO networks, in order to inform the debate on the EU priorities in the AGSs.

To conclude, Mr Vanhercke said key questions remained unanswered about the substance, nature and dynamics of the EU’s evolving socio-economic governance and about including social factors in the European Semester, such as: 1/ How to coordinate social monitoring and review in the now streamlined Semester with the social OMC?, and 2/ How to promote broad stakeholder participation in the Semester process, and what forms of stakeholder input at EU level could/should be considered.

**Nicholas Costello, deputy head of unit, EMPL.D1. Unit, *Social Policies, Innovation and Governance*, European Commission**

**Mr Costello** presented the socio-economic situation in Europe from the Commission's point of view. Bearing in mind that the situation varied enormously from country to country, he highlighted the positive trends, namely progress made towards reaching the poverty target, which showed that reforms implemented by the Member States were starting to bear fruit. He also said that fiscal stability was necessary to get strong economies and that this also allowed effective responses to social issues. The Commission's focus on fiscal stability was thus translating into fair and balanced growth, which was what it wanted. However Member States still needed "fiscal space" to address the adequacy of social protection.

Among the measures taken by the Commission towards a "social triple-A" for Europe, Mr Costello highlighted the Investment Plan for Europe, which would create 1.3 million jobs and would support SMEs and start-ups, including in the social economy, and the fact that the EU had provided financial support for the setting up of Youth Guarantee schemes through the European Social Fund and the Youth Employment Initiative and was monitoring their implementation in the context of the European Semester.

As regards the social policy agenda, Mr Costello confirmed that the Commission was about to launch a "European pillar of social rights", which would identify social benchmarks and modernise labour law. He said that common agreed social benchmarks (e.g. on employment rates, employment benefits, access to services like affordable childcare, minimum income, etc.) should be seen as a fillip for social Europe because they would support convergence, but pointed out that benchmarks were not absolute and would depend on several variables (this was particularly the case with the minimum income). On labour law, he explained that the focus would be on the principle of "flexicurity" (which also involved setting social protection standards and addressing the persisting skills mismatch), on work-life balance (new initiative to replace the repealed Maternity Leave Directive) and on labour mobility (as both a fundamental and universal freedom and an economic solution for many people).

When it came to involving national parliaments and civil society organisations in the European Semester, guidelines for civil society participation in a formal debate with the Commission were not to be seen as the solution. The informal debate had been productive and should be maintained. However, the change of the Semester timing would give Member States two extra months to consult these entities. On the matter of civil society organisation involvement in decisions relating to the European funds, he said that there was provision to make that happen, but that the capacity of these organisations still varied considerably from country to country.

**Thomas Dominique, chair of the Social Protection Committee of the Council**

On behalf of the minister, Romain Schneider (apologies received), **Mr Dominique** responded to what had been said so far and reiterated the Luxembourg presidency's particular interest in reinforcing the social dimension of Europe and EU social governance. The first report presented at this conference should be seen in the context of the recent Five Presidents' Report, as common views on social protection could indeed be used for strengthening social benchmarks. The second report went further, focusing on the governance of a revamped European Semester. Both reports were important for understanding the European Semester and seeing how the social dimension could fit into it. The Luxembourg presidency of the Council was currently lobbying to have social issues discussed at ministerial level. This would also be important for setting joint priorities for the Annual Growth Survey. The Semester process needed input agreed in advance between Member States and the Commission. The EU had already done a great job on European social values and principles. The time had come to discuss with the Member States how to further "socialise" the European Semester.

**DISCUSSION**

**Questions/comments:**

– It seemed that, in spite of the existing governance, Member States were struggling to follow the guidance given at EU level.

– The Country-Specific Recommendations (CSRs) did not address the serious problem of poverty: should the Commission not opt for an alternative tool?  
– Civil society organisations were worried and stressed that the Semester was not delivering – why could the Commission not issue guidelines for their formal consultation, as envisaged in 2010?  
– The Social Protection Committee should take the lead, or create another strong forum for policy-making in the social field.  
– What should be understood by "benchmarks"? In what context would they be used? Were healthcare and social services included in the upcoming exercise?  
– Poverty had increased because the underlying causes were not being properly tackled.  
– Decision-makers should be aware of any trend towards privatisation: social protection should not encourage the profit motive.

**Answers/comments:**

– National stakeholders would have two months to respond to the Commission's country reports. Thus governments would have no excuse for not including them.  
– Fiscal sustainability and investment were important, but the pressure on Member States to cut investment in education seemed to outweigh these.  
– Social divergence was a serious problem, but how were Member States responding to the announcement of future benchmarks in the social sphere?  
– The objective of "Revamping the European Semester" was welcomed, but even the Open Method of Coordination had had its ups and downs. What could be done to make sure things worked this time and to ensure the involvement of stakeholders?  
– The social dimension was still not prominent enough, but at least it was being formalised.  
– The framework for the social benchmarks would be the principle of "flexicurity", and this principle included pensions and healthcare. Social benchmarks were the next step, as the Commission did not foresee legislative proposals at this stage. There would be a communication on the modernisation of social protection at a later stage, but this would be all for the moment.   
– The approach proposed by the Commission would be a "life-cycle" one, including people of all ages.  
– The Commission would not discuss how more or less social the AGS and the CSR would become, but facts were facts: unemployment had gone down in 23 member States and up in five.  
– There was no competition or contradiction between the Commission and the Council proposals and initiatives, but Member States would certainly need to deepen the discussion on social issues with the Commission, and the Commission should listen to them.

**CONCLUDING REMARKS**

**George Dassis**, president of the EESC, considered the EESC's participation in this conference very relevant because the EESC had so far made many recommendations to the European institutions on the issues at stake. For instance, it was the EESC which in one of its opinions drew attention to the need to defend basic social rights, which was a first step towards the adoption of the Community Charter of the Fundamental Rights of Workers adopted in 1989; another important opinion had drawn attention to the cost of "non-Europe".

Mr Dassis added that he had personally congratulated Mr Juncker on his EUR 315 billion investment Plan for Europe, but that the EESC had also requested that 2% of Europe's GDP be allocated to social investment.

Looking back, Mr Dassis said that the European Community had often been criticised, but that it had delivered since the beginning. Thanks to the CAP, not only did Europeans not face hunger, but they had surpluses. However, although the Community aspired to "harmonised social progress", social policy had always been the poor relation in European policy. Europe had created the ESF to provide vocational training, but had realised that without regional policy it would not be possible to make the ESF work: it had therefore created the European Fund for Regional Development (EFRD). With the Single Act, the Delors Commission had promised that the social dimension of the EU policy would keep pace with other policies, but the Council had not kept its word and the economic dimension had taken over, even though it was unable to provide solutions to all the problems. Europeans should certainly not believe that the Commission had all the answers.

Regarding poverty in particular, Mr Dassis added that economic growth was necessary, but that the fact that there was no growth during a given period of time should not justify that the poor be merely abandoned. Thus decisions should not be taken solely on the basis of growth. The EESC had for instance proposed the introduction of a minimum income for the whole of Europe, supported by a special common fund. This would be a real solidarity measure, because every country would contribute to it and benefit from it.

Regarding social policy, Mr Dassis said that inaction in the social sphere would have a big political price: Europeans would simply abandon the European project. Moreover, social policy was not the only area that needed reviewing: all policies should be "socialised". For example, there was still no common policy for education and research, whereas joint investment in this area was urgently needed. Digital Europe was the future, but without proper investment young people would forsake the EU for the United States. Convergence was thus the key to optimism, and optimism did not come from speeches but from action.

**Marco Wagener**, vice-president of the ESC of Luxemburg, thanked all the participants and closed the conference.

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