

'EUROPE 2020: Paths for Reinventing Europe's Future'

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Ladies and gentlemen,

At the heart of today's conference, are two questions: '*Why do we need to reinvent Europe's future?*' and '*What role can the Europe 2020 Strategy play in the EU of tomorrow?*'. However, a third question also comes to mind, which is: '*Will the Europe 2020 Strategy be sufficient?*'.

Before answering those questions, allow me to remind us all of a statement made last year by Mr Juncker, who commented that the 24 million unemployed Europeans constituted the '29th State of the EU'. It is widely known that despite the EU 2020 Strategy, the European employment and poverty figures are worse in 2015 than in 2008 and the issue today is how to avoid the undignified 'death' of this Strategy, as happened to its predecessor the Lisbon Strategy. For in my opinion, Europe finds itself at a turning point – politically, economically *and* socially. Indeed, I have serious doubts as to whether there is sufficient *political will* to relaunch an *effective* EU 2020 Strategy, despite what appear to be evident opportunities from doing so. Indeed, the Commission has delayed the revision of the Strategy already on two occasions (January and March 2015). Furthermore, the crisis has led to a concentration on macro-economic solutions, whilst democratic accountability, sustainability and the social dimension have been largely neglected. To some extent this is due to the repeated recourse to inter-governmentalism and to the marginal space accorded by the Institutions to civil dialogue.

The result is that today the EU is forced to overcome increasing fragmentation and a very divisive economic, social and political crisis. These are coupled with increasing civic unrest and divergences. Today's Europe is one of revived prejudices, national stereotypes and divisions between its people, between North and South, creditors and debtors, with the rise of populist and anti-European movements. To this we must add the heightened anti-Islamic and anti-Semitic tensions. It is also a Europe where citizens have limited trust in the European institutions and where mainstream democratic politics are under severe scrutiny. This is principally reflected at the *national* level, as we have seen from recent election results. However, the impact is felt very much at the *European* level. For despite national responsibilities for the crisis, citizens feel either that "Europe" is responsible for the socio-economic problems or that "Brussels" is not doing enough to improve their daily lives.

If we add to the above the risk of a British and Greek exit from the EU and the numerous external challenges (terrorism, migratory pressures, energy security, climate change and territorial cohesion), then it would appear that we have already answered our first question. We need to reinvent Europe's future because there are too many challenges currently undermining its identity and future evolution.

This brings me to my second question: '*What role can the Europe 2020 Strategy play in the EU of tomorrow?*' In my opinion, the EU 2020 Strategy *must* remain the central concept underpinning the EU's economic, social, environmental and territorial strategies. Europe does not need a completely new strategy, but it does need a much more *effective* Europe 2020.

A number of proposals can be made, all of which seek to rebalance the focus from economic growth, to sustainable development. Balancing the quantitative with the qualitative and ensuring a *holistic* development. To this end, the seven flagship initiatives of the Strategy should be reviewed and

upgraded, in order to contribute to a more sustainable, inclusive and resource-efficient economy. The starting point has to be more investment in Europe's innovative capacities and competitiveness, in Research & Development, industrial policy, an Energy Union, social innovation and investment, with the aim of creating jobs and sustainable growth. But it is imperative that we also invest in our education and training systems. We need a new lifelong learning strategy that will teach skills adapted to the new world economy. For if we are going to move from a carbon economy to a green economy, then we must prepare our youth to best exploit the future opportunities. I remember that already in 2012 the European Commission had announced that the green economy will generate over 20 million new jobs over the next ten years. Thus, the green economy and sustainable development are clearly not only environmental issues of marginal importance. On the contrary, they are *integral* to Europe's future economic prosperity.

Central to this sustainable Europe is a better exploitation of Article 3 of the TEU, which states that the EU must be based on a "...*highly competitive social market economy, aiming at full employment and social progress...(which) shall promote economic, social and territorial cohesion, and solidarity among Member States*". As a first concrete step, why not explicitly incorporate social innovation and social investment into the review of the EU 2020 Strategy, to be supported by a specifically dedicated flagship?

But we should go much further. Allow me quote what was said by the economist Simon Kuznets in 1934, when he presented to the US Congress his report defining the concept of GDP: "...*the welfare of a nation can scarcely be inferred from a measurement of national income*". Similarly, Professor Stiglitz stated that "...*what we measure affects what we do. If we have the wrong metrics, we will strive for wrong things*". So yes, we need to monitor, measure, report and follow-up on *alternative* indicators, embracing sustainability, innovation, social and human capital. Why not ask Eurostat to produce reliable data 'beyond GDP' at the same regularity as GDP? Why not re-launch the EU2020 Strategy by insisting that both the Annual Growth Survey and the European Semester be re-balanced, to include *binding* social indicators and indicators beyond GDP? This would certainly anchor the EU2020 Strategy within the European Semester.

Ladies and gentlemen, I would now like to move on to the third part of my presentation, which will address the question that I raised at the beginning, namely: '*Will the Europe 2020 Strategy be sufficient for the Europe of tomorrow?*'. I do not presume to have all the answers to this question, but I will address one key element, which is the necessity for the revised Strategy to include greater civil society participation.

For without doubt, one of the reasons why the Strategy has not been successful is because of its centralised and cumbersome governance. In contrast, one of the central conditions for sustainable growth is 'partnership'. It is imperative that we create an *inclusive multi-stakeholder forum* involving national and European-level civil society organisations (including the social partners), but also local authorities and national governments. Crucially, this institutional forum should allow for stable, semi-permanent and structured dialogue.

The EESC could offer the *structure* and *infrastructure* for such a forum. The Committee has already played this role in a number of policy areas, for example, the European Migration Forum, Energy

Forum, Rio plus 20, TTIP negotiations and even the Europe 2020 Strategy, to name but a few. This is not to say that the Committee would have the monopoly in the consultations. That would not be possible technically and would be unwise politically. But the EESC could take a leading role in providing a *framework* for these consultations and in cooperating with the European Institutions to make this a reality.

The second point that I would like to make relates to the importance of civil society dialogue during the *entire* policy cycle. For one of the fundamental conditions for 'smart' and sustainable growth is giving a role to civil society organisations to identify, implement and evaluate policies. Civil society possesses significant local knowledge and expertise, which can help governments and the European Institutions to better anticipate, react and manage problems.

I would like to end this presentation with a plea for greater *trust* and *ambition*. Greater *trust* in civil society which can contribute towards what Mr Van Rompuy has referred to as the right balance between an 'enabling' and a 'caring' Europe. Between a Europe capable of opening new perspectives and a Europe which is also able to protect its citizens. It is precisely this synergy between an enabling and a protecting Europe to which civil society can make a crucial contribution, and which will encourage European citizens and politicians to regain confidence in the European project. But we also need more *ambition to take bold political decisions*. In September, the UN Summit on the post 2015 sustainable development agenda will take place, which will seek to set global objectives for 2030. It is precisely within this framework that the mid-term review of the EU2020 Strategy should take place. We must align our Strategy to the global sustainable development agenda, or we will never reach the transformational changes that are required to meet the post 2015 MDGs. Hence, any review of the EU 2020 Strategy must go beyond 2020. We need to think long-term, at least up to 2030.

Ladies and responsibilities, 'Europe' has always brought opportunities, but also responsibilities. The mid-term review of the Europe 2020 Strategy is the time for Europe to embrace its future!

Thank you for your attention.