



CEC TRG on Employment and Social Issues – 27 – 28 February 2017

Brussels

Minutes

Participants: Frank-Dieter Fischbach, Dr Vasileios Meichanetsidis, Heather Roy, Eurodiaconia, Martin Schenk, Gijsbert Steenbeek, upcoming intern CEC, Eva Ungvari, Fr George Valcu, Anne Sophie Wislocki, Eurodiaconia

Apologies: OKR Ralf Charbonnier, Vladimir Gerka, Rev Juha Mattila, Prof Constantin Delikostantis

- 1.) **Welcome and opening** by Martin Schenk and Frank-Dieter Fischbach.
- 2.) The **minutes of the last meeting**, 5-6 September 2016, were adopted.

3.) Tour de Table

Martin Schenk reported on 6 different developments: (1) The Reformation jubilee is a central topic for the Protestant churches this year. The Diakonie focuses on the social dimension of the year and organises discussions, publishes papers on it, e.g. on the significance of education and the protection of children. (2) In Austria a discussion on the reform of the welfare state is taking place; this is a discussion about reductions and the minimum income system. The incoming refugees in 2015 (and 2016) and their needs serve as a pretext for the reform discussion. (3) A discussion was started about long-term care and the cure care dimension, which can bring together community work. (4) A research will be finalised on the health system, especially people without health insurance; the presentation is foreseen for October or November this year. (5) A handbook on wealth in Austria was published. (6) As well a book on social innovation was presented and accompanied by some press work. It has received a lot of attention as it is a critical work on the concept.

Vasileios Meichanetsidis reported on (1) the ongoing social and economic crisis. The church helps to feed the gaps of the political system; there seems to be no way out of the crisis. Different responsibilities have to be reflected: The EU mechanism of crisis resolution is slow and hybrid; the crisis in the urban centres is especially hard, as well in the border areas. The Balkan states are also very poor, so that there exists no exchange in commerce. Signs of a general depression can be observed: people are still leaving the country; families become smaller with 1-2 children; no hope for the future. (2) The refugee crisis declined since March 2016, but still numbers of people are coming. Turkish people are asking for asylum, especially from the military. A growing aggression in the Aegis Sea can be recognized and relations with Turkey are at stake. Resettlement is necessary. (3) The future of Europe is put into question. A growing disengagement on the European idea is observed. Some people get back to a sort of medieval argumentation like in the time of the crusades, which symbolise the feeling of being left alone in the two crises. (4) Religious education in public schools is

a discussion point with the actual government – a discussion about confessional responsibility or a kind of interreligious responsibility. But who would it be in the latter case? Other points of friction between the church and the state are discussions on building a mosque in the city, but also the bioethical debate. (5) In the Church of Greece discussions are on-going about the outcome of the Council in Crete, especially the last document on the inter-Christian relation.

Fr George Valcu reported (1) that the issue of corruption has become more obvious. The biggest public demonstrations since 1989 were taking place these days. An increase in social assistance was decided by the government, but the question remains from where the money will come. The opposition fights against corruption, and its head is the President, but he might himself be soon in trouble on the issue. A third camp exists, which is sick and tired of politics, and does not feel represented by anyone at this moment. People ask the church about her prophetic voice against corruption; but on the other hand the public is against church statements on Family, bioethics etc. And a strong nationalistic discourse exists, which defends RO from pressures from outside, from multinationals, as supported by the EU. (2) Poverty is the most important issue in society. The Romanian-Orthodox Church is very engaged in social policies, ensuring basic human needs. It started now to invest in education programmes, to focus not only on the social basic level, but also for the future development and flourishing of the people. It offers scholarships for poor pupils, who have the capacities to learn at a higher level. Another aim is to professionalise people for the labour market. (3) The understanding of Family is a crucial issue in society and for the church. Christian organisations and others have collected 3 Mio signatures for a referendum, so that a vote in the Parliament is needed: Family should be understood as a man-woman relation and should have a legal basis in the Constitution. (4) Migration is an issue, but especially as is emigration: 4 Mio people live abroad, which generates huge social challenges. Young people, able to work, leave the country. This provokes also problems for the budget and the payment of pensions. The people abroad send money home, but spasmodically. Mono-parental or no-parental families have become normal. Children with the grand parents or aunts etc. are now living together for the last ten years. The results can be seen now: The teenagers are not serious about school, they have affectional problems etc. The Church seeks to establish partnerships between parishes at home and abroad. On the discussion of religious education 92% of parents ask for confessional religious education.

Eva Ungvari explained for EYCE that the campaign “Breaking the chains of poverty” finished last year. EYCE decided on a three-year project on migration, which has a strong link to poverty. People migrate because of poverty.

4.) “Inequality” – an analysis of the European Commission, DG EMPL, Mr Graham Stull

Mr G. Stull introduced the analysis and reflections along with a PowerPoint presentation (attached). In his report he also underlined that DG EMPL is still developing the concept of regarding inequality and that it is not fixed yet.

Discussion

The Eurozone as it is structured actually promotes inequality. How to resolve it?

Mr Stull: The system is incomplete. Deepening the EMU and improving the mechanism is a task and can also be achieved by European Semester. A fiscal board and a fiscal stance for the Euro-MS were integrated this year. A change of the Treaties will be hard to achieve. Although the Commission has the ambition to do that. In March a White Paper on the EMU will be published. Key words and

concepts will be: European solidarity fund, European fiscal authority; solidarity and structural reforms. The large accounts of surplus have to be addressed and a balance has to be found between the MS and their policies.

A growing disappointment can be observed in the south; the Brexit etc. present the disengagement from Europe and the EU.

Mr Stull: The EU Euro area is recovering, also in employment; some benefits have been seen and noticed, but the danger is that it is too late.

Different inequalities exist. The different MSs have to be analysed. Wealth and, who is holding the capital have to be studied. Inherent wealth exists, also related to the demographic development.

Mr Stull: That is the 2nd step, which has to be done; the research on the relation of income and wealth, but also gender etc. SL, CZ – very well in income equality. But it is also an issue of resources.

Health inequality seems to be a crucial indicator also for other phenomena of inequality.

Mr Stull: The Commission has established an Inter-service Task Force on this range of inequalities and its understanding. In kind benefits – housing, education, health – have to be integrated into the analysis to feed in the wider discussion on inequality.

Household income and wealth income have to be reflected. In AU the middle class is divided between small wealth and households without wealth. And this means a big difference, because the latter have no space for risks, which are also not covered by the social security.

Mr Stull: National models are taking into account the national frame.

Inequality is also related to employment and here the problem of education has to be discussed. University today is like a small business focussing on the performance of students, to bring persons to the market, sometimes without the knowledge of what is needed and which diplomas are recognized elsewhere.

Mr Stull: The recognition of qualifications, the assessment of the labour market profile is crucial.

The economic improvement is only taking part in certain areas of the economy.

Mr Stull: Labour market segregation is still a problem in some MS. In some MS huge self-employment has been established and the challenge is now to address the negative effects emerging from there, like labour market segregation. But not everyone wants a permanent contract. On the other hand part-time work demands to work on the question of the consequences for the pension system. New forms of work demand also to renew the focus on inequality. New forms of work should be encouraged but in line with European values, which include also social security, the payment of social insurance companies etc. The minimum income scheme is one important tool.

The term of “social fairness” seems to be rather unhelpful. The term is unclear, what it means and what the Commission wants to express by using it. The poverty target can be measured, also the other targets of Europe 2020, but the strategy seems to be gone. The term “social justice” is much stronger and demanding. Social fairness has no endpoints, no indicator; it’s about good policy communication. Fairness is not a term in social philosophy and social academy.

Mr Stull: Concept of social fairness was developed because of the impression that European policy loses the European public, to appeal to what people feel and observe, not only to relate to indicators; to create the feeling that Europe is working for the people.

Internal discussion, after Mr Stull left:

The entrance point into the whole debate is always through growth. An interesting question would be how this relates to a Christian perspective: Every living being from the beginning lives in dignity and should receive, what one needs. Thinking beyond growth is needed. We should not reflect only on one model, and not use a technical approach.

The Commission uses numbers to indicate how people perceive things. But the feeling of inequality leads to disengagement. The quoted recovery has not necessarily reached the people. Inequalities and wealth and its building up of capital should be focussed, like the recent Oxfam study did.

We should question the concept of growth and perhaps promote a de-growth model. The growth-ideology stands against the environment, social issues, and challenges of the refugee influx. But it can be also highlighted that the advocacy in the last years argued for other indicators. It is a positive development that social inequality is taken more into account. We should develop a strategic thinking to use this new approach. And the inequality debate is more and broader than the poverty focus. Inequality reflects also the changes in the middle classes of society.

We perceive in Europe a high quality of welfare life. But are the Europeans happier? What is the perception of life? But this is difficult to qualify. In the recent elections campaign a lot of talk was about the angry white man. Others contradict this analysis.

If we want to discuss the drivers of inequality and propose policy levers (recommendations), we will need data to back it up. On what basis can policy recommendations be made?

Some indications and analysis can be collected, like on: Labour income and capital income; unemployment; taxation and its consequences; benefits – money and social services. Health inequality seems to be central, according to recent research: Health inequality addresses many other inequalities.

The so-called hard facts of equality have consequences for the soft facts (relationships etc.). But the different context and the national diversity have to be reflected.

Increasing inequality destroys social life and society. Investment in human resources and the human being are more important than growth.

Piketty has proven that poorer persons are more socially oriented, because they depend on and work in the social community. They are interested in social contribution, to improve the neighbourhood and social cohesion.

5.) Proposal for the CEC TRG ESI to work on inequality

Martin Schenk proposed the following framework and concept to work on “Inequality”. It was discussed and improved further upon by the present members of the group, and agreed.

The **target groups** of a paper on inequalities will be

- the CEC Assembly 2018 (31.5.-6.6.2018, Novi Sad, Serbia), and
- the European Commission, especially DG EMPL, but also Members of the European Parliament, especially the Committee on Employment and Social Affairs.

The **structure of the document**:

1. Empirical, descriptive point of view
 - 1.1 socio-economic analysis – wealth, gender etc. – place for definitions
 - 1.2 individual approaches; “all equal – all different” – as persons, inclusion, demand of same opportunities - racism and discrimination as the other side of the coin; ontologically equal, but different – not unequal; All differences, not preventing equality; (1.2 might also be included in 2.)
2. Theologian, Christian perspective
 - Own reflections
 - Church reflections, publications
 - Possible terms: Social justice, trust, vulnerability, conviviality
 - Relation to freedom and liberty
3. Specific topics/themes – study cases, examples
 - Health
 - Children - family
 - Minimum income
 - Labour – EU labour mobility – employment
 - inter-generational
4. Recommendations
 - Reflections, challenges

Discussion:

Where are the rights – the social rights approach? Where do they come in?

Question of relation of 1.2 to go in 2.

1.2 might have a bridge function: empirical data on cultural perspective can enhance the concept in a theological perspective.

Research on church papers should include

- To look at the Biblical fundament; Ecumenical, patristic tradition, Russian Orthodox Church document on social issues, etc.
- To look at documents of CEC and Member churches/ organisations.

As **Homework** for the members of the group it is agreed:

1.) The TRG members come from different churches and traditions. Everyone should carry out research on theological thinking, arguing on the phenomenon of inequality and how it is perceived, discussed, addressed in the specific theological and church tradition, also in recent publications.

Frank-Dieter and Gijsbert will do it for the CEC side.

Not more than 1-2 Din A4- pages.

2.) Martin Schenk, supported by Gijsbert Steenbeek will establish a draft on point 1

3.) Every member shall establish a thesis paper (1 – max. 2 DinA 4 pages) on max. two concrete issues on inequality (see point 3) with a short rationale, why our document should cover this issue.

The two papers (1+3 of the homework) should be sent before 1st May.

Time structure for the next two meetings in 2017:

Doodle inquiry – 21-25 August; 31.8.-1.9; 4.-5.9.

Discussion papers, decisions how to go on

2nd doodle inquiry – first draft

11-15.12,

To ask, when it is possible to meet.

6.) Information on other items

Frank-Dieter informed about the developments of the European Pillar of Social Rights and a related Report in the European Parliament. To both CEC has given substantial input with the support of the TRG. The next step will be a publication of the Commission on a proposal of the pillar relating to the discussion on the Future for Europe.

He informed also about CALL, the upcoming preparatory meeting in Prague for a CALL-conference in early 2018 on digitalisation and its consequences for the future of work.

He indicated that the European Commission has published recently the so-called Country Reports, which analyse the progress of the Member States – without Greece – on economic, but also employment and social policies from the perspective of the European Commission. These reports can be used to discuss employment and social policy with the particular government as a tool to introduce the churches' perspective on national policy (achievements, failure, and demands).

You find them here:

https://ec.europa.eu/info/publications/2017-european-semester-country-reports_en

and the press release:

http://europa.eu/rapid/press-release_IP-17-308_en.htm.

The European Commission will hold the Annual convention on inclusive growth on 24 April 2017 in Brussels, which will concentrate this time on youth policy. Frank-Dieter will send more information when available.

The “Seeking justice and prosperity for our common future in the European Union - European economic governance: a dialogue between theology, economics and politics” was adopted by the CEC Governing Board in November 2016 as a position document expressing the view of the Conference of European Churches. It will be published soon.

Heather informed about a meeting with Commissioner Marianne Thyssen, responsible for Employment, Social Affairs and Inclusion. Her report about this meeting is attached.

Frank-Dieter Fischbach
13.03.2017

Attachs: PowerPoint presentation – G Stull
 Report of meeting between H. Roy & Commissioner M. Tyhssen