



European Economic and Social Committee

Conference on
***"Participatory democracy: current situation and opportunities
provided by the European Constitution"***

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Session 1

***The European Constitution, civil dialogue
and the democratic life of the Union in the new Europe***

STATEMENT

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Thank you very much Chairman.

I am very pleased indeed to have an opportunity to participate in this important and timely discussion.

Our session is asked to consider the significance of the opportunity for civil dialogue at this time and it is an important time for all of the reasons of which we have already heard, but particularly because of the recognition in the Draft Constitutional Treaty of participatory democracy as an integral part of the democratic life of the Union.

But I believe the significance of the dialogue with civil society in the life of the Union is already established, not just through the Draft Treaty, but by the practice which has evolved, which is reflected, not least in the wide variety of organisations represented in this room, who have - to a greater or a lesser extent - established a reality and a presence in dialogue at European level, and in developing thinking about the nature of civil society and its interaction with the public authorities both at a European and at national level.

The significance of the progress made is reflected in the content of the Commission White Paper on European Governance, which was issued in 2001, and which recognized the importance of that dialogue for the development and implementation of the European project. That importance is reflected further in the commitments on the minimum standards for consultation by the Commission in the elaboration of its work and in the practical development of co-ordinated dialogue in various sectoral formations with the representatives of civil dialogue.

So we are talking about a phenomenon which is already a reality. And the question is: where does it go for the future? How is it to be understood, supported and developed? And I would like to say a little bit about the context within which that dialogue must proceed, the challenges which therefore arise and the issues which must be faced as we seek to find appropriate mechanisms within which the dialogue can develop the best effects. And in doing so, I would like to draw on some reflections from the Irish experience of extending our social partnership process into the wider civil society beyond the traditional social partners and some of the issues which arise from that.

But to say a little bit about the context within which our meeting is taking place and indeed how the discussion on the Draft Constitutional Treaty must proceed, we are clearly operating in a context of profound economic and social change which generates challenges for established institutions, policies and frameworks and even makes the task of governance itself a more complex task to define, never mind to realize. We are faced with an imperative from the economic and technological world in terms of economic transformation. We are faced, as a consequence, with new demands to increase our capacity collectively to innovate and to adapt to change. Hence, the widespread preoccupation with developing a learning economy and a learning society and in the context of that learning we are faced with new challenges in managing distribution of the costs and benefits of change. We have nothing less than a major challenge to equity as a result of the dislocation generated by economic and social change.

If that is indeed the context within which we must work, then it is a challenge not only for government but also for the whole of society. We need to provide together a basis for a new economic development model which embraces not just the conduct of enterprises, but the development of an appropriate infrastructure for, for example, research and development, but also for child care, for life long learning and for adult's second chance education. So, our innovation must go beyond the economic and the enterprise into the social and the cultural fields. The rapid appreciation of specialist skills poses particular challenges for the enterprise sector and that is already reflected in new understandings of competitiveness and the nature of competitiveness policy and practice, both at domestic level and also at European level.

We have seen an appropriate and large investment in developing thinking and practice on new forms of flexible work organisation. But issues in relation to, for example, work life balance yet have to receive an appropriate and equal share of our attention and effort. We have in short a need to develop a long-term capacity to develop competence not only in our public administration or in our enterprises but in society as a whole throughout the civil society, if the change process, the challenges arising from the change are to be successfully and equitably managed.

If that is the case, then we need a new and improved national system of innovation and a European system of innovation. This has to be a process which builds the competences and capacities which are required. And within that I think we can identify a need for improvement and enhanced capacities in respect of three particular areas.

First of all, commercial innovation, which perhaps has established itself as the pre-eminent focus of innovation, thinking and practice. But secondly, we also need to consider our competences in the area of human resource development in the broadest sense with under the rubric of "life long learning". But thirdly and crucially, we need to develop our competences in the building and sustaining of national and European solidarity. And it is perhaps here that the challenge is the greatest.

At European level, we approached this task under the heading of the "Lisbon Strategy" or the "Lisbon Agenda", the subject of a very successful conference by the European Economic and Social Committee last year, and which of course will be addressed in the Spring Council in a few weeks time. Within that strategy, we started to develop competences at a European and at a national level which would make, for example, labour markets more flexible, which would stimulate technical and organisational innovation, which would encourage entrepreneurship, which would increase effort in research and development and, crucially, which would complete the Single Market.

Despite that very clear agenda and despite the recognition of the challenge which Europe faces, we have today a report from the Centre for European Reform, the "Lisbon Scorecard", which echoes the report of the Commission in saying that the European performance on this agenda to date has been mediocre. The Commission has acknowledged that the gap with the United States in terms of economic performance will not be closed by the end of the decade and that we are also likely to miss our targets in respect of the labour market.

So even in those areas where thinking is already well established and the lines for policy development broadly agreed, we see challenges to implementation, to realise the strategy which has been agreed. But of course, the performance has not been uniform and there has been significant development along all the dimensions of the Lisbon strategy, to a greater or a lesser extent, throughout all the Member States. What we can realize is in seeking to achieve high levels of economic performance and high levels of competitiveness. We don't need to import or apply wholesale an American economic model. For example, the strong performance of the Nordic Member States, in the terms of the Lisbon Scorecard published today, shows that that is indeed the case.

Within the process of implementation of the Lisbon strategy, we have developed, through the open method of co-ordination, new forms of interaction and reflection on policy and practice. We have, for example, the development and implementation of employment action plans, the national antipoverty and social inclusion strategies and, if the European Council agrees to the proposal in a few weeks time, we will have recognition of the role of reformed partnerships in the Member States in applying the full spectrum of the Lisbon agenda. So within that framework, there is already recognition that the implementation policy and the achievements of goals established at European level require the active engagement of stakeholders in the very diverse elements of practice and action set out in Lisbon.

A further development, which I think is worthy of mention, is the focus, throughout our Member States and at European level, on regulatory reform. And this is sometimes taken to be purely a business agenda, but in fact the improvement of regulatory practice and the better analysis of regulatory

impact is potentially a focus for engagement by all stakeholders in society and therefore a matter for legitimate concern for civil society as much as the established social partners. So there is then, within this thinking and practice at the European level, even before a Constitutional Treaty is adopted, a framework within which civil society dialogue is not only seen to be useful, but indeed to be imperative.

From our domestic Irish experience, I would draw some conclusions about issues which arise in seeking to bring that forward. We have sought to develop structures, processes, and content in the dialogue, which would facilitate greater engagement and more effective outcomes. We sought, for example and in relation to structures, to create organisations which will provide support for reflection, shared reflection, leading to a shared understanding of issues faced by the wider society and by policy makers, in particular in organisations such as the one which I chair, but also in a wide variety indeed of other organisations where representatives of civil society come together with social partners and representatives of government agencies to reflect and then to formulate responses to shared problems.

We have, within those structures, started to develop a process which is supportive of a culture of partnership, recognizing the legitimate, though differing, concerns and ultimately quite differing objectives of many of the participants in the dialogue. And we have started to develop, through that culture, a content of dialogue which is oriented to problem-solving which seeks to identify ways of advancing action which is supportive of the broadest possible consensus among the stakeholders.

In seeking to develop this, which has led to the recognition of many of the organisations in civil society as social partners in a formal sense, we have identified and started to grapple with - but I think it is yet to be resolved - a number of issues which are equally relevant to the issue of dialogue with civil society at European level.

There is, first of all, the nature of the dialogue and the point has already been made of the differences, and indeed the tension, between consultation and participation, and of the locus of ultimate decision-making. These are points which can give rise to difficulty and tension and require continuing dialogue if misunderstandings are to be avoided. The terms of the dialogue and the status of the interlocutory are critically important to be clarified.

Secondly, there is the question of the linkage between civil society dialogue and social partnership on the one hand and political dialogue on the other. Of course, there is no need for conflict or tension between these different forms of democratic life but in practice tensions and difficulties do arise particularly when the terms of debate shift between one pillar of dialogue and another over time? As inevitably they do and indeed as they must.

There is the question of the appropriate locus of decision-making as between the European and the national levels and issues which are perhaps shared competencies between the two generate real difficulties or at least challenges in terms of structuring a dialogue which is effective and satisfactory.

There is the question of legitimacy: who is entitled to participate in this dialogue? And who determines legitimacy or at least validates it by

recognizing the right to be present on the part of others? If there is an issue of the institutions of a state not representing the whole of civil society sufficiently or adequately, then neither NGOs represent a satisfactory expression of the whole civil society. So there is a necessity for openness and therefore for an access to dialogue and to the debate which must be reflected in the way we structure our business.

In the light of that national experience, let me share some thoughts on the future challenges at European level at this important time. There is, I believe, a responsibility on the institutions of the Union to be responsive to the potential of civil dialogue to improve the content of policy and the degree of realisation of our shared European goals. There must also be the willingness to engage beyond the formal or the ritual and that can be difficult and challenging for institutions which are faced with many pressures, political and economic in character, as well as the sheer weight of the logistical pressure of organising a dialogue which is meaningful to all of us participants.

There is the responsibility for NGOs at European level to use to the full the opportunities created by the open method of co-ordination and the structures to which that in turn it is giving rise. In this regard, I would suggest that perhaps they have been better at the policy-learning task arising from the open method than national administrations to date. And perhaps they have a particular opportunity to develop legitimacy and contribute to policy-learning through that very capacity for the sharing of experiences.

There is also an issue in relation to civil dialogue at national level. As it strengthens, I think one needs to be alive to the possibility of national civil

dialogue contributing to civil dialogue at European level also. And this has implications for national institutions such as the one I chair to make this contribution effective. It raises, for example, the question of the links between national ESCs and the European Economic and Social Committee, as well as of the stakeholders who contribute, as Members, to the EESC.

So, there are challenges of structure, challenges of process and challenges of substance or content which have to be addressed if the civil dialogue is to be as successful as it can be, and as it should be. But I would think that we could reflect on significant progress, in a relatively short period of time, in the recognition of the importance of civil dialogue at the European level and take heart from the very positive experiences in many of our Member States. We can also take energy from the prospects that, with the new Constitutional Treaty, this whole process, and the potential which it represents, will hopefully open up new prospects to benefit to all of our citizens.

Thank you Chairman.