

Shaking Europe

Beating poverty

Hands-on organisations recommend
five bold initiatives
to Members of the European
Parliament

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'Proposal papers'



IHECS
INSTITUT DES HAUTES ETUDES
DES COMMUNICATIONS SOCIALES

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SHAKING EUROPE: EUROPE'S MAIN FOCUS MUST ALWAYS BE ON PEOPLE!

HAS THE EUROPEAN UNION LOST ITS WAY?

Lost up a blind alley governed by liberal economics, our social and united Europe is clearly struggling to gain traction.

The European social model was to be “based on a high level of social protection, education and social dialogue [...] a balance between economic prosperity and social justice” (Barcelona European Council, 2002).

Nowadays this model amounts to little more than a few cautious concessions made by inward-looking Member States. Or a collection of odds and ends supposedly intended to soften the blow of the crisis.

Meanwhile government budgets are rapidly shrinking, social protection systems and intergenerational solidarity are being dismantled, the labour market is becoming insecure and so on.

The liberal globalisation model has failed to take into account the interests of citizens, and has not lived up to its economic promise. The result of all this is no social justice and no economic prosperity...

It is high time we took another path, leading to a Europe in the service of its citizens!

Many different local, citizen and/or social and solidarity economy initiatives are being launched. But they are not well known and tend to have little collective impact, especially at European level.

Such initiatives are readily recognised in their local area when they reduce the social inequality that public authorities are unable to manage. But they struggle to make their voices heard on their own proposals for alternative models for global governance.

The Charles Léopold Mayer Foundation for the Progress of Humankind, the European Movement International, and the Institut des Hautes Etudes des Communications Sociales decided to give these initiatives a platform, in the thematic proposal papers!

Esther Durin
IHECS

...BEATING POVERTY...

Hands-on organisations offer the European Parliament FIVE proposals, FIVE levers to shake things up...

They propose:

1. The Portuguese association 'In Loco': TO boost disadvantaged regions, an integrated Community Initiative Programme SHOULD BE set up from 2013.

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2. The French association 'Habicoop': TO improve access to housing, a European tax exemption SHOULD BE created for people living in cooperatives.

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3. The Belgian association 'Dynamo International': TO offer better help to vulnerable young people, a European status SHOULD BE created for 'street workers'.

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4. The French association 'Les Pactes Locaux': TO combat poverty, social innovation SHOULD BE included at the heart of the Structural Funds 2014-2020.

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5. The Romanian foundation 'Tiabari': TO tackle health inequalities in rural areas, primary health care SHOULD BE built into a 'universal service'.

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COMBATING POVERTY SHOULD NOT BE THE FIFTH WHEEL ON THE EUROPEAN CART!

IS THIS CURTAINS?

Last year was 2010, the European year for combating poverty. But is the party over, now that it's 2011? Do we turn off all the party lights? Do we lock the doors to the hall and move on to something else? Do we bring the curtains down?

The answer of course is no. Because nobody seriously imagined that the 2010 European year (whose activities were coordinated by the European Commission) would lead to almost miraculous structural changes in such a short space of time. A European year is designed to raise awareness, alert people and kick-start action. Moreover the report on the '2010' actions, at European level and in the Member States, has still to be fine-tuned, with the necessary hindsight. Only when that is done will it be possible to measure the true impact of this 'awareness-raising' on combating poverty over the twelve months.

Yet even before this report is delivered, it is clear that the 2010 European year has not changed the face of the world. Worse still, as far as European citizens are concerned, 2010 will have been an 'annus horribilis' from the viewpoints of social and daily living standards.

2010, AN ANNUS HORRIBILIS

In 2009, the EU Member States were hit hard, in a sort of domino effect, by the global banking crisis – the world's most serious financial crisis since 1929.

Europe soon felt the initial impacts. People's savings held as shares, often accumulated by small savers over a lifetime, just melted away. Low-income households found it increasingly hard to get loans. Credit was now being offered sparingly to small and micro-enterprises, with the result that many of them became paralysed. And this despite the fact that small and micro-enterprises are the greatest source of new jobs in Europe.

The Member States themselves stepped in to rescue the banking sector from bankruptcy by injecting huge financial aid. But they did little to ensure that this sector would not in future dabble again in similar speculative activities, which are harmful to the public interest. Member States loosened their purse strings, calling on taxes raised from their citizens. In 2010, due to a fall in consumption and the reduced ability of both individuals and small businesses to make investments, Member States also had to come to terms with the fact that they now had less revenue.

AN UNTENABLE SITUATION

Higher expenditure. Lower revenue. The situation is now untenable. In 2010, the 'markets' – in other words, the operators holding claims on State debts, the operators who oddly enough are often banking establishments that have benefited from substantial financial gifts from the Member States – began to panic and speculate on those States in the most trouble. The markets imposed drastic increases in reimbursement rates, thus driving a number of the Member States (including Greece, Ireland and Portugal) to the brink of bankruptcy.

The euro is in danger. It can and must be saved. But the euro-zone's strongest Member States, led by Germany, are laying down their conditions. EU Member States close to bankruptcy, as well as all the European States, must be obliged to implement draconian public spending reduction plans.

IS THE PATH WE ARE TAKING JUST A BLIND ALLEY?

One way to rebalance the books would be to increase the tax base for some revenue. This could be done by raising a tax on financial transactions (the Tobin tax) or by harmonising at European level the taxation of business profits. Some military expenditure could for example also be reduced. Another option would be to invest massively in major projects that generate jobs, social welfare and well-being in general – especially in education, culture, the environment, health, assistance for elderly people, support for young job-seekers, and so on.

Yet that is not the path taken by the heads of State and government. Instead, it is tantamount to walking a path of forced austerity as well as to aggressive cuts in public spending in the social field.

Only one thing can be taken for granted in future: these policies will lead to increasing social exclusion in every European nation. That is the key conclusion to be drawn for the year 2010. And the outlook for 2011 is just the same.

THE END OF THE WELFARE STATE, THE END OF A COMPROMISE

These 'social engineering' efforts would only be a lesser evil if they led to a sustainable recovery of social cohesion systems for the future, and if the current situation in terms of poverty and exclusion was not as serious as it looks today.

Since World War Two, there have been several phases in the Europe formerly known as the European Economic Community (EEC) and now the European Union (EU).

Firstly, from 1945 to 1975, there was a 30-year period of strong economic growth. Even if these years failed to produce evenly divided wealth, they did bring linear social progress for the most disadvantaged people.

Welfare States kept a close eye on developments, balancing the mechanism of the market economy with the mechanics of regulating the economy. They also called on strong systems aimed at reducing disparities, i.e. progressive direct income taxes, and social security.

Metro stations in the cities were again filled with beggars. Workers laboured hard for small reward. But at least there was plenty of work available, allowing people to escape from abject poverty. Moreover, there was a working system of social mobility. Those able to follow higher education courses stood a good chance of improving their lives.

Then came the global oil crisis and a paradigm shift in the late 1970s. Growth collapsed. National debts had to be dealt with and the first reductions in social spending were made.

STANDING ON ONE'S OWN TWO FEET: AN IMPOSSIBLE GOAL?

The 1980s brought little improvement. Those without jobs increasingly became 'long-term' unemployed. People excluded from society found it harder than ever to stand on their own two feet.

Completed in 1992, the European Single Market was supposed to solve the problem by increasing employment; it was hoped that this would get social progress back on track. Disparity between the Member States certainly decreased. But notwithstanding the positive impact of the European Structural Funds, 'free and fair' competition could not prevent a large wealth gap developing between Europe's regions.

Meanwhile, poverty is on the increase and not only in terms of the number of people who lack the standard of living considered necessary. Poverty is also affecting more categories of people, including young people (for the first time, they know they will have a tougher life than their parents), workers (who were formerly protected), elderly people (whose retirement pensions are gradually dwindling), and just recently even some of the middle classes.

We are seeing a dual phenomenon. Growing segments of the population lack job security, are faced with poverty and at risk of falling more easily off the top of the ladder. Meanwhile, those who have already fallen and are experiencing poverty find it increasingly tough to climb back up the slope.

GOOD INTENTIONS

So what solutions does the European Union propose, besides its current initiatives of strict financial management, and cuts in public and social spending?

In March 2010, Manuel Barroso, President of the European Commission, unveiled his proposal for a European strategy for the 2010-2020 period, 'A strategy for a smart, sustainable and inclusive growth'.

One of the five targets announced in this strategy is that 20 million fewer people should be at risk of poverty or social exclusion in the European Union. This sounds impressive, but how will these good intentions be put into practice?

CONCRETE ALTERNATIVES

The Foundation for the Progress of Humankind (FPH) is not a 'lobby' or a federation of organisations. It does not represent anyone or in particular any party.

Its goal is to support, through the limited financial resources it can mobilise, those who back initiatives. It also supports flagship schemes working for sustainable development, social cohesion, and fostering active citizenship.

In 2008, the FPH introduced a 'Europe unit', highlighting its faith in the feasibility of a democratic and citizens' Europe. People want union and integration. But this necessary integration cannot be achieved without cohesion and social progress. Put another way, social progress is an integral part of the European project. Without the social component, Europe's very foundations are threatened.

That is why attacking the phenomenon of poverty in the long term, by attacking poverty's roots, has relevance for the whole European project. That is why the effective and significant reduction (which will not be achieved just by making statements, or in the absence of an overall and integrated vision of the economic, social and environmental aspects) should not be the 'fifth wheel' of the European cart. Instead, reduction of poverty should be the very engine of this cart.

LISTENING MORE TO HANDS-ON ORGANISATIONS

This huge and ambitious project needs all the energy it can muster. The hands-on organisations and local citizens' associations in different European countries offer tremendous expertise in the social field and in combating poverty. They support proposals that are often innovative and which can be rolled out widely.

Unfortunately however, these organisations and associations lack resources. At the European level, their voices also tend to be ignored.

FIVE SUBSTANTIVE PROPOSALS

Over several months, the team from the Institut des Hautes Etudes des Communications Sociales (IHECS) in Brussels, supported by The Charles Léopold Mayer Foundation for the Progress of Humankind, travelled to meet several of these organisations and associations, who are leaders in their field. The team asked them for their substantive solutions to combat poverty, based on their own experience.

The IHECS, which was in charge of this investigation, selected five proposals. They certainly do not claim to be exhaustive and should not be seen as a magic bullet. But they do draw attention to a number of key issues, some of which have barely been explored to date. If followed up by authorities, these proposals could act as leverage for change.

... TO THE EUROPEAN PARLIAMENT'

We present these original proposals to all Members of the European Parliament, because elected officials in Strasbourg are the EU's democratic lifeblood. In these highly turbulent times for Europe and its citizens, these MEPs (and the citizens who elect them) can be the source of new initiatives and inject a vital breath of fresh air.

'THERE IS NOTHING LIKE A DREAM TO CREATE THE FUTURE!'

A number of our readers may find these five proposals to be somewhat 'utopian'. And they would not be wrong in drawing that conclusion. Nevertheless, history has often taught us that daydreams can become tomorrow's reality. Remember these words from Victor Hugo, who back in the mid-19th century was calling for the creation of a United States of Europe: 'There is nothing like a dream to create the future!'



Jean Lemaître,
IHECS

THE NEW FACES OF POVERTY IN EUROPE

116 MILLION EUROPEANS AT RISK OF POVERTY

According to the latest figures published by the EU's Statistical Office (Eurostat)¹, almost a quarter of Europeans, or 116 million people, were at risk of poverty or social exclusion in 2008.

Of these, 81 million (17% of the EU population) were considered 'at risk of poverty' due to income below 60% of the national median income.

However, since this median income indicator does not cover every aspect of the phenomenon of poverty, two new criteria have been added to it.

The first focuses on Europeans' living conditions. Among these, 42 million people are thus considered to be 'severely materially deprived', meaning that they could not pay their rent or bills, keep their home adequately warm, eat protein every second day, take a one week holiday away from home, and so on².

The second criterion concerns access to employment. Here, 34 million Europeans live in a 'low work intensity household'. In other words, a household where the adults (aged 18-59) worked less than 20% of their total work potential during the past year.

THE '1,000 EURO GENERATION'

This is a new trend that politicians prefer to ignore: degree-holders can no longer be sure of enjoying a good standard of living. The '1,000 Euro Generation' (known as 'Génération précaire' in France, 'Mileuristas' in Spain, 'Generazione 1000 Euro' in Italy, etc.) is mainly made up of young people under 30 years of age, struggling for financial survival and a decent standard of living.

The European unemployment rate for people under 25 years of age was 20.7% in March 2011 (44.6% in Spain)³.

According to Eurostat, 46% of young people aged 18 to 34, or 51 million 'young adults', were living with at least one of their parents and a growing number of them put up with this situation for 'economic reasons'. Even young people in work find it financially tough to leave their parents' home, since 60% of them are on temporary contracts⁴.

THE WORKING POOR

'While there is no better safeguard for avoiding poverty than a quality job [42% of the unemployed are at risk of poverty, compared with 8% of people with a job], in-work poverty at 8% illustrates that not all jobs provide this assurance.⁵ Thus, almost one in ten workers are considered 'poor' in the EU-27. So-called 'flexicurity', which encourages employers to call on more temporary and part-time jobs as an answer to the crisis, sometimes puts employees in difficult economic situations.

CHILDREN AND OLDER PEOPLE

'Children face a higher poverty risk, at 19% in EU-27, than the population as a whole' and "This (situation) has not improved since 2000."⁶ In Romania, more than one in three children lives in poverty. In Bulgaria, Italy and Latvia, one in four children are considered poor. If children are from an ethnic minority (particularly the Roma minority) or are migrants, have a disability, or are abused or live in remote rural areas, they are more likely to be poor. Almost one in five people aged 65 or over is poor (22% of women and 17% of men).

MIGRANTS

Migrants are also at high risk of poverty. According to the Tárki report, 'One non-EU migrant child in three is at risk of poverty in 14 out of the 18 countries for which such data are available. In Finland and Luxembourg, the at-risk-of poverty rate surpasses 50%'.⁷

Charlotte Maisin,
IHECS

¹ Eurostat, news release of 13 December 2010 presenting the statistics of an EU-SILC survey conducted in 2008. For further information, contact: Pascal Wolff, pascal.wolff@ec.europa.eu

² Ibid. A person is severely materially deprived when they are affected by at least four items of the following nine: cannot afford 1) to pay rent/mortgage or utility bills, 2) to keep home adequately warm, 3) to face unexpected expenses, 4) to eat meat, fish or a protein equivalent every second day, 5) a one-week holiday away from home, 6) a car, 7) a washing machine, 8) a colour television, 9) a telephone.

³ Eurostat, news release 62/2011

⁴ Eurostat, report 50/2010.

⁵ European Commission Directorate-General Employment, Social Affairs and Inclusion, 2009 Joint Report on Social Protection and Social Inclusion

⁶ Ibid.

⁷ Tárki Social Research Institute, Study on Child Poverty and Child Well-Being in the EU, Budapest, 2010

1. The Portuguese association 'In Loco': TO boost disadvantaged regions, an integrated Community Initiative Programme SHOULD BE set up from 2013.

The Portuguese association IN LOCO focuses on regional development in the Algarve region. Its activities aim at: implementation of a sustainable development approach, the promotion of active citizenship, support for entrepreneurship and social innovation, the production of resources and knowledge for collective action-driven local organisations

www.in-loco.pt

Implementing an integrated community initiative that brings together the principles and strategic lines of the former initiatives EQUAL, LEADER and URBAN, which no longer exist. That is the proposal of the Portuguese association IN LOCO.

EQUAL (in the field of social integration), LEADER (covering rural development), URBAN (for local urban development) were 'Community Initiative Programmes' (CIP).

The CIP, unlike the European Structural Funds (the ESF are aimed at disadvantaged people, while the ERDF are for disadvantaged regions), are directly managed by the European Commission. The CIP budget is smaller than the one for the Structural Funds, which are more directly managed by EU Member States. However, the CIP operate in a more flexible way, are often also more innovative, and have a far more extensive transnational partnerships dimension.

LEADER, like URBAN, encouraged an integrated approach to the development of poorer areas, by linking social, economic and environmental approaches. Both these CIP have encouraged citizen participation in actions of relevance to them. These programmes worked towards the establishment of broad partnerships at local level.

According to In Loco, the CIP made significant contributions in Portugal. They helped to create jobs, reduce inequality and discrimination, and encouraged new initiatives in tune with the local situation.

Recently, against the background of the global financial crisis, Portugal has been forced to slash

its social budgets. Furthermore, the Structural Funds and the European Cohesion Fund now focus most of their resources in the EU's Eastern regions, which has led to the sidestepping of a country such as Portugal. Prior to the EU membership of Eastern European countries, Portugal was among the EU's poorest and therefore was a major beneficiary of the Structural Funds.

Alternatives must therefore be found. Local organisations, active in the European regions that were hard hit by the economic crisis, are eager to take charge of the destiny of their region, in line with their own resources and needs.

In Loco says that the Community Initiative Programmes enable this to happen. Today, we should consider a single Community Initiative Programme that brings together the advantages of the former programmes and adopts an integrated approach to action. The European Parliament can make a difference, thanks to the new power conferred on it by the transition to codecision on topics linked to the Structural Funds and the Cohesion Fund.

THE ALGARVE IS WORRIED ABOUT THE CRISIS

In Portugal's Algarve region, the situation is alarming. Unemployment figures almost tripled between 2008 and 2010.

These lost jobs can be traced mainly to the slump in the Algarve's traditional mass tourism sector. A crisis that results from Europeans' loss of purchasing power, after the 'subprimes' mortgage crisis.

Before this crisis, 'active labour policies' had been set up and were delivering a number of benefits in this region of Portugal. These were Local Employment Initiatives, Traineeships for Young People or Work Programmes for the Unemployed in public interest activities. These measures, which received significant support from the European Social Fund, facilitated the integration of young and older people on the labour market.

LESS EUROPEAN STRUCTURAL FUNDS SUPPORT FOR THE ALGARVE

The crisis has had a negative impact, to which should be added a shortfall in the 'traditional' field of the European Structural Funds. Since 2007 and the introduction of new priorities for the European Funds (the major share of the cake now goes to the EU's Eastern countries, which are even poorer than Portugal, and to current EU Member States), the Algarve has struggled to cope with a large revenue deficit.

The mechanism is simple. The first new objective of the European Structural Funds, 'Convergence', targets the EU's less-developed regions. This objective accounts for a total 81.5% of the Structural Funds' budget.

As of 2007, the Algarve is only eligible for 'Objective 1' one last time (it is in a 'phasing-out' period) and with a much-reduced budget. For although the region is not yet among the richest, it has moved up (as a result of much poorer countries joining the Union in 2004 and 2007) to a 'GDP per capita' level higher than 75% of the Community average. Yet it is this 75% threshold (i.e. being below this level) that determines the definition of a 'disadvantaged region', a definition that determines access to the European Structural Funds bonanza.

EFFECTIVE INSTRUMENTS

To make matters worse, besides this significant reduction in the European Structural Funds, the Algarve – just like the whole EU – no longer benefits from Community Initiative Programmes (CIP) such as EQUAL, LEADER or URBAN. These programmes have come to an end.

The CIP were programmes supporting innovative projects led by companies, associations, local authorities or State agencies. Hence these programmes promoted citizens' involvement in the regions.

The CIP also enabled local organisations to set up their own inclusive local development strategies. In addition, these community initiatives led to the creation of partnerships between the local public and private organisations and they fostered networks among the European areas.

The originality of LEADER, URBAN, INTERREG and EQUAL also lay in their 'bottom-up' approach and

in the direct link established between European institutions and citizens' groups and local associations. It was about management of projects, developed by the EU in close association with local organisations (Local Action Groups, or LAG, in the case of LEADER).

THE CIP ARE HISTORY

Today the CIP no longer exist in the same form. The programmes aimed at financially supporting local development projects in rural areas have become, since LEADER II, increasingly strict and restrictive, leaving less and less free rein for the social partners. The only exception to this was the EQUAL programme, under which Portugal received some 116 million euro during the period 2000-2006. Unfortunately, this instrument did not involve an integrated development approach over a wider region.

NOT VERY SUCCESSFUL RECYCLING

Lastly, the European Commission, in agreement with the Council, reorganised the CIP in line with three key objectives (cf. p.14)

As a result, the objectives pursued under these CIP were brought under the traditional large European funds. Now the objectives of LEADER are supported by the European Agricultural Fund for Rural Development (EAFRD); funding of the URBAN and INTERREG programmes is organised under the European Regional Development Fund (ERDF); and EQUAL's activities have been brought under the European Social Fund (ESF).

There is just one problem. Whereas the originality of the CIP was fostering innovative projects in the regions and linking citizens and the EU, the Structural Funds are organised around a much more conventional approach – which is top-down and centralised, through the national and local authorities.

NEW SKILL, NEW CHALLENGES

Since the Treaty of Lisbon, areas covered by the Structural Funds and the Cohesion Fund are adopted under the co-decision procedure. The European Parliament will therefore be competent in the definition of the General Regulation governing the Structural Funds after 2013 and in the establishment

IN LOCO

of a new Cohesion Fund.

It is therefore important that MEPs work on an integrated system, one that allows citizens to implement inclusive projects that boost their regions.

IN LOCO proposes:

- **By 2013, in order to strengthen territorial cohesion, to deal with rising unemployment and alleviate the effects of cuts in social budgets, the European institutions must recognise and support through global and multiannual grants the work of thousands of collectives. The aim should be to boost 'integrated local actions', designed and implemented in partnerships, and active in their region.**
- **Moreover, the European Union cannot afford to act solely in a centralised and 'top-down' manner. Given the current climate, it is essential to get citizens actively involved in the transition to a European society that is prosperous, balanced and adapted to their needs.**
- **For this to happen in the context of discussions related to the Cohesion Fund 2013-2019, the European Parliament should propose the establishment of a unique community initiative that targets projects from public and private social partners (associations, small businesses, local authorities) that operate in their region with an 'integrated' approach.**

For the 2007-2013 period, the EUROPEAN STRUCTURAL FUNDS have been grouped around three major priorities. The first is 'convergence', aimed at the poorest regions (which happen to be mainly located in Eastern Europe). The second priority is 'regional competitiveness and employment', relating potentially to all regions and focusing financial assistance on three areas that the EU considers to be true major drivers for development: transport and access to new information technologies, the environment, and innovation. The third priority is 'territorial cooperation'.

2. The French association ‘Habicoop’: TO improve access to housing, a European tax exemption SHOULD BE created for people living in cooperatives.

The Habicoop association works to promote housing cooperatives in France. It is developing experience through its support for a pilot project, the Village Vertical in Villeurbanne, and a dozen or so similar projects. As spokesperson for some 50 other groups at national level, the association approaches national authorities with the aim of building a suitable legal and financial framework, enabling the true development of this alternative to individual housing.

www.habicoop.fr

Decent housing is not just a right, it is a necessity! While this may seem obvious, it is clear that real estate’s speculative value has now completely overshadowed the value of its social function. Most EU Member States have developed measures to encourage people to buy their own property, so as to offset the soaring cost of housing. These measures have actually made the situation worse, leading to an over-valuation of some regions and accentuating the trend towards social stratification of living spaces.

Traditional social housing is in short supply and its dedicated funding is being challenged, due to the opening up to private competition. The mindset governing this sector has also changed over time, driven by the disappearance of residential construction subsidies in favour of personal housing subsidies. This has led to a fall in the number of new social housing units available and a general increase in rents. Lastly, the way in which this sector operates has also become increasingly controversial, because of the impact of stigmatisation, low self-esteem and the non-accountability of its users.

Habicoop, a pioneer in the field of housing cooperatives in France, is now focused on a third way for housing. It offers a model already tried and tested in Nordic countries and Germany, where housing cooperatives represent around 10% of the housing stock.

THE SUBPRIMES MORTGAGE CRISIS AND AFTERSHOCK

The subprimes mortgage crisis in the United States grew out of the inability of the lower income and middle classes to cope with the unprecedented increase in housing costs. These costs mainly stemmed from the housing sector’s speculative bubble and the very high interest rates charged by banks, which more or less did as they pleased.

Even today, there is great uncertainty about the financial consequences of all this. However, this crisis should open the eyes of the world’s leading economic powers – including the EU – to the failure of an ultraliberal model. Due to successive financial deregulation, this model has been highly damaging to every kind of solidarity and social welfare mechanism – which are designed to ensure the respect of everyone’s fundamental rights.

A HOME IS NOT JUST FOUR WALLS AND A ROOF

Decent housing is a necessity! It is also a fundamental social right which has a crucial bearing on access to the other recognised human rights: physical and mental health, education, work, the right to family life and one’s privacy, and so on.

To deprive someone of decent housing is like depriving them of their citizenship.

LIMITED RECOGNITION OF THE ‘RIGHT TO HOUSING ASSISTANCE’ AT EUROPEAN LEVEL

Article 34, paragraph 3 of the Charter of Fundamental Rights of the European Union says: ‘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 (...).’ But let’s be clear about this: the recognition of a ‘right to housing assistance’ does not have the same force as an actual guarantee of a ‘right to housing.’

Moreover, Member States still define and manage the funding and award criteria of this assistance. The EU only intervenes in one area of public aid and services of general economic interest. Yet this intervention strengthens neither of them, as it is intended to protect competition and the free internal market (Treaty establishing the European Community, Article 86,2° and 87).

Thus the European Commission's Directorate-General for Competition has denounced since 2005 the "overabundant supply of social housing" in the Netherlands. Because this housing is so widespread, DG Competition says it does not respect the principle of free and fair competition.

Admittedly, the European Parliament's Urban-Housing Intergroup went further and initiated a draft European Charter on Housing, which was adopted on 24 April 2006. Although this charter has since been brought up on several occasions in European debates, it has not however been voted on in Parliament and its strength is only relative. So to all intents and purposes, Urban is finished.

A CHARITY MODEL CONCEPTION OF SOCIAL HOUSING

There is no common definition of 'social housing' at European level. The European Commission notes that: 'social housing [provides] housing for disadvantaged citizens or socially less advantaged groups, which due to solvability constraints are unable to obtain housing at market conditions'. In this case, social housing fails to achieve its historic goal of social cohesion and global regulation of housing, with a view to refocusing on the most needy. This idea increases social segregation in housing and impoverishes the population's middle classes, who spend more and more of their income on housing in the private sector.

The European Commission has called on the Dutch government to limit access to its social housing stock to households with incomes below 33,000 euro a year.

The Commission therefore obliges us to come up with new kinds of housing, such as housing cooperatives.

BREAKING PROPERTY SPECULATION'S CHAIN

In housing cooperatives, members of a cooperative have a dual status as owner/tenant. Together they

advance part of the capital (5% to 20%, depending on countries and projects) and borrow the rest from a bank. As holders of shares in proportion to the size of their future apartment, they collectively become owners of property acquired by the cooperative. However, they also pay rent to the cooperative. This rent is based on the real cost of the housing and does not change over the years, regardless of the changing property market. Should a member of the cooperative leave, the sale of membership shares shall not give rise to any capital gain and is therefore not subject to property speculation.

RECREATING SOCIAL BONDS AND FIGHTING ISOLATION

Shared use of many areas lies at the heart of the concept of a housing cooperative, thus promoting civil solidarity and interaction among the residents. This helps to protect its most needy residents from marginalisation. A housing cooperative's operation is also based on direct democracy and equality between the members of a cooperative. Each member has one vote, regardless of the number of membership shares he or she may have.

PUTTING THE ENVIRONMENT AT THE HEART OF THE RESIDENTIAL PROJECT

Housing cooperatives aim to maximise the reduction of pollution and greenhouse gas emissions. Their construction or renovation takes into account environmental criteria: choice of materials, local origin, design of the building in line with energy constraints (orientation), use of renewable energies, and so on. Housing cooperatives therefore follow the 'energy and climate' package adopted by the European Parliament and Council of the European Union in December 2008, which set the '3 times 20' objectives for 2020: a 20% reduction in greenhouse gas emissions, a 20% improvement in efficiency and 20% of the EU's energy consumption to come from renewable energy sources.

A LONG-TERM VISION OF PUBLIC INVESTMENT

The social and environmental advantages of this new form of housing eventually lead to significant economies of scale for local and national authorities. Cooperative housing enables people to move away from a philosophy of housing assistance – which is chiefly a stopgap solution, and largely dependent

on development of the property market. Thanks to cooperative housing, this philosophy can be reshaped as a structural way of creating mixed use and social cohesion.

HOUSING COOPERATIVES HELD BACK BY UNSUITABLE TAXATION...

Because of the way they are funded, cooperatives find it harder to access capital than do companies, whose goal is to make a profit. To change that situation, the Norwegian government came up with a proposal to tax cooperatives less, in order to compensate for this discrimination against 'capital' companies. Norway of course is not a member of the European Union, but it is a member of the European Free Trade Association (EFTA). The European Commission, via EFTA, decided that this differentiated system of taxation would result in a loss of tax revenue for the Norwegian State, would lead to unfair competition and would constitute state aid within the meaning of EFTA's Article 61 (A). The Commission thus declared it incompatible with EFTA.

...AND THE LACK OF A SPECIFIC LEGAL FRAMEWORK

In France, the 1947 Law governs cooperatives. It authorises the creation of several cooperative families. Today, a housing cooperative, which would enable the dual status of tenant and owner, is not defined as a cooperative family. This means that when a group of people strive to set up an innovative housing project, it has no specific legal basis. Project leaders must then be 'creative' and choose an existing status. They cannot take advantage of funding adapted to their projects, since they are not recognised.

Given this situation, HABICOOP proposes:

- **The housing cooperative (community, social, and grouped housing, etc.) should be a recognised and protected status at European level, so that it can benefit from tax exemptions related to its social and general interest missions.**
- **This status would enable the development of alternative forms of individual housing, thus providing substantial leverage in combating poverty and social exclusion. Although Europe has no direct powers over housing, it can facilitate the setting up of a housing cooperative status in line with the Charter of Fundamental Rights of the European Union and ensure consistency of policy-based human rights and well-being for Europe's citizens.**
- **A housing cooperative should be seen as a service of general interest, to ensure it is no longer subject to competition law. It should in particular not be subject to the rules of the European Free Trade Association's (EFTA) Surveillance Authority.**

⁸ See also the final legislative act: Decision No 406/2009/EC of the European Parliament and of the Council of 23 April 2009 on the effort of Member States to reduce their greenhouse gas emissions to meet the Community's greenhouse gas emission reduction commitments up to 2020

3. The Belgian association ‘Dynamo International’: TO offer better help to vulnerable young people, a European status SHOULD BE created for ‘street workers’. It would mean they are not subject to the application of the ‘Services’ Directive.

The ‘Dynamo International’ association bring together national organisations of social street workers, from four continents. In Europe, this includes 18 countries. The association implements different projects that help to build a better understanding of children and street youth and their situation. Worldwide, the challenge is to ensure that every child can count on assistance, protection and social and educational care, in accordance with the Convention on the Rights of the Child (CRC). www.travail-de-rue.net

In Poland and Italy they are called ‘street teachers’, in the United Kingdom they are known as ‘street workers’, and they are dubbed ‘street educators’ in Spain, France, Belgium and Switzerland. These terms cover complex and different situations. Yet there is still a common denominator: workers like this spend their time in the street and have a very unusual job.

A UNIQUE PROFESSION

These workers don’t have nice offices. During working hours, they pound the pavement and are in direct contact with people suffering the worst social exclusion: young people, children, and sometimes adults too.

Street workers are specialists in several fields, including health, education, culture and sport. They take into account every aspect of poverty situations – which tend to involve a number of different problems. Street workers have practical jobs, must adapt to each situation and work in a cross-disciplinary way.

Their job is not just about providing assistance. If necessary, they also have to understand problems, know what is happening locally, engage in prevention, alert others, and ask questions.

They are not to be seen as auxiliary police with responsibility for ‘befriending’ young people in order to keep the local peace and security. But nor do

their duties extend to flattering youth. As mediators, street workers want to be independent of everyone. In short, these workers have a job description unlike that of any conventional profession.

‘Street workers’ first emerged as a job in several different countries, notably in Europe, during the 1980s. Poverty and unemployment were soaring, affecting more and more young people and becoming a serious problem in urban areas and big cities’ suburbs.

... THAT REQUIRES TOP QUALIFICATIONS

Although this new profession follows no conventional standards, people in the sector still need top qualifications. Working in the street alongside young people and children calls for a great ability to adapt and a keen sense of preparedness.

Street workers cannot afford to improvise and must be skilled in a range of different fields. They should have solid theoretical and practical knowledge, know-how and interpersonal skills.

Dynamo International currently brings together associations of social street workers from some 40 countries in Europe, Africa, Asia, America (North, Central, and South). It conducts pilot projects in many different places. Above all, it fosters exchanges, debates and the transfer of methods between countries.

The ultimate goal is to get recognition in each of the countries concerned for the specific profession of street workers. This involves agreeing on training requirements. Associations employing street workers should also be given due recognition from the public authorities, including recognition for the creative, autonomous, and independent parts of their missions.

Associations of street workers, guided by Dynamo, have developed the potential foundations for a truly national, European and international status for street workers. These foundations can be seen in everything from conferences to meetings,



plus numerous initiatives aimed at achieving international synergy.

DANGERS TO AVOID

There are two potential dangers here. Firstly that the State and decentralised public bodies, in exchange for funding associations and street workers, do not genuinely respect this profession's specific and essential nature. This could lead to both exploiting street workers in the service of other objectives. What usually happens in this case is that street workers are given material resources, but must then follow political orders. This is an unacceptable arrangement, making street workers' work ineffective.

The second danger, which is equally real and just as important, is that the social function and general interest of street workers are not properly recognised. Worse still, their associations could end up being compared to regular private operators. If this happened, European law would prevent them from benefiting from public aid, something they really need to achieve their goals.

Street workers play a useful role in highlighting situations and serve as catalysts for needs-based action, both in terms of prevention and addressing problems. But they are not looking for any kind of short-term financial returns. Their added social value can of course be measured in the very long term.

THREAT FROM THE 'SERVICES' DIRECTIVE

Yet there has been an imminent danger in this area – for social associations and street workers – since the adoption in 2006 of the 'Services' Directive. This is also known as the Bolkestein Directive, after the Dutch Commissioner who initiated it.

The European 'Services' Directive aims to apply to this sector (after goods, capital) the sacrosanct principle of 'free and fair competition'. This principle dominates today's ultraliberal Europe. The rule now is that 'services' can no longer receive public or State aid.

So what about social services and services to individuals? In the European Parliament, they were the subject of a tough battle prior to the adoption of the Directive. The most progressive MEPs fought hard to ensure these services would be exempted from the famous 'Bolkestein' Directive. But their

victory proved rather hollow.

Indeed, clause 2.2.j of the Directive excludes from its scope those services 'provided by the State (...) by providers mandated by the State or by charities [here the Directive refers in particular to religious groups] recognised as such by the State'. That is fair enough. But what about the numerous other associations working in the social field, which have a private law status and are non-profit-making? Clause 2.2.j is very restrictive. The only services excluded from the application of the Directive are 'social services relating to social housing, childcare and support of families and persons permanently or temporarily in need'.

EXEMPTIONS ARE RARE AND ONLY 'OPTIONAL'

Do street workers and the associations come under this category? If they do, would this allow them again to receive public financial support, which is a prerequisite for the exercise of their general-interest profession? That is doubtful, because of the optional nature of this second exemption from clause 2.2.j, on social services categories. Legal uncertainty is therefore even greater and is more damaging for street workers... as well as the people they work with.

Clearly, this exemption depends on the explicit will of each Member State, in the process of transposing the European Directive into national law, to accept or reject clause 2.2.j.

In early 2011, most of these countries had completed the transposition. A review of how the clause 2.2.j has been applied in national law shows that it has had a frosty reception. For example, the French government chose a very narrow interpretation of this clause 2.2.j, which was already woefully inadequate. President Sarkozy therefore gave an order for the various elements of 2.2.j to be cumulative: so it is not a question of 'or' 'or', but of 'and' 'and'. Which makes it harder still for social services to avoid the constraints of 'free and fair competition'. Yet these are services that account for a million jobs in France!

NECESSARY CORRECTIONS

In December 2011, and every three years thereafter, the European Commission is committed to present to the European Parliament a report on the application of the Directive, 'accompanied where necessary by

proposals for amendments and additional measures for matters excluded from the scope of application of this Directive’.

European officials must keep in mind the approach of this deadline. They should also pay heed to the voice of social groups throughout Europe. Moreover, they should strongly demand that social services of general interest do not come under the scope of the Services Directive. This exemption should be made very clear, and it should be broad-ranging and not ambiguous.

Dynamo International believes this is a key issue. Without a major change to the European law, all of the street workers sector is endangered. And this is despite the fact that tough social austerity measures being imposed across Europe make this sector’s field work more necessary than ever.

DYNAMO INTERNATIONAL proposes:

- **That work with young people in the field of informal education should be recognised, in accordance with its criteria, and its street workers should enjoy a status that gives them political and social security.**
- **That the work of street workers should be protected and not subject to competition, and that this work should be placed outside the scope of the ‘Services’ Directive, and the added value of social work and its values should take precedence over neoliberal principles.**
- **That the EU should practically strengthen its collaboration with the grassroots associations working with young people, just as the Council of the European Union has pledged to do, by November 2020, in its resolution on guidelines for ‘European policy on youth work’.**
- **That the EU Member States should work in the youth sector by adopting an approach that is more focused on prevention than law enforcement.**

4. The French association 'Les Pactes Locaux': TO combat poverty, social innovation SHOULD BE included at the heart of the Structural Funds 2014-2020.

'Pactes Locaux' is a group of field workers, committed to the process of local solidarity-based development. This association, initially French and now being structured at European level, brings together groups and individuals, researchers, local authorities, and union activists. Its guiding principle is promotion of a cooperative territorial economy, which involves a process of exchange between regions, and between regions of different countries.

www.pactes-locaux.org

They were supposedly tired, marginalised, and their numbers dwindling all the time. But just who are these people? Are we talking about organisations pushing for integrated local development as well as supporters of a solidarity-based economy, all with strong roots in their region? No, quite the opposite in fact!

This economy's speculators, private banks and scruple-free multinationals are leading the world down a path to bankruptcy. Yet at the same time, the ideas advanced by supporters of the social economy have quickly taken on a force of their own. People are now starting to listen (again) to their message. Which is that the creation of a 'cooperative territorial economy' is the best way to mend a torn social fabric.

That for instance is the viewpoint of the 'Pactes Locaux'. The association has called on the European Union to change its mind, by now including social innovation as a key priority of the European Structural Funds.

THE 1980s

The economic crisis affecting Western Europe has been around for some time. Since the 1980s, unemployment, long-term unemployment, and poverty have soared in many EU countries. There are numerous reasons for this: the rising cost of energy; massive layoffs of workers in the traditional industrial and ageing sectors; and the unsuitable solutions offered by multinationals from outside

Europe, shifting their pieces around from one square to another on the world stage, as they search for maximum and immediate private profit.

Nations today are looking for new avenues which could lead them towards economic development that generates jobs. This form of development should be inclusive and not result in social exclusion. Part of the solution is 'local development', now emerging in different areas and showing plenty of potential. The European Commission, encouraged by its former President, Jacques Delors, is backing this promising movement.

KILLING TWO BIRDS WITH ONE STONE

'Local development' is based on a relatively simple concept. Territories have many unsatisfied needs, including social and environmental ones. Meeting those needs helps to create activities, which in themselves can generate new jobs. Some of these jobs can be done by people (the unemployed or those who find themselves excluded) who may not necessarily have high-level qualifications. This enables two birds to be killed with one stone. Because offering a dual service to society results in improvements in living conditions (e.g. the setting up of home-help services for the elderly), while helping people to escape poverty and helping the jobless to avoid isolation.

It is now time for pilot schemes and their networking. The inclusive approach of local development is being honed. But if this territorially rooted development is to succeed, it must be integrated (addressing simultaneously and in a joined-up way the economic, social, environmental and cultural aspects) and interactive (including all organisations from one region in the development of strategies and the implementation of initiatives). Needs can also be pinpointed and systems are best adapted by involving different stakeholders, including citizens. Involving all these stakeholders helps to guarantee efficiency and genuinely sustainable development.

THE 1990s

Calling on this pilot phase, the EU – through its executive, the Commission – has been focusing since the 1990s on integrating the ‘concept of local development’ in its more general support systems for ‘regional development’. The goal is to boost the promising concept of ‘integrated local development’. It should be noted that ‘local development’ was included (albeit in a minor way) in the European Structural Funds, which account for a third of the Union’s budget.

The 1990s also saw the emergence, after the Structural Funds, of two Community initiatives. LEADER was designed to assist the poorest rural areas, in line with the concept of integrated local development. URBAN was intended to help some districts in large cities to escape poverty.

2000 TO 2010

The first decade of the 21st century, and particularly the new European contractual period (2007-2013), looks to have been counter-productive – compared to the notable progress of the 1980s and 1990s. LEADER and URBAN came to an end. The European Structural Funds underwent major reform. The local development approach started to fade, while support for small-scale projects tended to dry up.

The goals of the European Union and its Commission were clear. Instead of calling on a shotgun approach to achieve desired results, Europe wanted to concentrate its fire (and financial assistance) on strategic priorities – a limited set of large levers for development. But this new approach is questionable. The Commission even abandoned the idea of development based on the integration of policies, partnerships and broad participation. In the large territories, the aim now was to establish competitiveness and technological innovation poles. It was hoped these poles would generate some kind of mechanical momentum, which would help to tow along those territories lagging behind others – in much the same way as a locomotive tows carriages.

DAYDREAMERS ARE BACK IN THE SPOTLIGHT

So there was a radical change, amounting mainly to a retreat. Yet in the European regions, supporters of local, solidarity-based and citizen development kept on fighting and managed to hold their heads

high. They sailed for several years into the especially unfavourable wind of ‘competitiveness’, not to mention the breakdown of solidarity. But the wind has suddenly turned again, and these supporters today find that their daydreams have caught people’s imagination.

Few would dispute that the world we live in today is in crisis. There has been a global crisis for around two years and new growth is nowhere in sight. Unemployment and exclusion are soaring, and the EU has shed more than 8.5 million jobs since 2008. The prevailing model has failed. It is high time we returned to alternatives. We must harmonise the economy and social issues, rather than dissociating them from one another by dragging social issues behind an increasingly volatile economy.

COOPERATION IS THE KEYSTONE

The French association Pactes Locaux counts itself among the tireless pilgrims of local solidarity-based development who now have the wind in their sails. The association brings together, into a living whole, those who practise local development (be they individuals or groups). Among them are local authorities, researchers and union activists. All come from numerous different regions.

Pactes Locaux works to promote a ‘cooperative’ territorial economy, to combat poverty and social exclusion. The word ‘cooperation’ really is the keystone. Firstly, there is cooperation within the local development pilot projects. Secondly, there is cooperation between the territories, because Pactes Locaux is a fervent believer in the virtues of pooling positive territorial experiences. Here, pooling means learning from each other, as well as exchanging know-how and methodologies.

With this in mind, Pactes Locaux got various different regions (Auvergne, Poitou-Charentes, Nord-Pas de Calais, etc.) to work in step, on the basis of common themes (social cohesion and well-being for everyone, rural-urban solidarity, work and employment, etc.).

Today, Pactes Locaux is looking to move up a gear, or rather to work on a broader scale, by establishing ‘European P’Acts’. Through the same ‘cooperation’ system, solidarity processes are now being launched between territories in different countries, among them France, Senegal, Finland, Portugal and Italy. The experiences being discussed focus on topics such as participatory budgets, community-supported agriculture groups, groups of

multisectoral employers, social dialogue, and so on.

STRUCTURAL FUNDS IN THE FIRING LINE

Comparison of these experiences led to the drafting of more political proposals. Pactes Locaux therefore wants to create a ripple effect at European level. For support must also come from above for this alternative and promising vision of development. It must be centred on the concept of solidarity, from local to global, and from global to local...

In the firing line is the next contractual period (2014-2020) for the European Structural Funds, whose main instrument is the ERDF, the European Regional Development Fund. The issue of new priorities has already been launched... Pactes Locaux is calling for the notion of 'solidarity' to be clearly included at the heart of future European support tools for regional development. That would undoubtedly require a Copernican-like revolution, when compared to options for the current contractual period, from 2007-2013.

In its proposal, the French association wants the European Commission to view 'solidarity' and 'social issues' as leverage for development, rather than as cosmetic or marginal factors.

WHAT INNOVATION?

Innovation is one of the European Structural Funds' priorities (cf. p.14). But 'Innovation', in the official texts and policies currently followed, has a very narrow and unilateral interpretation. It concerns technological, industrial and scientific innovation.

Yet Pactes Locaux believes there is another form of 'innovation', one that is just as essential for the development of areas facing difficulties. And that is 'social innovation'. For a region to take off, other intangible 'assets', which are not simply technological, must come into play. Examples of this include the ability of different organisations to work together, the ability to get the right people working closely together, the possibility of using dialogue to establish good diagnostics, the setting up of methodological tools, and the fostering of 'win-win' initiatives. That is what social innovation is all about.

YES, WE CAN

Is it no more than wishful thinking to include the necessary social component in the concept

of 'innovation'? Barack Obama, President of the United States, recently created an 'Office of Social Innovation' in the White House. So why can't we Europeans also have a 'Yes we can' attitude?

In a speech given in January 2009 to a meeting of the Bureau of European Policy Advisers (BEPA), European Commission President Manuel Barroso opened the door. "The financial and economic crisis makes creativity and innovation in general and social innovation in particular even more important to foster sustainable growth, secure jobs and boost competitiveness."

So the first step has already been taken. Members of the European Parliament should now build on this!

Pactes Locaux proposes:

That social and solidarity-based innovation should be included at the heart of the Structural Funds 2014-2020.

PACTES LOCAUX ALSO WORKS ON:

'STUDY VISITS'

"We need to understand what we have learnt in order to make proposals together." That was a conclusion of the EU work platform on 'study visits' (voyages apprenants). These trips bring together social stakeholders (300 in six meetings) in a territory that has set up a collective-type of organisation. Together, they engage in talks and exchanges in order to improve and bring this kind of initiative to their own regions. The dialogue, established on the basis of 'peer-to-peer' relations, allows everyone to take a step back and define their own path. Now that study visits have been formalised, they have become a tool on the international calendar. In 2011, they will pass through Portugal, Berlin, and Italy, to be followed by Kuala Lumpur and Manila in 2013. In 2010, they launched the European P'Acts to make proposals in the European project. They will actively seek to do so on a voluntary basis. Find out more at www.pactes-locaux.org

SOLIDARITY BETWEEN PRODUCERS AND CONSUMERS

In Japan, they are called 'Teikeis'. The UK refers to them as 'CSA'. In Quebec, they are called 'ASC' and in France 'AMAP'. Portugal calls them 'Reciproco', while the Netherlands uses the term 'Nekasarea'. These are just some of the many different names given to groups that create local and solidarity-based partnerships between producers and consumers. These groups stay true to three principles: partnership 'seen in a mutual commitment to the supply (by producers) and distribution (by consumers) of food produced in each agricultural season'; local, which involves 'promoting local trades, to relocalise the economy', and solidarity, which underpins the partnership between stakeholders. These groups are also looking to 'share the risks and advantages of a healthy production that is adapted to the seasons and respects the environment, natural and cultural heritage, and health and to pay in advance a fair and equitable remuneration, large enough to provide a decent living for farmers and their families.'

5. The Romanian foundation ‘Tiabari’: TO tackle health inequalities in rural areas, primary health care SHOULD BE built into a ‘universal service’.

The Romanian foundation Tiabari supports the launch of ‘rural clinics’. A rural clinic is a centre for community primary health care that is adapted to the specific needs of the local population, based on health education. Through its work, the foundation fights for equal access to care among urban and rural areas; and within these areas, for the same among Romanian and Roma populations. www.ruralclinic.ro

Health and access to care are an essential tool in combating poverty and exclusion. Indeed, the social determinants of poverty and health influence each other. Yet there is an inherent paradox. We live in a world where medicine and science are continually progressing and in a time of major advanced hospital centres. Yet more and more Europeans, especially in rural areas, are losing their access to the most basic primary care. This is due to health policies based on an essentially curative approach and the promotion of individual freedom at the expense of solidarity. As a result, healthcare expenditure keeps on increasing for healthcare systems that are still unequal and inefficient.

Taking an opposite approach, Romania’s ‘rural clinics’ and Belgium’s ‘maisons médicales’ (medical centres) focus on comprehensive and continuous care of the patient in his or her community. Their goal is education and prevention, shifting away from the traditional approach of concentrating on symptoms and trying to refocus on social justice and health for everyone.

GREATER HEALTH INEQUALITIES IN RURAL AREAS

Some 1.4 billion people on this planet live in extreme poverty and 70% of them live in rural areas in the developed countries (IFAD 2010).

In remote rural areas, healthcare systems are poorly equipped and lack the doctors they need. Despite the efforts of field workers in different countries, the health of rural populations continues to worsen and life expectancy there is very low compared to

TIABARI

multidimensional phenomenon.

European averages. Local structures are gradually disappearing and 40% of the European population lives more than 30 minutes by road from a hospital.

Rural areas are rarely prioritised by politicians. So little effort is made to bridge the gap between urban and rural areas. Meanwhile, rural practice rarely features in the training of health professionals.

SEGMENTATION OF EUROPEAN HEALTH SYSTEMS

Europe's healthcare sector is split into different sectors, including health/social, general practice/specialities, and so on. Europe's health approach focuses on treating disease, rather than taking into account the whole person and his/her local environment. Public policy at national or European level, plus any existing programmes designed to reduce inequality, operate after the fact. They always focus on a symptom (e.g. addictions) or further stigmatise an already marginalised sub-group (such as adolescents, illegal immigrants, pregnant women, and Roma).

Substantial cuts in government budgets typically lead to the closure of small clinics and small rural hospitals, which are considered too inefficient.

FREEDOM OF PATIENTS BRINGS INEQUITY AND TWO-SPEED HEALTHCARE

The recent 'Directive on cross-border healthcare', adopted by the European Parliament on 19 January 2011, is supposed to offer some solutions to inequalities in access to healthcare on the territory of the EU. It strengthens the rights of patients to mobility in their care pathway. So a farmer from the Alentejo region in Portugal or from Püspökladany in Hungary can now seek treatment more easily in Brussels or Stockholm. But who will pay for their plane ticket? And what about patients without social security coverage?

Here, individual freedom to choose one's place of care is to the detriment of solidarity. It also could widen much further the existing gap between rich and poor. Furthermore, only the financial factor is taken into account here. Yet the grounds for exclusion introduce other social obstacles to the mobility of marginalised populations. Insecurity is a

Would it not be better to address the problem locally and ensure that people can receive treatment under the same good conditions, regardless of their place of residence?

THE TIABARI RURAL CLINIC: A MULTIDISCIPLINARY INTEGRATED APPROACH IN THE COMMUNITY

The Tiabari Foundation works in a multi-ethnic rural community, comprising Romanians, Hungarians and Roma from three neighbouring villages.

The first Tiabari rural clinic is the only community care facility for these villages. The closest casualty departments are located some 25 km away.

This collaboration project between primary healthcare professionals, NGOs and local authorities aims to assess the impact of community primary healthcare on the health status of the population and its participation.

The project has adopted an intersectoral and multidisciplinary approach. This approach also focuses on training and encouraging students to take up rural practice.

Primary healthcare means general and continuous care for all. As the gateway to the healthcare system, based on a dual preventive and curative action, primary healthcare covers 90% of a population's health problems.

THE CLINIC'S WORK WITH ROMA

Roma are the largest ethnic minority in the EU, estimated at six to seven million people. They suffer discrimination everywhere, including in their countries of origin, and are still often excluded from access to their fundamental rights. The Bihor region in Romania is no exception to the rule.

Most Roma lack social insurance and live in extreme poverty. Contacts with medical and social professionals outside of the community fail to build the trust and participation of this population. Moreover, Roma shun existing prevention systems and tend to seek care rather late in the course of illness, in remote hospitals. By contrast, a rural clinic approach enables major improvements to the community's standard of health.

COMMUNITY PRIMARY HEALTHCARE: A SYSTEM THAT IS SOCIALLY AND ECONOMICALLY MORE EFFICIENT

Experience gained by the Tiabari rural clinic has confirmed the outcomes of similar experience elsewhere in the EU. Community primary healthcare enhances people's access to and participation in health.

Development of this kind of healthcare has fostered permanent access to basic social security, continuity of care, and a significant reduction in the need for specialist secondary care. Because it is based on self-determination, the experience instils confidence in a population that is involved in prevention programmes rooted in the local environment.

So everyone is a winner: the development of community primary healthcare in rural areas turns out to be less costly for the community and benefits the most disadvantaged.

Moreover, since 1978 and the Declaration of Alta-Ama, the WHO (World Health Organization) has recognised the strategic importance of community primary healthcare. This was later turned into a fundamental principle in the Ljubljana Charter on reforming healthcare (1996).

Since people's well-being is the result of various determinants, community health is a partnership between local socio-medical actors. A key principle here is the population's active participation in identifying its problems and making use of its own capacity for action throughout the care process.

ADDRESSING HEALTH INEQUALITIES: A FUNDAMENTAL PRINCIPLE OF THE EU?

Article 35 of the Charter of Fundamental Rights of the European Union established that 'Everyone has the right of access to preventive health care and the right to benefit from medical treatment [...] A high level of human health protection shall be ensured in the definition and implementation of all the Union's policies and activities.'

In its Communication 'Solidarity in health' (COM(2009) 567 final), the European Commission makes addressing health inequalities 'a key action of

Thus, 'While the principal responsibility for health policy rests with Member States [...] The European Commission can contribute by ensuring that relevant EU policies and actions take into account the objective of addressing the factors which create or contribute to health inequalities across the EU population.'

However, the European Commission also recognises that more than half of Member States have not made reducing health inequalities a political priority.

A NEEDLE IN A HAYSTACK

Addressing health inequalities and in particular geographical differences is one of the many objectives/indicators of the Open Method of Coordination for Social Protection and Social Inclusion.

However, the 2009 Joint Report on Social Protection and Social Inclusion, adopted by the Employment and Social Affairs Council on the basis of the national reports, reveals that the reduction in health inequalities was mainly seen by Member States as action on the social determinants of health, and far less on the arrangements governing access to care, in particular suitable facilities. In this area, while all the States see the development of primary healthcare as the best means of improving access to care, of guaranteeing their coordination and their sustainability, this goodwill is difficult to apply in the absence of policy to ensure an adequate supply of health professionals in rural areas. Hospital treatment absorbs most of the spending and many Member States continue to give such treatment more and more resources. Furthermore, the funding set aside for prevention has been reduced to a trickle. Lost in a concept as vast as 'social inclusion', access to care looks somewhat like a needle in a haystack.

ROBBING PETER TO PAY PAUL?

To compensate for the lack of family doctors in their rural areas, Western European countries have in recent years called widely on Eastern European professionals, who are attracted by better remuneration abroad. In 2008, the number of Romanian doctors registered with France's Conseil national de l'Ordre des médecins (French National Medical Association) grew by 320% in just 10 months. Most of them were working in rural

villages. Yet this is a superficial solution, because it deprives Member States of the doctors that they have spent money on training. There is an urgent need to rethink unequal access to health between rural and urban areas across Europe, and to come up with a European solution, in the name of territorial cohesion.

This would ensure affordable access to these essential services for life!

HEALTH AND TERRITORIAL COHESION: IT MAKES NO SENSE

The Treaty of Lisbon introduced the notion of 'territorial cohesion' into the EU's objectives, alongside 'economic and social cohesion'. The funding established under territorial cohesion programmes is now also the largest item on the Union's budget (35.7% of its budget). However, this cohesion policy has until now mainly focused on innovation and competitiveness.

Recognising that efforts are needed to improve access to care in rural areas, the Commission's Green Paper on Territorial Cohesion (COM(2008) 616 final) suggests solutions to this challenge lie in mobility and the development of 'telemedicine'. But how can one seriously pursue a policy of 'social inclusion', if one of the ideas under consideration is to deprive isolated populations of local doctors? For these doctors are typically a key part of a community's social fabric.

TOWARDS RECOGNITION OF A UNIVERSAL HEALTH SERVICE

Under the heading 'universal services', the European Commission wants to guarantee 'everyone has access to certain essential services [among the services of general interest] of high quality at prices they can afford' (COM 96/443). Since a universal service may result in an income loss for suppliers, additional instruments are necessary to ensure its funding.

The areas concerned today are the postal, telecommunications, electricity and gas sectors. The Commission therefore requires Member States to define the content of these services of general interest and some of their conditions of application.

However, health is an essential service. So like all services of general interest, it should be recognised as a universal service.

The TIABARI foundation proposes:

- Access to 'high-quality primary healthcare' should be recognised as a 'universal service' by the European Commission and, to that end, organised at European level.
- The Commission should also launch an Open Method of Coordination specifically for access to healthcare.
- The concept of a 'centre for community primary healthcare' should guide all policy thinking in public health.
- Lastly, practice in rural areas must be integrated into the curriculum of medical students and in the medico-social sector.

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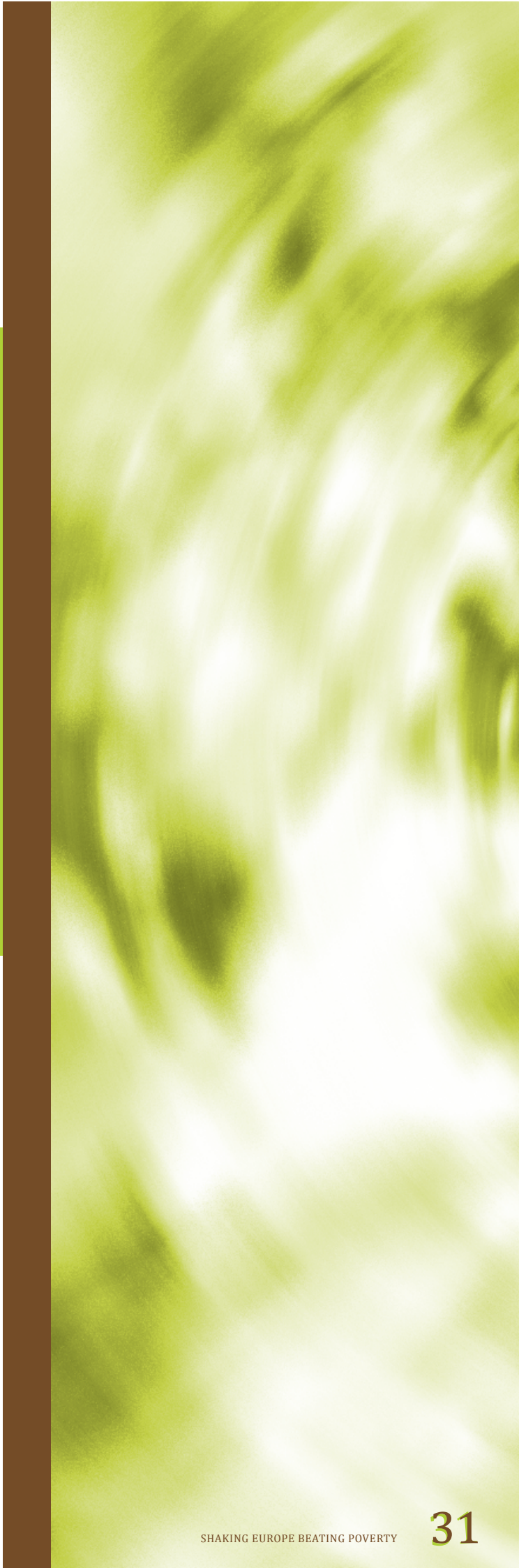
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