Lisbon, 15 March 1997

- I. The notion of socio-economic cohesion in the 80's and in the 90's
 - in the Single Act
 - in the events taking shape since 89.
 - * my understanding of socio-economic cohesion.
- II. The social and environmental dimension of economics
 - The social in itself
 - * the need for a new concept of economics.
- III. The urgency of the short-term versus the pressing need for long-term vision and horizon.

The main elements of the long-term:

- a new concept of work uidar o Futuro
- compatibility between ...
- the breakdown of concepts public/private in a new understanding of society.
- * a massive effort of research in these two lines.
- IV. What to do with the short-term
 - not necessarily delimited from the long-term.



We have progressed.

But the world has changed quicker than ourselves.

In what way?

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- 1. The rising of unemployment within all European Member States as well as the crises of the welfare State led to a new way of looking at the socioeconomic cohesion:
- One: the affirmation of a social dimension, with a consistency of itself, not as a simple correction of the hazards of the economic process; since a long time this principle has been searched and proclaimed by many of us within our own countries with varying degrees of success;
- The other: the inclusion of the social and environmental factors within the <u>economic</u> dimension; such factors cannot remain anymore as mere externalities of the economic process.

(I put on purpose the <u>social</u> and the <u>environmental</u> together as, somehow, the environmental consequences of an economy centered on environment indicators show more clearly its shortcomings and fallacies). Poverty and exclusion are the human faces shown by such shortcomings.

The socio-economic cohesion gains therefore a meaning within each country. It constitutes a cornerstone of the European social and political model.

2. This new model is not yet there. (Vilvorde, Singapore Summit).

It is true that time <u>urges us</u>. In the <u>short-term</u> some pragmatic measures have to be taken.

But more of the same won't do.

The short-term must include already a logic that will structure the <u>long-term</u> changes.

In this way a glimpse of the future may be already present.

The actors of the short-term and of the long-term are different ones.

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The short-term is the immediacy of the actions taken each day by the decision-makers.

The long-term is the research and the innovation obviously needed, already felt in the present short-comings and carried out by those whose main task is "to think".

In this context, it can be said that there is only a solution if the two groups work hand in hand.



- 3. In the long-term, the first priority concerns the redifinition of work.
- First, in its context.

We reject the fact that in our time we go on thinking and acting about work in the same terms as in the beginning of industrialization process. In that context the equations at stake were binary: raw materials/energy; capital/labour.

This is not anymore adequate. At the outset of the process, before raw materials, there is <u>information</u>;

throughout the process, there are not only the new technologies but new sources of energy and, most of all, the terciarization of the production;

finally, at he and of the process, the product is as much the result of a technical venture as it is of marketing.

In this context, <u>labour</u> cannot be anymore the factor which is <u>penalized</u> at difficult economic moments.

We have to look at the globalization process from the production and financial point of view in a vacuum where there is no social control at all.

• But we have also to look at work in new terms. Work has to be seen as a continuum,

where there are all kinds of <u>activities</u> which benefit the individual and the community.

Of course, corridors of circulation between different types of work are needed. This implies among other things:

- the definition of what Günter Schmid (Max-Plank Institute) calls "transitional labour markets";
- the inventory of the <u>unmet needs</u> in society;
- the design of what at a national NGO Conference in Birmingham a researcher called the learning of "transferable skills" as the main goal of education.

Such requirements point out towards what, already in 89, OECD called an active society.

Such concept is translated, in the short-term, in the shift from unemployment/allocation to pro-active allocation in any field.

• The <u>second priority</u> in the long-term concerns the building up of a civilisation where the <u>individual and social</u> periods of different activities will be, at the same time, the result of an individual choice and of a renewed social dialogue.

This means, among other things:

- the practical concept of <u>long-life learning</u>, taking into account the different life-cycles;
- the shift from <u>climbing up the ladder</u> of one sector <u>to switch over</u> to different sectors and activities;
- the compatibility between family responsibilities and professional

responsibilities, both for men and for women. (Programme of action of "equality of opportunities).

This supposes a social flexibility which corrects and precedes the economic flexibility. But again, it can only be the result of individual choices and social dialogue with a new agenda.

Indeed, many of us didn't notice that the Berlin wall has not fallen only from one side. The "winner" syndrom has prevented us to see that there are conceptual and structural changes which are needed. The rôle and rules of economy need to be changed. The deregulation leads to anarchy, to competitivity without limits, to the birth and expanding of exclusion.

Of course, all this points cut to a new type of economic science.



4. And the short term?

Several initiatives are taking place at the moment we are achieving the European and Monetary Union:

Forum Alternatives Européennes

Forum European Civil Society

Forum European Social Policy.

At the same time, the Commission itself felt the need to go deeper into the social dimension of Europe. And the Comité des Sages was born in Octobre 1995. In February 1996 we finished our report under the title "For a Europe of Civic and Social Rights".

4. We think that time has arrived for a fresh start, 10

which has its foundation in the fact that the 15 countries have long ago ratified internationally the two pacts that are the binding juridical application of the Universal Declaration of Human rights:

- the International Covenant of Political and Civic Rights,
- the International Covenant of Social, Economic, and Cultural Rights.

If we are bound by these Pacts at the world level, why should we not be also bound as a consequence at the regional level?

(Let me remind you of the Social Development Summit where practically all heads of Government committed their countries to the social rights accepted there.)

5. This is why the main proposal of our committee is to include already in the present revision of the Treaty the embryo of a Bill of Rights which can become the expression of our political unity. (Not only an article).

Of course, it is necessary to elaborate a synthesis of all Treaties, Charters and Protocols, so as to allow all European to have access to a single text that is readable, coherent and logic. We cannot understand the time and money spent in the present Intergovernmental Conference if it doesn't tackle, at least in its principle, the question of a single text that all of us can read.

By raising these questions we are touching the core of <u>European</u> citizenship. It is a fundamental task to give shape to the political nature of the Union. As it stands in the Treaty of Maastricht it is almost ridiculous: freedom of circulation, protection by any diplomatic representation of any country of the Union in a third country, vote for the European Parliament, vote in municipal elections in a country other than one's own. ... What a meagre prospect!

Democracy cannot limit itself to abstract principles as it cannot be submitted to the diktats of the Market.

For the "Comité des Sages", democracy does not limit itself to diktats of the Market.

abstract principles but it demands the social (and not only economic) conditions that make it real for everyone.

In Europe, as well as at the world level, wealth is growing, it is true. But we face the paradoxe that while wealth is growing, marginalization and exclusion of increasing number of people in our societies and the majority of the countries in the world are being marginalized, if not excluded.

Civil and social rights are <u>interdependent and indivisible</u>. Now that the economic goals and financial institutions are taking shape, we need to enlarge a new wave of social rights.

By doing so, we are at the heart of <u>citizenship</u>. That is in the end our dream - that all of us may concur, with our specificities and cultures, with our tradition and vision, to the building of a unified Europe.

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What is power to be delegated to other?

It is the political status of the European Union that is at stake.

The vision of the European Parliament has led the MPs to vote a budget allowing the European Commission to encourage in each country the organisation of a national conference launched by NGOs.

The explicit goal of these events is to try to give strength and popular support to the governments who have vision and courage to put on the table of the IGC the civil and social rights to be included already on the Treaty.



• This is the beginning of a process of consultation of all citizens to be held in a second phase, after the end of this IGC, so that a repertory of the rights to be included in the Treaty may be drawn up.

We are aware that our goal concerning rights - for which application the State and the community are accountable - go together with duties and responsibilities of individuals and groups. The organised members of the Civil society are new social partners without whom the public powers cannot build the European Union.

I think of the 1,000 people from NGOs and academia, in Greece, of the 180 NGOs in England, of the 110 NGOs in Wales, of the intellectuals and the young people of the NGOs in Spain, as well as the meeting in Portugal with the support of the President of the Republica of the Ministry of Solidarity and of the Secretary of State for European Affairs, and I can only say my deep conviction that by building this kind of Europe we will find the right political frame for ending exclusion and eradicating poverty.

6. If we succeed at being heard at the Intergovernmental Conference, that is, if we succeed at being heard by our Governments and their representatives there, we will then be ready to launch a second phase in which through different methods and procedures, all individuals and national institutions, have to be involved and give shape to a true European Union.

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The Comité des Sages was called upon to deal with that foundation.

It became clear for all of us, right from the beginning, that we should include everyone and not only those who are part of the labour market.

It became equally clear that we could not, by ourselves, design the main elements of the social dimension.

We were aware too that the idea of Europe have to be enlarged.

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