EESC Conference

60 years of the European Community

Let’s shape the future!

13 March 2017

Rome | Italy
Auletta dei Gruppi Parlamentari | Complesso di Montecitorio

European Economic and Social Committee
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Foreword

This publication aims to capture the wealth of ideas that emerged during our major EESC conference celebrating the 60th anniversary of a historically unique project that has brought peace, prosperity, cooperation and a sense of shared identity to a once war-torn continent.

On this anniversary we can look back only with pride. Looking forward, however, feelings of hope are mixed with concerns about Europe’s.

The European Union has in recent years experienced a cascade of diverse crises. Each crisis generates new complex internal and external challenges that spread uncertainty, making the general public susceptible to populist movements.

Yet the past has shown that populism of any hue can only bring distress instead of solutions. Hence at this critical juncture I feel that an important challenge lies in refreshing our memory and our sense of historical responsibility.

In 1957 only twelve of the current Member States were democracies. Violation of fundamental rights and deprivation of freedom are not abstract concepts for me: I experienced them in post-civil-war Greece and later saw their culmination under the colonels. When the Single European Act entered into force in 1987, Solidarność and democratic forces in Poland were engaging in the final struggle against the communist regime. The Berlin wall fell only in 1989.

The leaders of the six countries that set up the European Economic Community (EEC) understood the need to move away from the evils of nationalism and populism towards new commitments – to democracy, common institutions and shared fundamental values. Thus the road towards a free and democratic Europe of peaceful coexistence formally began with a declaration by Robert Schuman on 9 May 1950, later sealed with the establishment of the European Coal and Steel Community in 1952 and signing of the Treaties of Rome in 1957.

We often forget the many simpler things that make our lives easier, including freedom of movement, the freedom of choice enjoyed by Erasmus students in selecting a university, the quality guarantee for water and food, competition rules that lower the cost of phone calls, internet access, transport and energy, and certified quality for new medicines.

The European Union is the only place in the world with a unique social model. In the Treaties the EU is committed to a “social market economy” to help Member States maintain and develop social cohesion and standards. The Lisbon strategy and Europe 2020 added an emphasis on social outcomes and targets to promote social investment, tackle imbalances and facilitate upward convergence. We are pleased to see that the EU has launched a timely and forward-looking social policy review on updating legislation, with a particular focus on the digital revolution.

But although our social model is unique, it is not unassailable. This model has been shaken in recent years, and too many inequalities persist on many fronts. Citizens’ trust cannot be won back permanently without firmly embedding a social dimension into our economic model to ensure a genuine process of harmonisation of living conditions for all citizens across and between Europe’s regions.

It is our duty is to defend social justice, with concerted policies that alleviate poverty and by investing substantially in youth employment, infrastructure, research and innovation. Among other things, the EESC has proposed the introduction of a minimum income for the whole of Europe, supported by a special joint fund.

Established by the Treaties of Rome, the EESC has worked untrifyingly to further the vision of a democratic, peaceful and prosperous Union that is based on solidarity and reaches out to its citizens.

On the occasion of the 60th anniversary of the Treaties of Rome, the rich debate reflected in this publication amply attests to our renewed pledge to bring unity out of diversity and to deploy the full potential of civil society to make the European Union attractive and more present in the daily lives of Europeans.

In conclusion, I would like to take this opportunity to once again thank the President and staff of the Italian parliament, as well as all the EESC members and our staff, who contributed to the success of this historic conference.

Georges Dassis
Context of the conference

60 years of European communities – Let’s shape the future!

On 13 March 2017, the European Economic and Social Committee (EESC) held a high-level conference in Rome to mark the 60th anniversary of the founding treaties of Europe, signed in Rome on 25 March 1957.

Entitled *60 years of European communities – Let’s shape the future!*, the conference was held in the Chamber of Deputies in the Palazzo Montecitorio under the auspices of the Italian government and parliament.

In the context of the anniversary, the conference drew attention to important achievements of the Union which have made a difference to peoples’ lives, and also explored current key concerns of European citizens.

The conference was also an opportunity to encourage a discussion about the future of the European Union, particularly in light of the commitment of European civil society to full European integration.

The discussions at the Conference took place in three working sessions, which focused on three current major challenges:

- *Social Europe as a tool for tackling inequalities*
- *Completing the EMU for a stronger Europe*
- *Immigration and integration policies*

The conference was opened by Guglielmo Epifani, President of the Committee on Economic Activities, Trade and Tourism of the Italian Chamber of Deputies, Georges Dassis, EESC President, Sandro Gozi, Italian Deputy State Secretary for European Policy and Affairs, and Ian Borg, Parliamentary Secretary, representing the Maltese Presidency of the EU.

During the conference EESC President Georges Dassis paid special tribute on behalf of the European Economic and Social Committee to Dr Pietro Bartolo, Head of Health Services on the island of Lampedusa, for the courage and humanity of his response to the migration crisis and for making Lampedusa a first haven for refugees and migrants on the perilous Central Mediterranean route.

Participants at the conference included representatives of the Italian and European institutions, a large delegation of EESC members from the 28 Member States, representatives of Italian and European civil society organisations, representatives of the National Economic and Social Councils.
Message from Commission President Jean-Claude Juncker
on the occasion of the Conference of the European Economic and Social Committee in Rome
Monday, 13 March 2017

Dear friends,

I would first of all like to thank Georges for speaking on my behalf, as my diary unfortunately makes it impossible for me to be with you. I am therefore counting on my friend Georges to convey to you my regrets and also my thanks.

You are all aware of the importance I attach to the work of the European Economic and Social Committee and to events like the one taking place this morning. These are not just empty words. I mean it sincerely. I have had a long European political career, which has given me the opportunity to appreciate directly the value and remarkable quality of your opinions, which are always intelligent and instructive.

The Commission has just launched a wide-ranging debate on the future of Europe, and so it is only natural that I can confirm that we will be requesting the Committee’s opinion on this important topic, and your contribution will be of great value in helping us to clarify our ideas.

In its White Paper, the Commission presents five scenarios with different paths open to us, all of which aim to preserve the unity of the 27.

Some, who have a different approach to the debate from mine, have criticised me for not dictating the path to be followed. But I did not want to nip the debate in the bud. That said – and I am sure that this will not surprise you – I do have a preferred scenario, because I have firm beliefs.

I firmly believe that the European Union is the source of its Member States’ strength. And I believe that we cannot build the future in Europe, or anywhere else for that matter, if we do not put the fate of human beings at the centre of our policy actions.

We need to recognise what is important to our fellow citizens, in order not to lose their support. We must listen to what the people of Europe have to say to us. What we do, we do for them, and we must do it with them.

And because the social partners and civil society play a key role in Europe, at both national and at European level, I would like to ask you all to get to grips with this debate, to take it to your countries and your regions, and to give it as much publicity as possible.

Your conference today is a contribution to this, and I wish you a day of valuable, frank and fruitful exchanges.
Programme 13 March 2017

8.15 – 9 a.m.  Reception – coffee

9 – 10 a.m.  Opening statements

- Guglielmo Epifani, Member of the Italian Chamber of Deputies
- Georges Dassis, President of the European Economic and Social Committee
- Sandro Gozi, Italian Deputy State Secretary for European Policy and Affairs
- Ian Borg, Parliamentary Secretary of the Maltese Presidency

10 – 11.30 a.m.  Social Europe as a tool for tackling inequalities

Moderator: Gabriele Bischoff, President of EESC Workers’ Group (Group II)

- Allan Päll, Secretary-General, European Youth Forum
- Maurizio Gardini, President of the Alliance of Italian Cooperatives
- Valeria Ronzitti, Secretary-General of the European Centre of Employers and Enterprises providing Public Services (CEEP)
- Susanna Camusso, Secretary-General of the Italian General Confederation of Labour (CGIL)

Debate

Moderator’s conclusions

11.30 a.m. – 1 p.m.  Completing the Economic and Monetary Union for a stronger Europe

Moderator: Jacek Krawczyk, President of EESC Employers’ Group (Group I)

- Rania Antonopoulou, Greek Deputy Minister for Labour and Social Security
- James Watson, Director of Economics, BusinessEurope
- Luca Visentini, Secretary-General of the European Trade Union Confederation
- Giovanni Sabatini, Chairman of the Executive Committee of the European Banking Federation
- Gerhard Huemer, Director for Economic Affairs of the European Association of Craft and Small and Medium-Sized Enterprises (UEAPME)

Debate

Moderator’s conclusions
1 – 3 p.m. Lunch

3 – 4.30 p.m. Integration policies and immigration
Moderator: Luca Jahier, President of EESC Various Interests’ Group (Group III)

- Filippo Bubbico, Italian Vice-Minister for Home Affairs
- Stéphane Jaquemet, United Nations High Commissioner for Refugees
- Prof. Marco Impagliazzo, President of the Comunità di Sant’Egidio
- Oonagh Aitken, Solidar

Debate
Moderator’s conclusions

4.30 – 5 p.m. Tribute to Dr Pietro Bartolo, Head of Health Services, island of Lampedusa

5 – 5.20 p.m. Conclusions

- Sandro Gozi, Italian Deputy State Secretary for European Policy and Affairs
- Georges Dassis, President of the European Economic and Social Committee
Opening session

Introductory speeches

The President of the EESC, Georges Dassis, welcomed the participants and observed that, by holding its conference in Rome 60 years after the signing of the Treaties in 1957, the Committee had made a symbolic choice in line with its convictions. He then proceeded to read out the message that Jean-Claude Juncker had prepared for the participants. In this letter, the President of the Commission announced that he intended to consult the Committee on the Commission’s new White Paper, which described five possible scenarios for the future of Europe. Although Mr Juncker could arguably be criticised for not taking it upon himself to choose which of these scenarios ought to be adopted, his letter to the Committee reaffirmed his belief that, while the European Union was still a force for its Member States, there was a need to restore the human element at the heart of policy. The contribution made by the social partners and civil society would therefore be vital in defining this project and transferring it to national and regional levels.

The President of the EESC felt that, although the failures and difficulties of the Union were more visible than ever, its achievements were all too often forgotten. It was nevertheless impossible to deny the existence of these achievements: peace, the ability to live in freedom, solidarity, free movement of people, and 50 years of economic and social progress. The media tended to ignore or minimise these success stories, in order to draw attention to the EU’s problems. This negative trend had culminated in Britain’s decision to leave the EU, a choice which had to be respected. The EU 27 now needed to cooperate more closely, in particular by returning to the founding principle of solidarity and to the social policies which had been denigrated since 2009. Europe’s achievements needed to be reaffirmed, not only among young people, who were perhaps unaware of the origins of the EU’s main foundations, but also among older members of the public who may have forgotten that uniting in the aftermath of the war was just as difficult as joining forces today.

The urgent issue in contemporary times was the rise of fascist, racist and xenophobic parties who saw migrants and refugees as wolves in the fold. These movements may seem united, but they ran the risk of turning Europeans against each other, as was the case in the 1930s. In the face of these developments, the president of the EESC called for the involvement of organised civil society, as well as greater political courage on the part of the Council and the European Parliament in highlighting the appeal of this involvement for the European Union. This could only be achieved through specific proposals aimed at improving the everyday lives of European people.

This was why the Commission was requesting an opinion from the EESC on its White Paper. As in the past, the representatives of employers, workers and various interests needed to agree on the challenges facing the EU and in particular on issues surrounding the integration of refugees and
migrants, as well as on the pillar of social rights. The success of this project depended upon the involvement of civil society. In this regard, Mr Dassis pointed out that the discussions held by the Committee’s delegations in each Member State had proven successful.

It would not be possible to determine the line that the EESC would take until the outcome of these discussions was known; however, it was already clear that the 28 Member States had not joined the Union merely because of the single market. The Committee’s opinion should also bear witness to the rejection of European stagnation in terms of industrialisation, taxation – when it became a tool for competition between national systems – and defence – the European Union is not represented as such within NATO. Rather, the EU needed to pay attention to the redistribution of wealth, from which only a limited number of people had so far benefited. Developing investment in the real economy was crucial to the president’s proposals, along with moral and material support for the most deprived and disadvantaged groups.

The challenges facing the Union 60 years after the signing of the Treaties of Rome must prompt a fresh start, leading to a more united Europe that was based on solidarity. The project was part of the lifeblood of economic and social progress, of companies, workers and citizens who aspired to live in peace, freedom and dignity. Georges Dassis concluded by expressing the hope that the opinion adopted by the EESC would influence the Commission’s proposal in this regard.

**Guglielmo Epifani**, President of the Committee on Economic Activities, Trade and Tourism of the Italian Chamber of Deputies, highlighted the importance of the EESC as a body that developed proposals and put forward ideas, while also being instrumental in ensuring civil society participation in EU policies. Turning to the current situation in the EU, Mr Epifani acknowledged that the Union was often described as a source of – rather than a solution to – the problems faced by European citizens. Growing political uncertainty, as well as the slow or insufficient responses provided at EU level to the economic, financial, migratory and security crises, had led to disenchantment with the European project, euroscepticism, rising inequalities and economic imbalances between and within the Member States. According to Mr Epifani, what needed to be done was to ensure that the benefits of growth were shared across the whole European population. To achieve that, a strong European Pillar of Social Rights (Social Pillar) needed to be built, in addition to boosting competitiveness and productivity by investing more in human capital and research. As regards migration, Mr Epifani stressed the importance of shared ownership and solidarity among Member States. Migration was a structural issue that had to be addressed through structural policies, such as the prevention of migratory flows in transit countries and an EU strategy to support countries of origin. Meeting all of these challenges clearly required significantly more financial resources that those currently available from the EU budget.
Ian Borg, Maltese Parliamentary Secretary for the EU Presidency, highlighted that over the last 60 years the EU had become an overall positive factor in the transformation of our society. It had played a vital role in particular ensuring peace, European solidarity, respect for fundamental values and rights, environmental protection. Yet while there was still strong support for the European project, this support was no longer unconditional. The awareness of past achievements could serve as an inspiration, but not as a blueprint for the future. Every generation of Europeans needed to meet the new challenges that they faced. One current challenge was the Brexit negotiations, which should focus on safeguarding the integrity of the internal market. Another challenge was migration – dealing with it would be crucial to defining the nature of solidarity in the future. The third challenge was to bridge the gap between citizens and the European Union. In that context, the European Commission’s White Paper on the Future of Europe should encourage a frank discussion at all levels of the real options for further European integration. The forthcoming five reflection papers would add to that discussion. The Commission’s starting point was that the 27 Member States were determined to move forward together as a Union. However, consensus-building would be difficult, even on the initial premise.

Sandro Gozi, Italian Deputy State Secretary for European Policy and Affairs, praised the EESC’s work on the major policies needed to relaunch the process of European integration, particularly defence, migration, the economy and social dimension. As regards migration, he invited the EESC to work on addressing the issue of unaccompanied minors at EU level. Migration had to be dealt with as a European issue in all its aspects, including the implementation of an investment plan to manage migratory flows, rather than simply blocking them. The process of EU integration needed to be relaunched, based on the rule of law and fundamental rights. Being European also meant being free and committed to upholding the principle of solidarity. However, with the financial crisis, all relations between the Member States had been transformed into a financial relationship between creditors and debtors. The crisis had taught us that we should be prepared to share not only the profits, but also the risks and the losses, if we wanted to be a real community. That is why Italy wanted to improve the Economic and Monetary Union by building not just a banking union, but also a social union. A genuine government of the euro area needed to be put in place, together with further efforts in the field of industrial policy. National vetoes no longer had a role to play. If certain Member States did not want to move forward, they should not be forced to – but the other Member States could not simply accept being blocked by them either. The Italian government is counting on the EESC to help to tackle these challenges.
Panel 1: Social Europe as a tool for tackling inequalities

Opening the discussion, the moderator Gabrielle Bischoff, President of the EESC Workers’ Group, recalled the Laeken Declaration of December 15, 2001, observing that the same issues remained on the agenda, while the EU was being questioned more than ever. Ms Bischoff emphasised the need to enhance economic and social cohesion as the EU would have no future without a social union. Emphasising that all five future scenarios set out by the Juncker White Paper could have an impact on the social dimension of the EU and on future quality of life, she noted that the first “carry on as usual” scenario should not be an option, and asked panellists to expound upon their preferred scenario.

Allan Päll, Secretary-General of the European Youth Forum, emphasised that current changes ensuing from globalization and technological and demographic change mostly affected young people, whose needs should be addressed by Europe. The importance of the EU for peace, democracy, economic progress, and freedom, required interdependence between social policies, economic policies, and political rights to be taken into account, so as to avoid disengagement. Observing that many young people were trapped in precarious jobs, Mr Päll drew attention to the failure of policies based on increased flexibility but no security and noted that the Stability and Growth Pact had failed to deliver. In view of policies to invest in elderly care at the expense of the young, he called for the inclusion in the Social Pillar of measures aimed at combatting age discrimination. To ensure the success of the Social Pillar, Mr Päll said, efforts were needed to make it possible to measure the quality of jobs, which changed at a fast pace, and called for a social Union grounded on rights for young people instead of focusing solely on resources. He added that youth employment, an important part of the White Paper on the Future of Europe, was one of the first victims of the crisis and cited the EU youth guarantee as a good example of divided responsibilities between the EU and Member States, which blamed Europe for failures while not doing enough themselves.

Maurizio Gardini, President of the Alliance of the Italian Cooperatives, said that 25 March was not just another anniversary, but an opportunity Europe should use to refute the dismantling of the EU. While choosing one of the five scenarios was difficult, Mr Gardini reflected that the first, “carrying on”, and the last, “doing much more together”, did not correspond to the wishes of the people. Based on pragmatism, the third and fourth scenarios seemed more suitable. Noting that recognition of diversity should form the basis of a fresh start along with full employment and social progress, Mr Gardini said that past treaties and policies had failed to convey the message that the EU was not just an economic union for banks, but a union for the people. He observed that cooperatives had helped mitigate the effects of the crisis, indicating that different economic models were possible. Emphasising the need to put the social pillar at the heart of the European model, Mr Gardini stressed that social rights could help reduce inequalities in Europe provided that they were accompanied by binding legislation; new technologies undermined workers’ rights even if they provided new opportunities. In these times of extreme political uncertainty, Mr Gardini said, Europe should address the effects of austerity and provide social rights for all, not just for those living in the euro area. Moreover, the EU
should take preventative action to eliminate the informal economy and combine state services with services by other parties, creating space for disadvantaged groups and migrants. While economic convergence should be addressed in tandem with social convergence, Mr Gardini concluded, it was upwards social convergence that would improve citizens’ perception of the EU.

Valeria Ronzitti, Secretary-General of the European Centre of Employers and Enterprises providing Public Services, emphasised the consensus on the key role of public services for the future of Europe, noting that CEEP had read the EESC’s opinion on the social pillar and agreed on the need for benchmarking and a strong link to the European semester. Specifying that CEEP was in favour of a proactive social economy where public services had an important role for competitiveness, Ms Ronzitti noted that quality public services, for instance childcare, were essential for a strong European industry. She added that CEEP had sought to have a debate on the future of Europe prior to any decision and precluded the “nothing but the single market” second scenario; she also thought that a scenario involving different levels of integration could entail difficulties. Commenting on that fact that the Social Pillar would most likely apply to the euro area only, Ms Ronzitti observed that the third scenario was not really new: notwithstanding the fact that a two-speed Europe already exists, exclusion could not be the starting point. Enhanced cooperation should remain an option, suggested Ms Ronzitti, adding that pragmatism would lead to new choices, which depended on the possibility of implementation. In sum, Ms Ronzitti set out two key messages for the future: social rights should apply to all citizens, and the EU should strike a better balance between social and economic policies, since growing inequalities indicated that this was not currently the case.

Susanna Camusso, Secretary-General of the Italian General Confederation of Labour, CGIL, underscored the necessity of investing the EU with a social dimension. Describing the European Pillar of Social Rights as a timid step forward, Ms Camusso noted that it was not sufficiently pronounced in the White Paper on the Future of Europe. The choice of the best scenario, she said, would depend on the ability of a scenario to deliver. Pointing out that Europe’s departure point must be based on equality, the CGIL Secretary-General considered security and migration to be the main political priorities, which, however, were not responsible for the crisis. In light of bad policies that had exacerbated divergence, she reflected that we should focus on enhancing convergence and social cohesion and countering the threat to our social welfare systems. In her view, in order to break the cycle of inequality and to promote social investment and long-term positive investments, Member States needed to do more and work together. Ms Camusso urged Europe to address the way that innovation currently worked, as it led to polarisation, and to consider the kinds of services people should receive during their lifetime. Stressing that current policies allowed employers to compete by lowering social contributions, which induced wage competition among workers and a race to the bottom, she called for an agreed minimum wage level to prevent untenable political situations. Commenting on the pressures generated by external and internal crises, Ms Camusso warned that there was a risk for the EU of increasing fear and hate. Concluding, she highlighted the importance of the migration compact and urged the EU not to create new walls but rather to deploy a refugee policy based on solidarity and integration.
Panel 1 – Discussion

In the lively debate following the panel discussion, Delio Napoleone, President of the Italian Council for Economics and Labour (CNEL), stressed that the major challenge in shaping the future lay in making social Europe fight against inequalities. He proposed three ideas: teach young people in schools what the essence of the European social model, set up a European Agency to evaluate the economic, social and environmental performance of enterprises, and find a way for multinational companies to respect the principles of the European social model.

John Bencini, President of the Maltese Council for Economic and Social Development (MCESD) stressed that the long-standing EU emphasis on austerity was clearly not working; on the contrary, it brought misery to millions of European citizens. It was high time, Mr Bencini said, for the EU to promote social foundations ensuring equal opportunities and access to labour markets. He also outlined the policies Malta had successfully deployed to tackle social inequalities and referred to current discussions regarding the increase of the minimum wage.

Furthermore the discussion raised the following issues: the need to preserve the achievements of the EU and address inequality, which was the main challenge facing Europe; the need to combat social exclusion and ensure participation, address youth unemployment, change the failed austerity policy and apply the Social Pillar. They also highlighted: the need to fight tax evasion and include it in the White Paper; the need to reward companies manufacturing in Europe; the risk of increasing inequality related to deepening of cooperation in some areas and the need to address child poverty. Emphasising the need to draw lessons from Brexit where the EU was blamed for many problems, participants underlined the importance of listening to the people before the EP elections in 2019 while considering the need to change the role of institutions and their working methods, in particular the need for an EU industrial policy and the necessary budgetary resources.

Responding, panellists gave their concluding messages. Susanna Camusso recommended that Europe reduce inequality and get social policies working. Maurizio Gardini stated that instead of thinking about how to change the Treaties, the focus should be on evaluating the EU’s flaws and errors committed so far with a view to enabling the proper implementation of policies. Calling for more convergence and stronger social dialogue, Valeria Ronzitti urged Member States to change their discourse and stop blaming the EU. Allan Päll underlined the need for investment, notably in the green economy, to ensure sustainable development and job creation in that field.

In her concluding remarks Ms Bischoff thanked the panellists, summarising the outcome of the panel as follows: stop blaming the EU, adopt the right policies, create employment, ensure social investment, and deliver to the citizens.
Panel 2: Completing the Economic and Monetary Union for a stronger Europe

Jacek Krawczyk, President of the Employers’ Group in the EESC, opened the panel by highlighting that, by discussing the future of EMU, they were actually discussing the future of Europe. Maintaining the EU social model was impossible without a strong economy for the EU as a whole. Many dimensions needed to be looked at when talking about the completion of EMU. In that respect the EESC had made numerous recommendations and would continue its involvement in the political process launched by the Five Presidents’ Report.

Rania Antonopoulou, the Greek Alternate Minister of Labour and Social Security, explained that the Member States which had adopted the single currency did not have access to monetary policy instruments in times of crisis, such as the reduction of interest rates and currency devaluation. Given also the lack of fiscal space, the only option they had to address the crisis was through internal devaluation. She further noted that the division between social and economic policies was artificial as the social changes related to reducing wages brought about economic consequences such as reduced consumption and spending. The question was then how to link social and economic policy in a consistent and coherent way. In that respect, changes that brought confidence back could be considered as drivers of growth, one example being public investment to fight unemployment. However, in order not to penalize countries investing in human capital, those investments had to be excluded from the primary deficit calculations within the framework of the Stability and Growth Pact. She also pointed out that one of the key differences between the EU and US economies was that while the EU redistributed 1% of its GDP through EU funds, the US federal budget used 20% of the country’s GDP to reduce inequalities and guarantee a minimum level of spending on health and education across the states.

James Watson, Director of Economics at BusinessEurope, stressed that his organisation was in favor of completing and strengthening EMU. BusinessEurope had welcomed the Five Presidents’ Report and had cautioned that greater urgency and ambition was needed to provide an immediate boost to investment. He hoped that the forthcoming European Commission reflection paper on deepening EMU would reignite the process. As regards economic union, BusinessEurope saw competitiveness as the basis for increasing growth, jobs and convergence. For that reason, the implementation of the country-specific recommendations needed to be stepped up from the present rate of 17%. As for financial union, it was necessary to complete the banking union and the capital markets union. In particular, harmonizing the deposit insurance schemes in the different Member States was a pre-requisite for the creation of a single European Deposit Insurance Scheme. As regards fiscal union, the efficiency of fiscal rules needed to be increased. Fiscal consolidation, where appropriate, was essential to bringing confidence back, but it needed to be pursued without raising tax. At the same time, Europe needed more high-quality public and private investment. Therefore, the EU had to orient Member States’ expenditure towards investment in innovation, technology and digital transformation. It was also important to support public investment through the investment clause, while retaining the existing principles of the Stability and Growth Pact. With all the above aspects in mind, BusinessEurope encouraged European leaders to move urgently forward in deepening EMU.
Luca Visentini, Secretary-General of the European Trade Union Confederation, started by saying that the economy should serve people's interests and needs and that, in order for Europe to recover economically and create better prospects for the people, the policies of austerity should be reversed. This could be done via the following steps: first, by mobilizing public and private investments for job creation; second, by changing the current narrative which considers wages as an obstacle to competitiveness; and third, by considering social policy as a powerful factor for boosting competitiveness. According to Mr Visentini, a treaty change was not needed to make those steps; rather, the existing rules needed to be made smarter. The following instruments could be useful to that effect: reforming the Stability and Growth Pact in order to make the in-built flexibility more structured and apply it in a clear, fair and transparent way; giving more fiscal space to countries that needed investment, for example by creating a European treasury using resources from the European Stability Mechanism; and boosting wages to increase productivity – a particularly important factor in the EU economy, 70% of which was based on internal demand and only 30% on exports. Finally, he warned that, instead of being given five different options to choose from, the Member States needed to stay united and work together on a better future for Europe.

Gerhard Huemer, Director of Economic Affairs, European Association of Craft and Small and Medium-Sized Enterprises, focused his intervention on three policy questions. The first was the design flaws of the Economic and Monetary Union. The single currency was based exclusively on the Maastricht convergence criteria and the rules-based approach on fiscal policy proved to be a mistake. The institutions needed more discretionary power, so that if there was a need for more investment in future growth, that would be made possible. However, that need had to be balanced with the need for fiscal sustainability. The second question was about differences in the development of unit labour costs in the various Member States. In some of them, social dialogue was not enough to ensure stable fiscal policy, and so this issue needed to be addressed. It was not just about increasing wages, but also about increasing productivity and creating high-quality jobs in the different EU regions. The final question was about creating an EU fiscal capacity to achieve cohesion. Such a capacity could only work through appropriate conditionality, and the common element in this was not changing the Treaty, but implementing the country-specific recommendations and improving the direction of fiscal spending.

Giovanni Sabatini, Chairman of the Executive Committee of the European Banking Federation, stated that the original basis for the functioning of the euro area was appropriate for periods of economic growth, but not for a crisis. The existing EMU was not only an economic, but also a political project, and so it needed to be supported by fiscal, banking and political union in order to convince the financial markets of the soundness of its institutional architecture. In that sense, the banking union was one of the major EU achievements in response to the crisis, but it had to be completed, notably by ensuring better banking regulation, with simplification, transparency, accountability and proportionality as its guiding principles, as well as by establishing a European Deposit Insurance Scheme as the third pillar of the banking union. According to Mr Sabatini, the banking union and the capital markets union were the critical infrastructures needed to ensure an efficient and integrated EU financial market. However, the regulatory framework should always be built in a way that would allow banks to continue playing their crucial role as intermediaries and lenders for the real economy.
Panel 2 – Discussion

António Correia de Campos, President of the Portuguese Economic and Social Council, explained that the Portuguese experience proves that it is possible to combine fiscal adjustment policies and upward wage evolution. The economy and the employment are growing and the budget deficit is decreasing. On the other hand investments are still severely contracted and the banking sector still hardly recovers from the crisis period.

In the general discussion, the following issues were raised, inter alia: the need to hear also the voices of dissent in European and international institutions when discussing the paths of adjustment; the importance of working simultaneously on structural reforms, fiscal discipline and investment stimuli; the need for further progress in fiscal integration such as the creation of a European treasury accompanied by measures to ensure fiscal convergence; the opportunity to build upon the Juncker Plan when it comes to increasing investment; the need for a core of countries to move up a gear in political integration and thus encourage the other Member States; the possibility of implementing enhanced cooperation in certain areas such as defence policy.

In response to the issues raised, Mr Sabatini pointed out that monetary policy was successful in avoiding deflation, but it could not be used to promote investments. The current lack of investment was due to negative expectations related to the political risks in Europe. In that context, monetary policy could help buy time, but it could not be the only policy response. The key was to succeed in relaunching investment, including by boosting the role of public investment with a medium-long term horizon. In his view, regulators currently focused solely on micro-stability, which resulted in very strict rules for banks, impeding the flow of liquidity into the real economy. There was therefore a need to review banking regulation, in particular the rules of the Single Supervisory Mechanism, to provide for more proportionality. Mr Sabatini also pointed to the lack of demand for credit for private investment, which could be addressed by exploring the potential of public-private partnerships, in addition to rethinking the general approach of EU institutions towards stability and austerity, so that they could become more responsive to the needs of citizens.

In his concluding remarks, Mr Krawczyk noted that when it came to investment it was possible for a country with huge investment levels to turn quickly into a country without investment because of overspending. Therefore, proposals needed to be formulated very cautiously, looking also at the interlinkages among the different factors influencing investment. As regards the banking sector, despite the widely accepted role of banks in balancing the different interests on the financial markets, there was no common EU banking model because of the different banking cultures and practices across Europe. As for defence, there were huge synergies that could potentially lead to a form of enhanced cooperation, but there was still a long way to go in that direction. With regard to further integration, Mr Krawczyk stressed that the discussions should not focus on how to create a multi-speed Europe, but rather on how to close the existing economic, social and financial gaps among the Member States. He pointed out that it was important to keep the Social Pillar for all Member States, while inviting the non-euro countries to join any further initiatives for EMU integration. Finally, Mr Krawczyk thanked all participants and invited them to read the very interesting EESC brochure on “Completing Europe’s Economic and Monetary Union. The views of organised civil society”.

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Panel 3: 
Integration policies and immigration

Luca Jahier, President of EESC Various Interests’ Group, opened the panel by stressing that the migration crisis was not only an issue that had to be dealt with urgently and in the long term; it was also a problem that put the identity of Europe and its core values at stake. He pointed out that migrants were not just numbers but human beings, and that there was a need for more solidarity for persons who left their countries because of war or authoritarian regimes. In the current elections, it seemed that security and immigration attracted the full attention of public opinion, more than any other social challenge. Mr Jahier referred to data, according to which further human losses would occur in the future: millions were at risk of famine in Yemen, Somalia, Nigeria, and Sudan; during the last forty years 2/3 of the capacity to provide drinkable water in Africa and Middle East had been lost; paramilitary bodies were targeting refugees as terrorists. Although Europe needed proper management of borders, it should still ensure respect for basic human rights.

Filippo Bubbico, Italian Vice-Minister for Home Affairs, stated that the EU convergence procedure could become a security factor. Europe was more effective when its forces were pooled; however, current political elites failed to respond to peoples’ demands. On the other hand people lacked the patience necessary for long term solutions and took the EU for granted. Our common space required a common policy and it was after all the common good that brought people together, he observed. According to Mr Bubbico, the interests of one single country should not put our common interests at risk. The 60th anniversary of the treaty of Rome was an opportunity to reflect on the past and find ways to reinforce the European sense of belonging. He felt that migration should be dealt with in exactly this context. The EU struggled to manage reception, resettlement and integration of migrants due to scarcity of resources, but it should continue to be a reference point for resilience, for a fair distribution of resources and for respect for diversity. For the Italian Government, it was important to react in a way that would ensure balance between police operations/security and respect for the human dignity of the people concerned.

Stéphane Jaquemet, United Nations High Commissioner for Refugees, stressed that we needed to reconcile border control/security with human rights and the protection of refugees. According to him, migration had become a highly politicised matter and unfortunately it was the extreme right that dictated the political agenda when mainstream parties demonstrated a lack of creative thinking. The Commission was obliged to take into account the opinions of Member States which often had a negative approach. At global level, he suggested treating non-EU third countries, which were often unwilling to take back their citizens, as interlocutors, while strengthening international cooperation through visa facilitation, development and other means. He recalled that although for refugees there were some legal pathways, such as relocation and resettlement, for migrants there were very few possibilities and therefore they remained vulnerable to smugglers. A small opening would give hope and discourage smuggling and trafficking, and would allow the EU to reconcile border control with a humanitarian approach. He stated that irregular migration control offered possibilities for real integration.
Prof. Marco Impagliazzo, President of the Comunità di Sant’Egidio, explained that the legal gateway to Europe that his organisation had created in Italy by organising humanitarian corridors enabled the integration of 1500 immigrants. The legal framework of these humanitarian corridors was Art. 25 of the European Regulation establishing the Visa Code which could also be applied by any Member State. The project showed the advantages of cooperation between civil society, the protestant and catholic churches and the government. The EU’s relocation scheme on the other hand had not succeeded. He emphasized that people escaping their own countries should be allowed to move. Humanitarian corridors saved the lives of people and protected them from scrupulous human traffickers.

His organisation had worked in Italy and Spain, and would soon begin work in France. The project obtained humanitarian visas for vulnerable migrants who arrived through the corridors and applied for refugee status via a fast track procedure upon arrival. Civil society involvement meant immediate interaction with volunteers in the receiving country, which in turn led to more effective integration. The project also involved lower costs per migrant until they obtained refugee status. He mentioned that although humanitarian visas had not been accepted in Belgium and the relocation scheme has not proven very successful in Europe, civil society and private entities had launched resettlement avenues for the most vulnerable, such as ill people, widows, and victims of torture, that were not costly for the state. This could serve as an example for any future civil society initiatives.

Oonagh Aitken, from Solidar, stressed the importance of the role of volunteers for the integration of the most vulnerable persons. During the UK referendum, immigration had been a main focus and played a significant part in the vote for Brexit. However, instead of seeing immigration as a threat, Europe should take a rights-based approach to migration, improve protection standards, and ensure equal access to social protection and care services. She highlighted the need for sharing responsibility, harmonisation of protection norms, humanitarian visas, access to services, health, housing and an integration action plan on an EU level for 20 million third-country nationals. She further claimed the need for formal and non-formal education. Migration should be included in the European Pillar of Social Rights, and in the New Skills Agenda. Europe should ensure higher public investment, and more funds for integration purposes. Migrants should be provided with the right to vote, and the right to run for office. The EU budget should be more flexible and should be redirected to local authorities. She stated the need to avoid concentrating on security and increase public investment, and particularly the direct financing of local CSOs. By referring to the 2015 migration crisis and the closure of borders, she criticised policies that put people in danger of refoulement and that exposed them to violence. Fortress Europe was not working, she concluded.
Panel 3 – Discussion

The discussion focused on the thousands of migrant children that had gone missing after entering Europe, a phenomenon that was a disgrace for European citizens. The need to welcome more migrants as a means of increasing productivity and growth in the EU was also underlined. Relocation of asylum seekers was seen as a very limited measure, “a drop in the ocean” that did not resolve the problem in the long term; a problem that was expected to continue for many years. It was mentioned that migration was a challenge that was not shared in an equal manner within the EU and it was unfortunately countries that had external borders that had to bear the brunt. Europe was not only about sharing the benefits but also respecting our common obligations. A new policy on migration should be in solidarity with the refugees, demonstrating that we were still human.

Following up on the issues raised, Ms Aitken called for greater cooperation between civil society and local authorities, and the creation of humanitarian corridors. Mr Jaquemet reiterated the need for legal pathways to the EU and legal ways of recruiting workers. Mr Impagliazzo supported the proposal for legal pathways and called for the EU to take a more proactive role and to sanction countries that would not accept relocation. Mr Bubbico suggested that Europe needed a new political authority and a new political impulse. By accepting downwards competition, Europe would be denying its own values. The time had come to take important decisions, and to recall that the EU offered both opportunities and obligations. The EU should make resources available to solve these problems. Failures had been committed in the area of migration, but sanctions should not be used. Instead everybody should respect the rules and try to find common solutions. The EU needed to rebuild relations with Africa and there was a glimmer of hope for improvements.

In his concluding remarks Mr Jahier summed up the panel with the following words: Europe must change the narrative on migration, invest more in managing migration, and work towards more and better integration. In short, the EU should stay human.
“European society expresses its admiration and gratitude for this outstanding professional and human commitment to receiving immigrants in Lampedusa.”
Tribute of EESC President to Dr Pietro Bartolo

On behalf of the EESC, President Dassis paid tribute to Dr Pietro Bartolo in order to express the European society’s admiration and gratitude for his outstanding professional and human commitment to receiving migrants in Lampedusa.

Pietro Bartolo is director of Lampedusa’s polyclinic. A surgeon specialising in gynaecology, he has for more than 26 years been meeting tens of thousands of women, men and children on this Sicilian island, fleeing from wars, famine and violence and seeking a better future in Europe.

He was at the forefront of providing emergency care for the survivors of the disaster of 3 October 2013 when fire tore through a fishing boat crammed with more than 500 migrants, killing 368 people.

His internationally-famed story and commitment featured in Gianfranco Rosi’s film Fuocammare (“Fire at Sea”), which was awarded the Golden Bear at the 2016 Berlin Festival and was nominated for Best Documentary at the 2017 Oscars.

In September 2016, together with Lidia Tilotta, he published a book entitled Lacrime di sale – La mia storia quotidiana di medico di Lampedusa fra dolore e speranza (“Tears of Salt – my daily life as a doctor in Lampedusa between suffering and hope”).

He is an outspoken advocate for taking in migrants and asylum-seekers and of the need for humanitarian corridors to counter people trafficking.

He has received numerous international commendations and prizes, among them the Sérgio Vieira de Mello prize in Cracow in 2015 for distinction among those “enhancing peaceful coexistence and cooperation between societies, religions and cultures”.

On 1 December 2016 he received the Franco-German Human Rights Prize from the German and French Ministers for Foreign Affairs, Frank-Walter Steinmeier and Jean-Marc Ayrault.

On the occasion of his recognition by the EESC, Dr Bartolo gave an emotional speech which touched all, thanking us for having thought of the doctor from Lampedusa.

Dr Bartolo explained how Lampedusa, together with Malta and Greece, is a lifebelt in the Mediterranean, and that being at the very fringe of Europe it is its gateway, turned towards Africa.

Contemporary sculptor Mimmo Paladino has placed his monumental “Door to Europe” at the southernmost tip of the island, as proof that Lampedusa is an ever-open door that has never turned away anyone and has never greeted people with walls or barbed wire.

He praised the people of Lampedusa – infected by that strange disease he describes as “a sense of hospitality and solidarity” – who over the years have helped more than 300 000 migrants arriving on the island.

He spoke of his sad record of being the doctor who has examined the most corpses in the world and of how many women and children he has treated and saved.

He added that migration flows are not a problem but an opportunity and that this is something Europe must learn to handle successfully.
He spoke out against the desperate condition of children, especially those who are unaccompanied, saying that the priority now was to face up to the fact that too many people had died and were continuing to die every day at sea.

Humanitarian corridors must be organised, as advocated by the Community of Sant’Egidio, so that people would no longer take to the seas and risk their lives.

The commendable operations initially launched by Italy with “Mare Nostrum” and followed by Europe with “Triton” and through Frontex represented an enormous effort in terms of resources and people. But people smugglers, aware that ships would set out to save migrants, were no longer using large metal or wooden vessels, but inflatables that were falling to pieces. Not only do such craft sink easily but they cause serious contact burns that mostly affect women.

The men sit the women on the floor of the boats rather than on the tubular sides to give them greater protection, but in fact this is worse for them because they are more in contact with the mix of petrol and salt water that is harmful to the skin.

Women suffer more from everything, not least the length of their journeys which last for an average of two years. He testified to journeys that had lasted years, marked by suffering, torture, violence and ill-treatment. Women are also imprisoned and tortured before embarking for Lampedusa, risking their lives - and so many are lost.

Dr Bartolo told some of the many stories he has gathered and published in a book. He spoke of the film Fuocammare that he backed so strongly; of his commitment to using every means he could to tell these stories; of his travels around Europe, and especially to schools and universities, bearing the message that too many untruths are being told about migrants.

He has personally met every single person who has landed in Lampedusa and can testify to the fact that migrants do not bring serious, infectious diseases that should cause concern. They are not terrorists, who would never risk their lives in flimsy dinghies. They are not coming to Europe to steal jobs – they are people who need to survive and are happy with the most menial work. People talk of “invasions” to say we are facing huge movements, but this is not the case as the numbers are manageable: 181 000 people crossed the Mediterranean in 2016.

He recalled the duty and responsibility of Europeans to take in people – what is happening in those few 20 miles of sea is a new holocaust, a massacre of men, women and children.

Europeans – along with others – have helped to generate the problems arising from exploitation, war and persecution: for this reason too he has recalled their duty to receive migrants.

These are human beings who are fleeing inhuman living conditions.

He urged Europe to show the whole world that it is a great continent resting on fundamental principles: hospitality, solidarity, fraternity. We must speak back to those who see Europe as a joke and we must feel pride in saying “Europe exists and it’s on the right path”.

Dr Bartolo said he was greatly honoured to be recognised by the EESC and he will certainly share this recognition with the people of Lampedusa, with all the military personnel working on the island, all the volunteers and all those who dedicate themselves every day to the migrants.
Concluding session

Sandro Gozi, Italian Deputy State Secretary for European Policy and Affairs, thanked all the participants in the conference and pointed to the multiple common points between the outcome of the debates and the objectives as regards the contents of the upcoming Rome declaration by the EU leaders. He pointed out that the EU had to increase its promotion of fundamental rights, especially social rights. He emphasised his government’s agreement with the ideas of a fiscal capacity and more stable and democratic governance mechanisms for the euro area, including the creation of a European Monetary Fund. In his view, the opportunity should be taken to launch a real reform of the euro area, in view of the obligation to incorporate the provisions of the Fiscal Compact into the EU legal framework within five years of its adoption. It was clear that there were diverging points of view in the field of economic governance, but they should all be put on the table for political discussions.

Georges Dassis, EESC President, summed up a few essential points of the very interesting debates held during the day. He stated that EU citizens should be placed at the core of the debate and that the EU project was impossible without a pillar of social rights. It was not acceptable to pit citizens against one another, for example via competition among workers from different countries. There was currently an imbalance between the economic and social dimensions of the Union. To address this, a renewed perspective for young people, quality jobs, and more social investments to support the real economy were needed. On the issue of migration, Mr Dassis recalled that the EESC had been calling for a common EU policy for decades and that the goodwill of individuals such as Mr Bartolo was not enough. As regards the Economic and Monetary Union, the EESC proposals were addressed to the European Union as a whole. Of course, that should not prevent the euro area countries from moving closer towards economic integration – on the contrary, a genuine economic union would make the euro even more attractive for the countries that were yet to join. In that context, the Council could change economic policy without the need for a treaty change, ensuring in particular a more equitable fiscal policy and more investment that went beyond the Juncker Plan. Mr Dassis announced that the conclusions would be distributed in writing and that the EESC would draft an opinion on the recent White Paper on the Future of Europe, for which it had received an official referral by the EC. Finally, Mr Dassis thanked the Italian Chamber of Deputies for hosting the EESC conference, Deputy State Secretary Gozi, the panellists and all the participants.
Conference conclusions

• All the components that make up the European Economic and Social Committee – employers, workers and other civil society organisations – share the conviction that we must safeguard the European Union and move forward together, putting the needs of citizens at the heart of European integration.

• The EU has no future without a social dimension.

• One of the cornerstones of the European Union is harmonised progress. Care should therefore be taken to avoid creating competition between workers of different countries and prevent a race to the bottom in terms of living and working conditions.

• A core set of rights needs to be ensured for each worker in all forms of employment, including the newest ones.

• Politicians and the media must stop blaming the EU on the slightest pretext. They have the moral obligation to recognise the progress that has been made as a result of the EU; to say what Europe has represented and continues to represent for its citizens; and, when criticism proves necessary, to do so in a justified and constructive way.

• The EU guarantees peace, liberty, democracy, prosperity and progress.

• Economic policies have an impact on the social situation of citizens, just as social policies have an impact on the economic situation in Member States.

• The current social and economic imbalances pose a threat to the future of the EU because they undermine social cohesion, political credibility and economic advancement.

• One of the major challenges is the struggle to raise employment levels and eradicate poverty.

• Considerable investment is needed to create jobs, particularly for young people, who are the first to fall victim to the economic and social crisis. Access to finance should also be made easier for businesses, in particular SMEs, as this will form a factor in their development and therefore in the creation of new jobs.

• It is important to use existing economic policy instruments in a more balanced way, in order to ensure greater growth, convergence, budgetary flexibility and public and private investment, while also addressing the economic and social challenges linked to globalisation. This would make it possible to regain the lost trust of our fellow citizens without the need to change the Treaties.
• Completing Economic and Monetary Union with the aim of establishing genuine democratic governance of the euro area – with economic, social, fiscal, financial and political pillars – is our priority, and an opportunity to move forward in the EU integration process, including for those countries which are not yet members of the euro area.

• Immigration is the overriding issue in today’s political discourse. There is an urgent need to put in place a genuine European policy on immigration and asylum.

• The extreme right exploits fear of the other, but Europe must not surrender its values in the face of the migration crisis. Europe must not forget that migrants are human beings first and foremost and that refugees are in fact running away from something that is profoundly contrary to European values.

• The EESC calls for a reform of the Common European Asylum System and the establishment of a genuinely common procedure and regular and legal access routes to the European Union based on the principle of respecting persecuted people’s human rights.

• Civil society has played a key role in addressing the migration crisis. Without the response of numerous NGOs, charities and individuals, the tragic humanitarian situation which has unfolded in many European countries could have been much worse.

• The EESC is convinced that integration is a necessity for our societies if we want to preserve social cohesion. Integration measures and social investments should be provided for the local population and refugees in order to create a positive climate towards refugees in the host country.

• National and European political leaders need public support to build a shared vision of Europe’s future, to return to the concept of solidarity and to ensure the prosperity of future generations, as the founding fathers managed so successfully 60 years ago.

• In response to the Commission’s request for an opinion on the future of Europe, over the coming weeks the Committee will engage in a wide-ranging debate with civil society organisations and national economic and social councils across the Member States.