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**Active Inclusion Strategy:
New Synergies in Fighting Poverty**

Olga Fazzini
University of Milan and URGE
e-mail: olga.fazzini@unimi.it

URGE is the Research Unit on European Governance of the Collegio Carlo Alberto Foundation

Address: URGE, Collegio Carlo Alberto, Via Real Collegio 30, 10024 Moncalieri (Turin), Italy

Website: www.urge.it

1. Introduction

'Activation' has represented a keyword in the European Union discourse about welfare and work for the last decade. In particular, the shift from passive to active employment policies has been one of the major features of the European Employment Strategy launched in 1997. In this context, welfare systems have assumed a new rationale: the promotion of employability as a guarantee against unemployment and, consequently, poverty (Bosco and Chassard 1999).

Still, this evolution has been only partially linked with the more general EU policies for the eradication of social exclusion. The actions promoted in this field – originated in previous interventions against poverty developed in the 70s as a reaction to the economic crisis – started to be shaped in the 80s. It was at that time that, under the influence of the French tradition, a new multidimensional and dynamic approach focused on 'social inclusion' was adopted as the new goal of social assistance in the European Community. But only with a Resolution issued in 1989 (Council 1989) and two Recommendations adopted by the Council in 1992 (European Council 1992a; 1992b) the relevance of this theme was explicitly recognised and common objectives for social protection were stated. Subsequently, in the Treaty of Amsterdam, the fight against exclusion was explicitly mentioned and associated with the promotion of employment. But, if the latter goal became immediately the object of the activation policies launched by the Luxembourg Process, social inclusion seemed to remain a secondary issue. Even the Lisbon Strategy, launched in 2000, has mainly focused on workfare policies, despite its commitment in 'modernising the European social model, investing in people and combating social exclusion' (European Council 2000). While it has promoted active strategies for the mobilisation of people capable of working, it has retained a more passive approach in the assistance of people who, because of their age (children, elderly), disabilities, family situation (single parents) or legal status (illegal migrants, asylum-seekers), are inevitably left at the margins of the labour market.

The separation of the Open Method of Coordination (OMC) for Social Protection and Social Inclusion from the mainstream of the renewed Lisbon Strategy, focused on growth and jobs, has further reaffirmed this difference. Priority has been given to the active fight against those forms of exclusion which represent a 'waste' of human capital needed to foster economic growth, while a less focused and effective strategy has been adopted in fighting other forms of deprivation and marginalisation.

In this context, the recent initiatives of the European Commission for the implementation of a new 'Active Inclusion Strategy' can be seen as an attempt to introduce an integrated approach to the fight against social exclusion. The aim is to provide a policy framework that would take into account the variety of forms which social exclusion can assume and to combine promotion of employability and job quality with proper income support and better access to services for people at the margins of society. Adequate criteria for the implementation of minimum income (MI) schemes, development of inclusive labour markets, and access to quality social services are conceived as the instruments needed for 'mobilising people who are capable of working, while achieving the wider objective of providing a decent living standard to those who are and will remain outside the labour market' (European Commission 2006: 1).

MI schemes, in particular, assume a fundamental role in providing a degree of security for all. In the definition of the Commission, they include means-tested and partially discretionary tax-financed interventions, aimed at guaranteeing minimum standards of

living when no other source of financial support is available. They require capable people to be available for work and are often combined with other social benefits, such as housing, heating and child allowances (European Commission 2006: 4-5). Their rationale is to guarantee a minimum level of resources, which, on the one hand, could support unemployed in retraining and searching a new job and, on the other, could allow people not able to work to live a decent life.

This new strategy, launched by a general consultation promoted by the European Commission in 2006 (European Commission 2006) and subsequently discussed by the European Parliament (European Parliament 2008), has been the object of a recent Recommendation of the Commission (European Commission 2008d), which was adopted by the Employment and Social Affairs Council in December 2008 (European Council 2008).

In the first part of this article, we will present the historical background of this strategy, reviewing the development of EU social inclusion policies, from the seminal Recommendations in 1992 to the Lisbon Strategy and its revision. Secondly, we will introduce the recent interventions promoted by the European Commission, concerning both the definition of a new active approach to social inclusion policies and the revision of the OMC for Social Protection and Social Inclusion. Finally, we will try to account for the potential of the strategy and its possible future evolutions.

2. Social Inclusion in the EU

The action of the Community in fighting poverty started rather late within the process of European integration for at least two reasons. On the one hand, the Treaty of Rome implicitly accepted the principles of what has been subsequently called 'embedded liberalism' (Ruggie 1982), promoting economic cooperation at supra-national level while leaving untouched the competences of member states on welfare-related policies (Giubboni 2003). On the other, the positive economic conjuncture characterising the first phase of the development of the European Community fed the general belief that economic growth would have led to widespread wellbeing, without the necessity of positive interventions at the European level (Sacchi 2006).

Only in the 70s, after the period of economic stagnation caused by the oil crises and the devaluation of the dollar, with the consequent increase of unemployment, social policy started to be included in the European agenda. The first Community programs against poverty were launched and, in 1986, an advisory body, the European Observatory on Social Exclusion, was established. This last initiative officially marked the shift from policies 'against poverty' to policies aimed at promoting 'social inclusion'.

The change was mainly driven by France, in accordance with its republican tradition. In the French view of the relation between citizens and community, the term 'poverty' tends to be considered as a disparaging definition of the material side of the more general and multi-faceted phenomena of breaking of the social cohesion based on the social contract (Silver 1994). From the French political lexicon, *via* European policy, the term has subsequently spread in the Anglo-Saxon, German and Scandinavian cultural traditions, to which it used to be alien.

As underlined in the literature on the relation between poverty and social exclusion, the adoption of the new concept implied the shift from a static to a dynamic approach, from an economic to a multidimensional perspective, from an exclusive focus on distributive

aspects to a new attention to relational ones (Negri and Saraceno, 2000). The Resolution adopted by the Council in 1989 explicitly stressed the necessity of this change for the promotion of economic growth and social inclusion (Council, 1989). In 1992, two Recommendations of the Council established common principles and guidelines for the achievement of a guaranteed minimum level of resources for all citizens, assigning to the Commission the task of promoting the exchange of information among member states and reporting to the Council the achieved results (Council 1992a; 1992b). As recognised by the Commission, these recommendations 'helped to structure and encourage the debate between member states on the role and development of minimum income schemes' (European Commission 2006: 6), laying one of the foundations of the current evolution of the 'Active Inclusion Strategy'.

In 1997, the Treaty of Amsterdam explicitly mentioned fighting social exclusion as one of the objects of EU social policy, stating the role of the Union in encouraging cooperation, exchange of information and the development of 'good practices' among member states. In 1999 a Communication of the Commission, reporting on the implementation of Recommendation 98/441/EEC, proposed a seminal coordinated strategy for the modernisation of social protection in Europe (European Commission 1999), which would have been subsequently realised in the context of the Lisbon Strategy.

The Lisbon European Council of March 2000 highlighted the necessity to fight social exclusion and to this end introduced a special OMC for Social Inclusion. This process started with the definition of common objectives by the Nice European Council in 2000 (reviewed in 2002), the presentation of National Action Plans by the member states for the period 2001-2003 and the publication of the First Joint Inclusion Report by Council and Commission in December 2001. Despite the proposals of the Commission in its contribution to the preparation of the Council, no quantitative objectives were stated. A second phase started in 2003, for the period 2003-2005. The limits of the general approach adopted in the first cycle were partially overcome by the definition of common social indicators and the introduction of specific targets in the NAPs, but, again, no common quantitative target was adopted.

In 2005, during the process of revision of the Lisbon Strategy, President Barroso proposed a mainstreaming of the Strategy focused on growth and jobs, and the exclusion of all the OMCs not related to these objectives (European Commission 2005a). Still, the opposition of some member states and the European Anti Poverty Network pushed the Council to agree on the importance of the OMCs on social inclusion and social protection, grouped in a unique process including three main areas: social inclusion, pensions and health-care (Sacchi 2006). At the same time, the eradication of poverty was also included in the integrated guidelines for the employment policy, as long as this objective was linked with the promotion of inclusive labour markets (Council 2005; Guideline 19). A first cycle of this new process ended in 2008, and a new one started in September with the presentation of the National Strategic reports for the period 2008-2010.

In the meantime, the role of the European Union in promoting social inclusion has been reaffirmed by the European Charter of Fundamental Rights, whose chapter on solidarity states, at art. 34.3, the necessity 'to ensure a decent existence for all those who lack sufficient resources'¹.

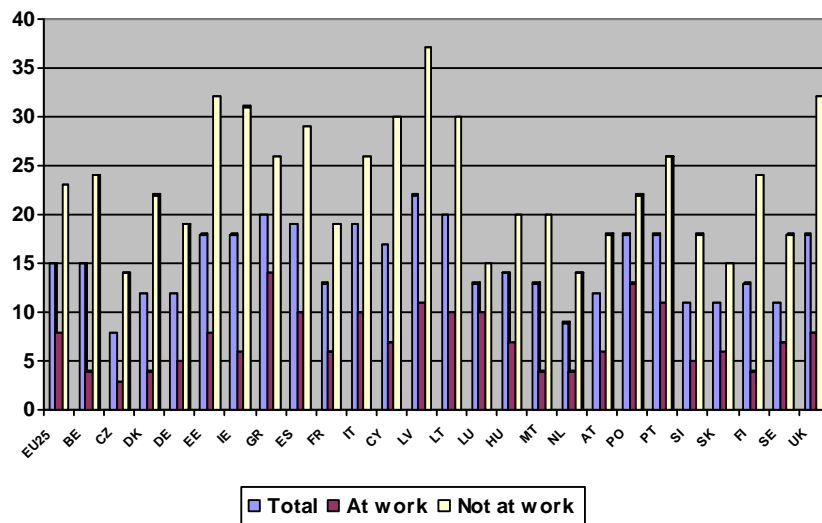
¹ Art. 34.3 Charter of Fundamental Rights of the European Union: 'In order to combat social exclusion and poverty, the Union recognises and respects the right to social and housing assistance so as to ensure a decent existence for all those who lack sufficient resources, in accordance with the rules laid down by Community law and national laws and practices'.

3. Recent initiatives for an 'Active Inclusion Strategy'

Since its origins, European social inclusion policies have been directly linked with the necessity to mobilise inactive people and (re-)introduce them into the labour market. Employability has been considered as the main instrument in facing unemployment and poverty jointly while avoiding unsustainable budgetary costs for social assistance. Since 1999, the European Commission has acknowledged the role of MI schemes – at that time existing in thirteen out of fifteen member states² – as an important instrument in the creation of a safety-net for unemployed in the 'reactivation' phase and for tackling other forms of social exclusion (European Commission 1999). Further, MI schemes have been mentioned in the definition of the common objectives of the Social Inclusion Process since its first version, adopted in 2000.

Also the Commission's report on the implementation of the Recommendations issued in 1992 started to pay attention to active measures of inclusion for people in need (European Commission 1999). The necessity of a transition from passive to active policies, recognised and reaffirmed by the Commission in its communication 'Building an Inclusive Europe' (European Commission 2000), was consistent with a general cost containment objective, which imposed a revision of social assistance programs, a more efficient definition of the conditionality rules for the recipients of benefits, and an integrated approach linking employment and social policies. MI schemes were acknowledged again as critical instruments in the achievement of social inclusion (Ditch and Roberts 2005).

Fig.1: At-risk-of-poverty rate by labour force status (% of population over 16 years – income year: 2005)³



Source: SILC⁴ 2006

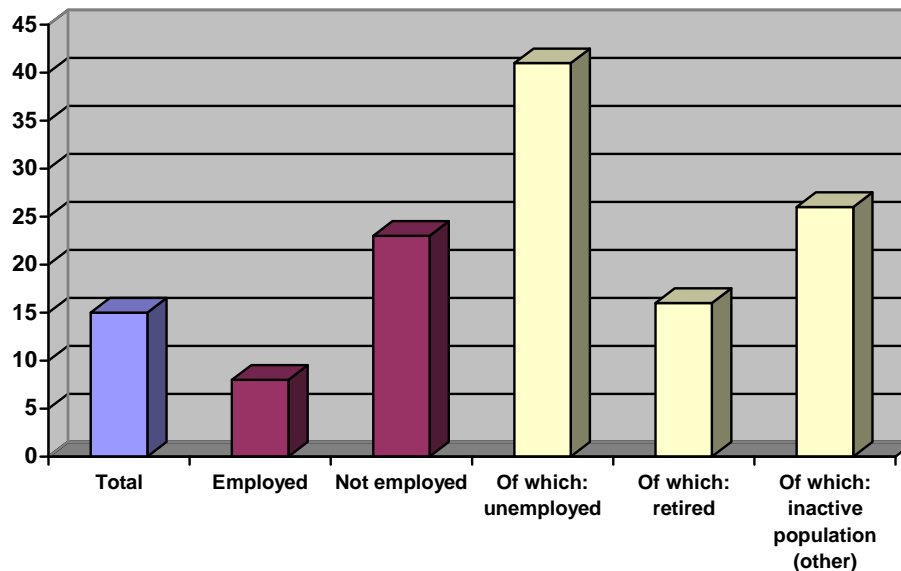
² Greece and Italy were, and still are, the two countries not providing any form of last-resort benefit, which can be defined as a MI scheme.

³ The threshold has been fixed at 60% of median equalised income after social transfers. The data refer to the most frequent situation of the respondent in the previous year.

⁴ The EU-SILC (European Union Statistics on Income and Living Conditions) is a project launched in 2003, aimed at collecting timely and comparable multi-dimensional data on poverty and social exclusion. It has

While recognising the success of these tools, when properly calibrated in terms of eligibility and conditionality rules, in fighting exclusion from the labour market for the capable of working, the Commission started to consider the potential they could have in addressing different forms of marginalisation and deprivation, not directly linked with employability. As figure 1 shows, poverty is not always linked with unemployment: low-paid workers often do not earn enough to provide a decent life to their family⁵. On the other hand, access to labour market could not be a viable solution for everyone: among people at risk of poverty, there are several categories which are inevitably inactive. MI schemes could represent a common instrument in the fight and prevention of poverty, addressing all the categories at risk of relative poverty: not only long-term unemployed and inactive people discouraged after repeated job search failures, but also people that, for a variety of reasons, are left outside the labour market, such as single parents, disabled and chronically ill persons.

Fig. 2: *At-risk-of-poverty rate by most frequent activity (% of population over 16 years – EU25 – income year: 2005)*



Source: SILC 2006

In order to evaluate the possibility of a common action in the definition of a more integrated strategy for fighting social exclusion, which could recognise and address all the different forms of deprivation and marginalisation, in February 2006 the Commission launched a consultation under art. 138 of the EC Treaty, addressing social partners, public authorities at all levels, NGOs and the European institutions (European Commission 2006).

In the communication launching the consultation, the Commission reviewed the goals achieved by social inclusion policies in the EU and proposed possible guidelines for an

replaced the previous ECHP (European Community Household Panel); for more info see <http://circa.europa.eu/Public/irc/dsis/eusilc/library>.

⁵ A recent analysis of the phenomenon of the so-called 'working poor' in Europe can be found in Andress and Lohmann (2008).

action at the EU-level, aimed at the active inclusion of people furthest from the labour market. As recalled by the Commission itself, this initiative responded to the New Social Agenda for the period 2005-2010, which asked for the launch of a consultation aimed at paving the way for the implementation of concrete measures for the fostering of minimum income schemes by 2010, declared 'European Year of Combating Poverty and Social Exclusion' (European Commission 2005b).

The envisaged strategy would be based on 'a comprehensive policy mix combining three elements [...]: (i) a link to the labour market through job opportunities or vocational training; (ii) income support at a level that is sufficient for people to have a dignified life; and (iii) better access to services that may help remove some of the hurdles encountered by some individuals and their families in entering mainstream society, thereby supporting their re-insertion into employment (through, for instance, counselling, healthcare, child-care, lifelong learning to remedy educational disadvantages, ICT training to help would-be workers, including people with disabilities, take advantage of new technologies and more flexible work arrangements, psychological and social rehabilitation)' (European Commission 2006: 8). The integration of these three elements is considered vital in order to achieve the expected results. As showed by the Commission, 'without active support for labour market integration, there is the risk that MI schemes trap people in poverty and long-term welfare dependency. Without appropriate income support, there is the risk that active labour market policies or programmes fail to prevent widespread poverty and to deter people from seeking immediate means of subsistence by irregular means. Without social support measures there is a risk that activation rules will be implemented blindly and therefore ineffectively, without due regard for the particular needs of people at a disadvantage (single mothers, travellers and Roma, people in poor health or affected by psychological disorders)' (European Commission 2006: 8).

Three were the questions addressed in the consultation: 1) is there a need for further action at EU level?; 2) how should the Union act?; 3) is there a justification for a EU action in this field?

The replies showed a general agreement on a comprehensive approach aimed at social inclusion for capable of working and people furthest from the labour market. This agreement was shared also by Italy and Hungary, two of the three member states in which a MI scheme was (and is) still absent⁶. In addition, some respondents expressed the need to attribute adequate but not exclusive importance to the issue of labour market access, in order not to exclude people who cannot work. Other replies underlined the potential role that the social economy and social enterprises can play in promoting employability among vulnerable groups. The necessity to promote quality jobs was also stressed as a way to escape possible low-pay traps and, consequently, the formation of a poor working-class highly exposed to the risk of unemployment. European and national NGOs pointed out the specific needs of particular categories of people, such as disabled, homeless, migrants, old and young people, and the necessity to promote a flexible management of MI schemes that could adapt to these different needs.

As for the possible forms of intervention, the OMC was almost unanimously considered as the best instrument for the implementation of the Strategy, and some respondents proposed to include an ad-hoc guideline, specific targets and new indicators, peer reviews and further research specifically focused on MI schemes in the OMC on Social Protection and Social Inclusion. The majority of respondents, on the contrary, showed

⁶ Greece, the third country in this group, did not reply to the Communication. For an analysis of the Italian case see Sacchi (2005).

scepticism about the possibility and opportunity of adopting a directive on MI schemes, considering that this policy area is a national competence. Many respondents underlined the role of the European Social Fund and PROGRESS⁷ in financing the projects addressed to people furthest from the labour market, in particular those who cannot have access to specific programs such as EQUAL⁸.

Finally, the two Recommendations issued in 1992 were considered by some respondents as an adequate precursor of the OMC and a possible legal basis for a common action for the activation of social policy, while others asked for a new Recommendation.

On the basis of the results of this first round of consultations [the 2007 Joint Report on social protection and social inclusion, the review by the Social Protection Committee of the NAPs to combat poverty and social exclusion, the conclusions of the Sixth Conference of people experiencing poverty (Brussels, 4-5 May 2007)⁹ and the stakeholder's conference on active inclusion (Brussels, 15 June 2007)¹⁰], in October 2007¹¹ the Commission launched the second phase of the consultation (European Commission 2007).

It must be underlined that this last initiative was closely connected with a broader effort for the revision of the European welfare states, aimed at detecting the best tools in facing the new challenges represented by globalisation, technological and demographic change and immigration. In February 2007, the Commission had launched a more general consultation on 'European Social Reality', aimed at finding new ways for modernising the European welfares and fostering their coordination. Even this further consultation showed the necessity of a revision of the European Social Agenda adopted in 2005, based on a more integrated approach connecting solidarity and empowerment of human capital. The Commission acknowledged the results of the consultation in the Communication on 'Opportunities, Access and Solidarity: Towards a New Social Vision for 21st Century Europe', stating the necessity of a new welfare state in which 'no one is left behind' (European Commission 2007). The Communication underlined the persistency of social exclusion, with around 100 million Europeans earning, in 2004, less than € 8000 per year and facing severe difficulties in achieving a decent standard of life. 'Combating poverty and social exclusion' was reaffirmed, once again, as a key objective of the European Union.

In the same Communication, the Commission announced the launch of a renewed Social Agenda, preceded by the elaboration of a qualitative assessment of the likely impact of a

⁷ Progress is the funding instrument for EU programs in five policy sections: employment, social inclusion and social protection, working conditions, anti-discrimination, and gender equality. It has been created in 2007 and it will run until 2013. Its original budget was 700 million Euros.

⁸ EQUAL is an initiative launched in 2000 and funded by the European Social Fund, aimed at funding the initiatives for the overcoming of the discrimination in the workplace and in promoting access to the labour market.

⁹ The European Meetings of People Experiencing Poverty were initiated by the Belgian Presidency of the EU in 2001 and have had an annual cadence since 2003. They represent a forum of discussion about social policies to fight poverty aimed at giving a contribution to the relevant policy-making processes. They involve primarily people directly experiencing some form of deprivation, getting together delegations of poor categories from all member states, representatives from the European institutions, national government and NGOs. The 7th edition of the Meeting was organised by the German Presidency in May 2007 and has represented an important opportunity of discussion about the themes of the Active Inclusion Strategy as developed in the second phase of the consultation: minimum income, social services, services of general interest, housing.

¹⁰ The Conference has been promoted by the Commission in order to present and discuss the result of the first phase of the consultation and of the impact assessment carried out by the Commission.

¹¹ The Communication was issued on 17th October, officially proclaimed 'International Day for the Eradication of Poverty' by the United Nations in 1992.

new framework for social policy in Europe (European Commission 2008b). The impact assessment considered three possible options in the definition of the new Social Agenda: maintaining the *status quo* (no change in approach – no change in policy), revising the existing social policy with new forms of implementation (no change in approach – change in policy) or renewing the Social Agenda from its very foundations (change in approach – change in policy). This third option would have implied a greater consideration of ‘the cross-cutting nature of the problems emerging from the new social realities’, which requires ‘the mobilisation of all relevant EU policies in a holistic way going beyond employment, social affairs and equal opportunities and extending to health, education, information society, internal market, macroeconomic policies, environment and external policies’ (European Commission 2008b: 5). It is on the basis of this third option that the Renewed Social Agenda has been developed (European Commission 2008a) and it is in this perspective that the Active Inclusion Strategy has been shaped.

The second phase of the consultation on Active Inclusion can be considered as an attempt to implement the new approach then formalised by the Social Agenda. It recognised the importance of this holistic approach, trying to transpose the observations put forth by member states and NGOs into a more systematic proposal. The Commission presented the OMC as the most suitable instrument for the implementation of the strategy, viewing the adoption of common principles and the monitoring of the process as the best way to respect the national competence of the member states, while promoting the best practices. Deepening the OMC in this area was the first intervention envisaged by the Commission. In addition, the Commission proposed the issue of a new Recommendation, which would have detailed the elements of the strategy and constituted the basis for further interventions of the Council and the European Parliament.

Three are the dimensions along which the common principles would have been developed: 1) minimum income; 2) active labour market measures; 3) social services. As for the first element, it has been conceived as the instrument needed in order to assure the basic right for everyone to live a decent life. This objective requires the assessment of the needed amount of resources through the definition of appropriate indicators. With respect to the connection with the labour market, the Commission has underlined the necessity not only to promote job search assistance and training but also to make work pay, reviewing incentives and disincentives resulting from tax and benefit systems, both for workers and employers. Finally, the monitoring of the quality of services, especially in terms of accessibility, has been considered fundamental in order to guarantee access to the benefits to all the potential receivers. The Commission underlined that ‘all services of general interest, including network industries such as transport and public utilities as well as financial services, play an important role in ensuring social and territorial cohesion’ (European Commission 2007a: 8). Nevertheless, the action of the Commission in this context has focused exclusively on social services of general interest.

The Commission suggested the creation of a EU framework based on the definition of common principles coupled with a systematic monitoring and evaluation process. According to the proposal the European Social Fund would have provided the financial support for the action in ‘a) developing and testing integrated pathways to active social and economic inclusion; b) mainstreaming innovative integration approaches that have a clear advantage over current practices; and c) disseminating and transferring good practices in promoting social inclusion across all members’ (European Commission 2007a: 8). The creation of a Network of Local Observatories funded by PROGRESS would have promoted and monitored projects for the dissemination of the best practices.

This second phase of consultation was closed in February 2008. Once again, member states, social partners, European and national NGOs showed general agreement about the opportunity of an integrated approach in the fight against social exclusion. Nevertheless, several critical aspects were underlined. The adequacy of a deepening of the OMC on social inclusion was generally welcomed, while several respondents highlighted the necessity to avoid duplications of already existing interventions. In the same perspective, the creation of a network of Local Observatories was perceived by some respondents as a waste of resources. Only Belgium, among the member states which sent their comments, considered the opportunity of a Directive on MI schemes, or, at least, of a Recommendation defining not only common principles but also specific targets. Many respondents highlighted the lack of adequate consideration for a gender perspective and for life-long learning. If the 60% of the median income was generally considered as a suitable indicator for granting the benefits associated with MI schemes, subsidiarity was often called for in evaluating the opportunity of intervention. Moreover, most of the member states which replied to the Communication questioned the competence of the EU in evaluating the quality of social services, recalling the principle of subsidiarity as stated by the Protocol concerning services of general interest added to the Lisbon Treaty. On the other hand, several NGOs put into question the very opportunity to use the expression 'services of general interest'. Being so closely associated with competition law, this term could blur, in their opinion, the 'right-based approach', which the strategy should promote, and create confusion in case of conflict between the interests of the internal market and the wished supremacy of the universal principles of social services. None of the states in which MI schemes are absent replied to the Communication.

The Commission's consultation, together with the policy debate held by the Council in preparation of the Spring European Council on the issue of child poverty, stimulated an own-initiative report of the Committee on Employment and Social Affairs of the European Parliament. This initiative led to the adoption of a Resolution on promoting social inclusion and combating poverty (European Parliament 2008), voted by the European Parliament on 9th October 2008. It welcomed the initiative of the Commission, encouraging all the member states to adopt MI schemes in order to guarantee a decent standard of life to those who are below the at-risk-of-poverty threshold of 60% of the median equalised income. In order to promote the spread of these measures, the EP also called on the Council to agree on a EU target for MI schemes and a timetable for reaching this target. Regretting that the Commission's Joint Report on Social Protection and Social Exclusion 2008 did not provide a strategic focus on eradicating poverty, the EP called for a more explicit commitment in the next cycle of the OMC.

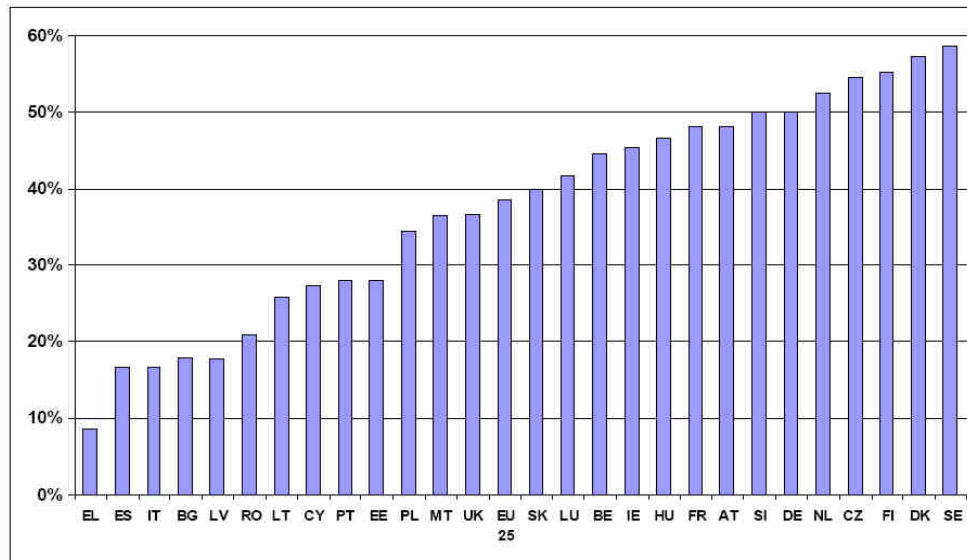
In the meantime, on 3rd October, the Commission had adopted the announced Recommendation on the active inclusion of people excluded from the labour market (European Commission 2008d). The Recommendation envisages monitoring and evaluating active inclusion policies under the Open Method of Coordination with the support of the Social Protection Committee and the Employment Committee. It set out the common principles and guidelines along which it wishes active inclusion policies will be organised.

The Recommendation seems to have acknowledged most of the critical remarks of the respondent to the consultation. The importance of the principle of subsidiarity in the definition of the quality standards, in particular, has been highly stressed, in order to meet member states' concerns. As for the implementation of adequate income support,

Recommendation 92/441/EEC has been recalled as the main point of reference. In stating the principles for an inclusive labour market, the Commission has underlined the necessity of considering the specific needs of the citizens excluded from the labour market, providing instruments for reintegration, job retention and advancement. Quality jobs – not only in terms of income but also in terms of working conditions, health and safety, access to lifelong learning and career prospects – have been considered fundamental in avoiding poverty traps. Finally, with regard to access to quality services, the Commission has stated only common principles, without adopting practical guidelines. This seems to reflect the difficulty in dealing with these issues, while a more general debate about services of general interest is still ongoing¹².

The Recommendation was accompanied by a Communication on the active inclusion of people excluded from the labour market (European Commission 2008e), showing the rationale of the initiative. It stressed the importance that social transfers have in fighting exclusion. It also showed that this effect is significantly weaker in countries where MI schemes do not exist. So, it affirmed, on the one hand, the importance of such interventions, while asking, on the other, for an improvement of the existing systems aimed at improving their efficiency in facing new forms of poverty.

Fig. 3: Impact of social transfers (excluding pensions) on reduction of poverty rate, 2006 (% of poverty rate before social transfers – income year 2005, except for UK (income year 2006) and for IE (moving income reference period 2005-06))



Source: European Commission (2008e: 9)

The Recommendation was object of discussion during the informal meeting of Ministers responsible for combating poverty and social exclusion organised by the French Presidency in line with the 7th European round table on poverty and social exclusion, held in Marseille on 15-16 October. In that context, the Ministers manifested their unanimous interest in the strategic approach of active inclusion. They expressed their

¹² It must be noted that, following the indications of some replies to the Consultation, the Commission did not adopt in the Recommendation the expression 'service of general interest'.

commitment to arriving at common principles on active inclusion at the Employment and Social Affairs Council in December 2008 (Council 2008).

On December 17th, the European Council adopted the Commission Recommendation (European Council 2008), inviting the member states to implement active inclusion strategies at national level on the basis of the common principles stated by the Commission. The Council also asked the Commission to carry on a regular review of these policies in the joint reports on social protection and social inclusion, with the financial support of PROGRESS and the European Social Fund. It invited member states and the Commission to monitor the application of the common principles and their coordination with the European Employment Strategy. While reaffirming the national competence in defining targets and indicators, the Council encouraged the development of a common framework in the context of the Social OMC¹³.

Meanwhile, a first step in the deepening of the OMC on Social Protection and Social Inclusion can be already seen in the Commission's Communication 'A renewed commitment to Social Europe: Reinforcing the Open Method of Coordination for Social Protection and Social Inclusion' (European Commission 2008c), which proposes to set targets for the reduction of poverty, for a minimum level of income provided through pensions and for access to and quality of services (in particular health care).

4. Anything new under the sun?

The initiative launched by the Commission in 2006 for the introduction of a strategy for the Active Inclusion of people excluded from the labour market has generally been welcomed as a positive enhancement in the fight against poverty and social exclusion. Both member states and social actors have expressed positive judgements and the recent initiatives of the Council and the European Parliament allow some optimism about the future implementation of the EU framework proposed by the Commission.

The strategy would provide a bridge between employment policies and social assistance and an integrated approach for the fight of all forms of exclusion and marginalisation, that could coordinate objectives and resources while adapting to the different contexts and forms of exclusion. Minimum income schemes would provide the guarantee for a decent life, conceived as a precondition for any other intervention of activation, both in terms of access to the labour market and of inclusion in community life.

Still, some critical aspects deserve to be taken into consideration. First of all, as underlined by some respondent to the second phase of the consultation, the results of the OMC on Social Inclusion and Social Protection are still hard to evaluate, because of the relative novelty of the process and the difficulty to distinguish those improvements which can be attributed to the coordination role of the EU from the results of other forms of intervention and from economic conjuncture and international trends. The potential of a deepening of the process in a more active perspective is still to be assessed.

¹³ As stated in the Communication accompanying the Commission's Recommendation, after the adoption of the Recommendation in December 2008, Commission and member states would work in the framework of Social OMC in close cooperation with the Social Protection Committee and the Employment Committee for the implementation of new active policies. The progress made will be presented in the Joint Reports on Social Protection and Social Inclusion as well as in the frame of the Lisbon Strategy. A network of local authorities' observatories, financed by PROGRESS, will provide analysis of the development and implementation of active inclusion strategies at the local level and promote mutual learning (European Commission 2008e).

On the other hand, if the strategy is supposed to create a link between the labour market and social services, some member states expressed the fear that it could result in a third process, parallel to the Employment Strategy and the OMC on Social Inclusion and Social Protection, causing duplications of effort and waste of resources. In the light of what is stated by the Recommendation and by the Council Conclusion of 17 December, this seems to be a groundless concern, since the new strategy is included in the Social OMC process. Still, an opposite trend could develop: the sum of the specific objectives for the promotion of social inclusion to the various objectives already included in the Social OMC could indeed produce a progressive blurring of the specific goals of the Strategy in the broader context of social policies.

Thirdly, it is crucial not to underestimate the risk that the variety of welfare systems existing in Europe could become a real obstacle in the very definition not only of the instruments which have to be used but also of the situations which deserve attention. The different shaping of the MI schemes, which the member states want to preserve, could become problematic since they differ not only in terms of requirements for access and granted benefits but also in terms of the pursued aims: to provide a universal guarantee for a dignified life or to establish a scheme of last-resort, which can be accessed when all other forms of assistance cannot be granted (Busilacchi 2008; Chantillon *et al.* 2004; Crepaldi 2008). Moreover, as already seen, three member states, Greece, Hungary and Italy, do not have any MI scheme. Even if Hungary and Italy replied to the first Commission's Communication, expressing agreement for the measures envisaged in the document, it is not clear if they would be able to overcome the existing oppositions to this form of intervention.

Finally, the recalling by the member states of the principle of subsidiarity in the replies to the consultation could hide a resistance to negotiate at European level over common indicators, which could substantially modify the current schemes and practices. Even more so for the indicators of services' quality, for which states claim the respect of the principle of subsidiarity as stated in the Protocol concerning services of general (economic) interest associated with the Lisbon Treaty of December 2007. As recalled in the Dutch reply to the second phase of the consultation, 'the establishment and manner of organising services of general (economic) interest are an issue for national (and lower) governments, also in the social sector' and, as underlines by the UK, 'the Active Inclusion Recommendation should avoid conflicting with local partnerships' need for flexibility to innovate so as to put people first'.

When taking into account both the general agreement showed by the states, the European institutions and the social actors for the Strategy and the potential obstacles it can meet in its implementation, the provision of an accurate forecast of the possible evolution of the process becomes an unlikely task. A first evaluation of the impact of the Strategy will be probably possible only in 2010, the European year for combating poverty and social exclusion.

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