



What do we need to reduce poverty and to make a real change?

Input by Fintan Farrell, Director, EAPN

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EUROPEAN ANTI POVERTY NETWORK

RESEAU EUROPEEN DES ASSOCIATIONS

DE LUTTE CONTRE LA PAUVRETE

ET L'EXCLUSION SOCIALE

www.eapn.org

Content of Input



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- Introduce EAPN
 - What we know about Poverty, Social Exclusion and Inequalities in the EU and its impact
 - What do we need to reduce poverty and social exclusion
 - Is the Europe 2020 strategy the answer?

EAPN Origins



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- Established in 1990
 - A network of independent NGOs involved in the fight against poverty and social exclusion (within EU countries, mostly)
 - To defend the interest of people experiencing poverty and social exclusion in the development of EU policies and programmes

EAPN Membership and Financing



- 26 National Networks
- 23 European Organisations
- Receives financial support from the European Commission (PROGRESS Programme)

EAPN some achievements



1. Building a participative and sustainable network

- Sustained and growing network
- Increasing participation of people in poverty
- Increasing funding of national and EU networks

2. Impact on EU Policy?

- New Articles in the EU Treaties
- EU Social Inclusion Strategy (OMC on Social Protection and Social Inclusion)
- EU Programme to support the strategy (PROGRESS)
- EU Recommendation on Active Inclusion (Adequacy of Income, Access to Services, Support for access to employment)
- Partnership Principle in Structural Funds
- EU Meetings of People Experiencing Poverty
- 2010 EU Year Against Poverty and Social Exclusion

What do we know about Poverty in the EU?



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- EU Poverty Programmes (80 and early 90s) and the EU Inclusion Strategy (Social OMC 2000+) have provided knowledge about the reality of Poverty and Exclusion in the EU and how to tackle it.
 - Social OMC has powerful tools for mutual learning and exchange – indicators, peer review, national action plans.
 - But we are not making progress

Poverty in the EU

(Based on the 2007 figures)



■ 60% of median equivalised income

- 2008 EU Average 17% (84 million people)
- 25% Romania (83 Euro)
- 10% Netherlands (910 Euro) 10 % Czech Republic (271Euro)

In Work Poverty



■ In work poverty rate

- EU Average 8% of working population (18 million people approx)
- 14% Greece (510 Euro)
- 3% Czech Republic (271 Euro)

Material Deprivation in the EU



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- Lacking more than 3 basic necessities (eg adequate shoes, a meal with meat or fish every second day, adequate heating)
 - EU Average 17%
 - 45% in Latvia (Romania and Bulgaria higher)
 - 3% in Luxembourg 6% Sweden and Netherlands
 - 40% of people below the poverty line in the EU also experience material deprivation but 13% above the poverty line

Wealth and Inequality in the EU



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- EAPN Motto: *'You can't speak about the fight against poverty and remain silent about wealth'*
 - We know less: Lack of common definition and common indicators at EU level

Growing trends in Inequality EU



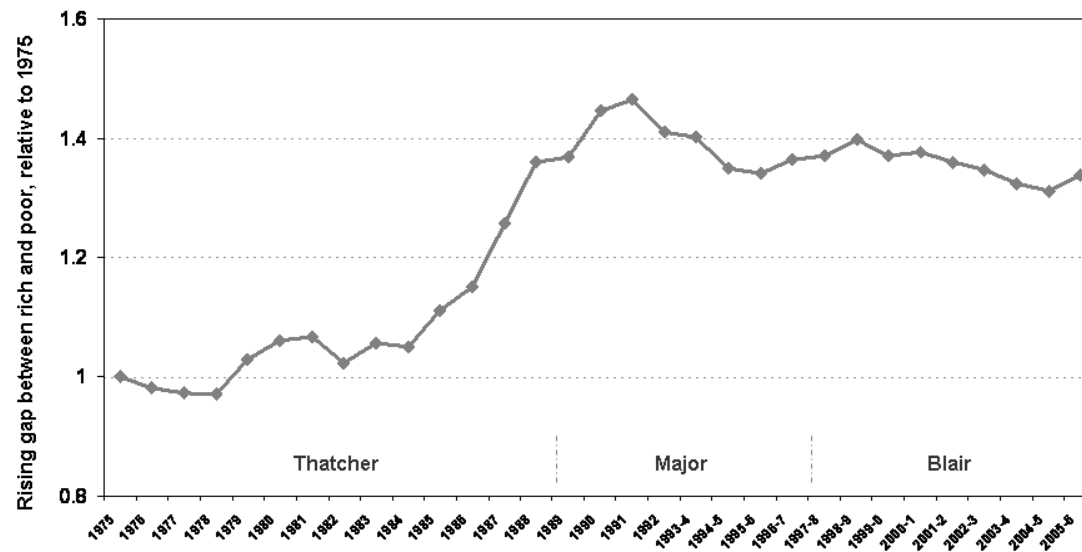
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- Inequality of Income distribution 1997-2007
(as measured by Incomes of the top and bottom 20%)
 - EU 15: 4.7 to 4.9
 - UK: 4.7 to 5.5
 - EU 2007 5

 - Globally: enormous increase in inequality 80's and early 90's (as illustrated in the next two slides).

Trends in Inequality UK

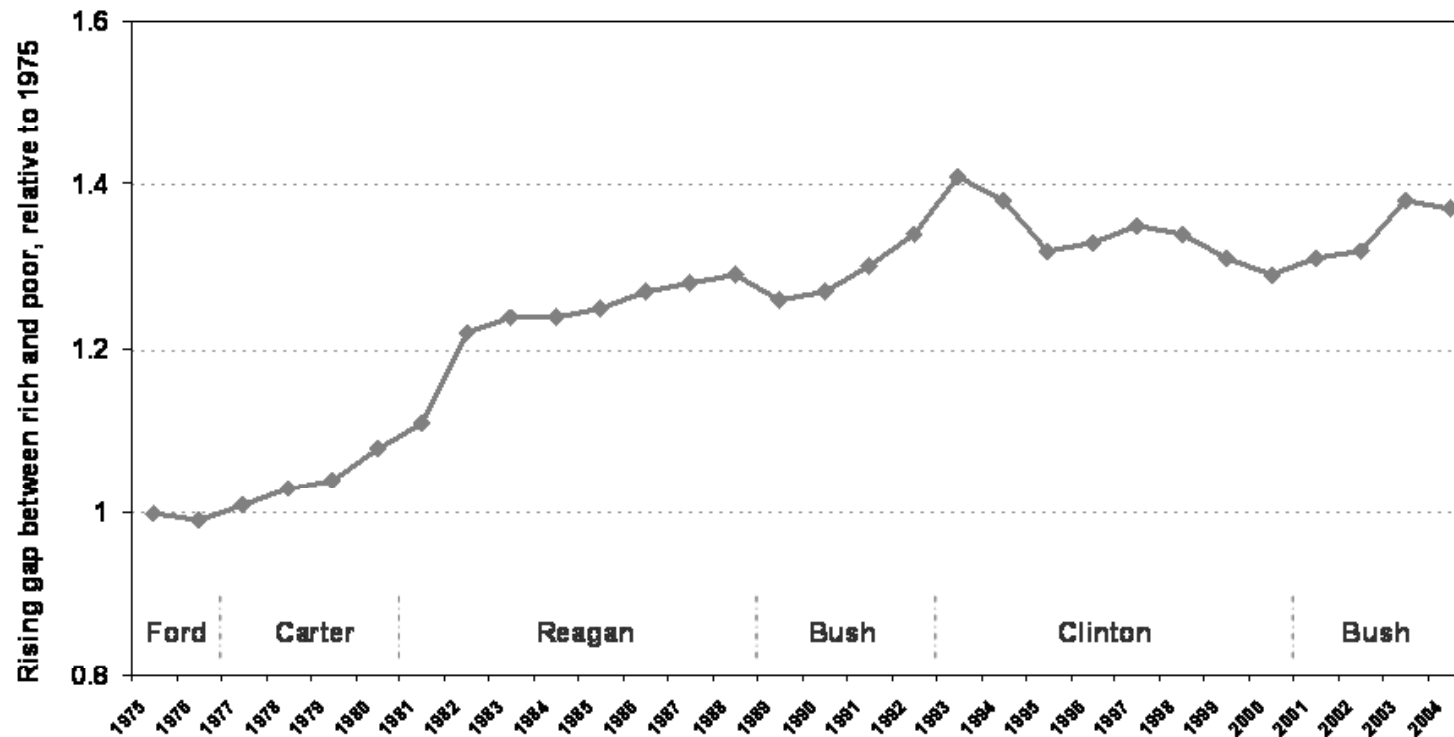


Trends in UK income inequality 1979-2005/6



Source: Wilkinson & Pickett, *The Spirit Level* (2009)

Trends in US income inequality 1975-2005



Source: Wilkinson & Pickett, *The Spirit Level* (2009)

Impact on People Experiencing poverty



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- *'I am undocumented, so for you I don't exist'*
 - *'waking up in bad housing conditions which saps the will to do anything'*
 - *'being paid regularly, but my debts still mounting up anyway'*
 - *'hard to talk about, but when I did start to talk to others I felt no different from them and I wasn't embarrassed'*

Statements by participants at European Meetings of
People Experiencing Poverty and social exclusion

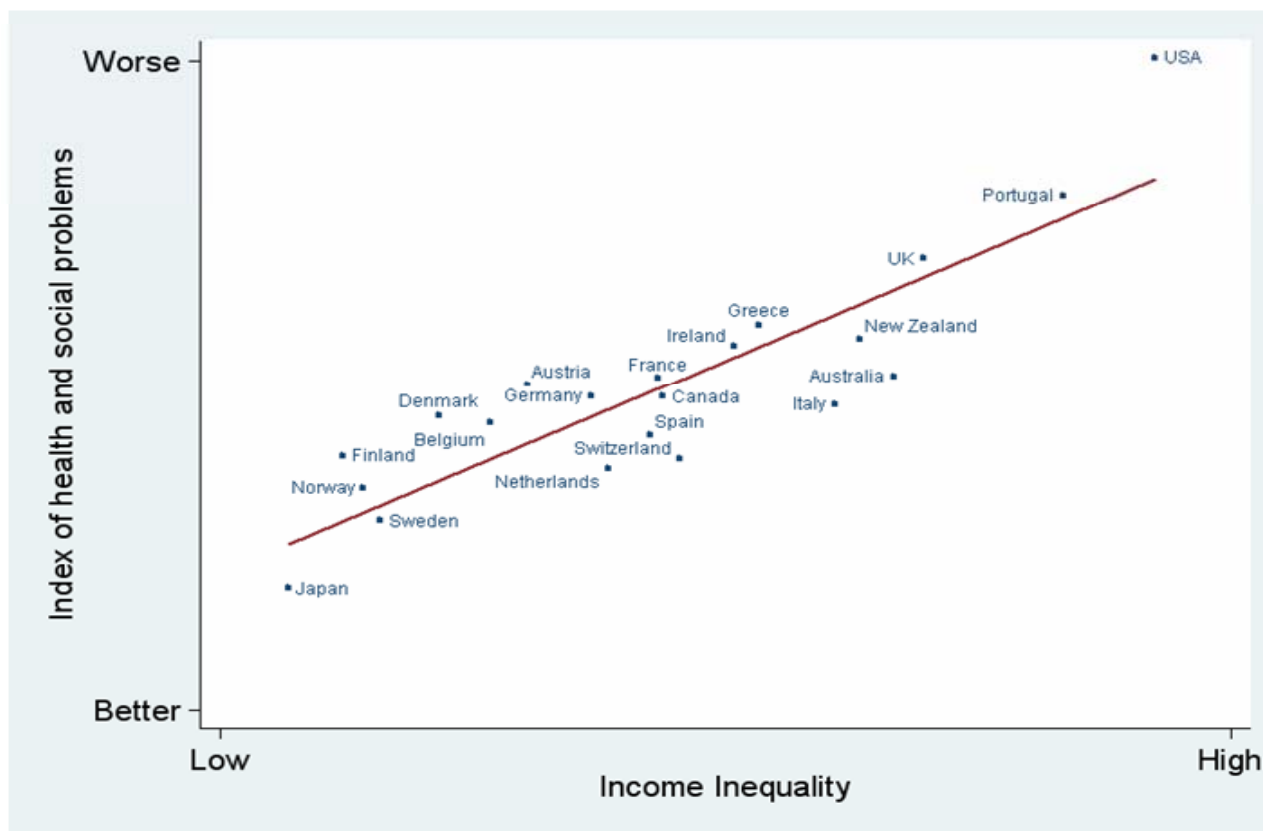
The Impact of Inequalities in 'rich' countries



Health and Social Problems are Worse in More Unequal Countries

Index of:

- Life expectancy
- Math & Literacy
- Infant mortality
- Homicides
- Imprisonment
- Teenage births
- Trust
- Obesity
- Mental illness – incl. drug & alcohol addiction
- Social mobility



What understanding is needed to make progress in
the fight against poverty (Drawn from the messages from the
2010 NGO Coalition)



- **Understanding of Poverty as a denial of fundamental rights** – Access to rights and dignity for all, breaking stereotypes, addressing discrimination
- **An economy at the service of people and public interest** – Guaranteeing an adequate income and achieving a fairer distribution of wealth. More equal societies are better for everyone/ growth without fair distribution won't deliver on poverty
- **Mobilizing all policies** – poverty cannot be solved by social policies alone/ employment not the only solution.

What understanding is needed to make progress in the fight against poverty



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- **Universal services are essential and targeted measures may be needed to ensure everybody gets access – not poor services for poor people**
 - **The need for well functioning democracy - representative and participative**
 - **Solidarity across the globe – the fight against poverty outside and inside Europe is part of the same fight.**

What we need to reduce poverty



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- A renewed respect for the values: such as social cohesion, sustainability, justice, equality, human dignity.... to inform our 'politics'.
 - A paradigm shift from the 'growth and jobs model' to a 'social and sustainable model' as called for by the Spring Alliance (ETUC, Social Platform, Environmental NGOs ...)
 - A recognition of social protection spending as an investment (reduces poverty in the EU by 40%)

Is the Europe 2020 Strategy the answer?



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- The Europe 2020 strategy as proposed is still based on a 'growth and jobs model' and is not the shift in paradigm needed
 - However the strategy does contain elements worth fighting for.

What EAPN is trying to achieve in the Europe 2020 Strategy



- Agreement of a headline target to reduce poverty based on the right indicator
- Integrated Guidelines for the Europe 2020 strategy that reflect the social objectives
- An Ambitious “Platform Against Poverty” building on a reinforced OMC on Social Protection and Social Inclusion.

Achievement of these three objectives is possible and is in line with the Commission proposals

Agreement of a Headline Target on Poverty Reduction



- To have a social inclusion and poverty reduction target was agreed in principle at the recent Spring Council
- The June Council will decide on the precise Target and the indicator to be used. (EAPN is arguing in support of the Commission proposal: Reducing poverty by 25% using the relative poverty indicator (60% median equivalised income). It is important to note that this indicator is the headline indicator and needs to be monitored by the full range of agreed indicators both the Laeken indicators and the 'deprivation indicators' as well as been monitored in relation to age and gender and at the different levels 50% -30% etc.
- This European Headline Target and Indicator needs to be backed up by a set of realistic National Targets and Indicators based on national analysis.
- It appears that the Finnish Government supports this approach but it also appears that there is not Nordic solidarity on this issue so lobbying in advance of the June Council is vital



Integrate Social Objectives in the Integrated Guidelines for the Europe 2020 Strategy

- **The Commission will make proposals on this by the end of April 2010** (it appears that there will be a social guideline within the integrated guideline but the key question is whether this will be formulated within employment guidelines (which might limit the scope of the guideline) or whether it will reflect a fuller understanding of the social; including social protection and social inclusion. It should reflect the poverty reduction target)
- **EAPN has made a set of proposals about how the Guidelines should look and will respond to the Commissions' proposal.** The agreement in principle on the Guidelines will be made at the June Council
- **The new National Reform Programmes will be based on the Integrated guidelines.** Having a social guideline means that Prime Ministers and Finance Ministers will have to report on how they are reaching the poverty reduction target which is useful but it is essential that Social Ministers and the Social OMC provides the key input for the follow up of the social guideline.
- **EAPN is also working with the European Parliament on the new Integrated Guidelines**

An Ambitious Platform against Poverty



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- The draft Europe 2020 Strategy proposes as one of the five key Flagships for the Europe 2020 strategy a “Platform Against Poverty”. The proposal is not clear and open to very different interpretations.
 - Actions under the Platform against Poverty should provide the main social input for the Europe 2020 Strategy



What EAPN wants from the Platform against Poverty

- Delivery on previously agreed commitments to work through **an autonomous, but strengthened Open Method of Coordination on Social Protection and Social Inclusion**, based on revitalised **National Action Planning process**, involving stakeholders in regular structured dialogue on delivery of the target - including people in poverty and NGOs.
- Follow up of already **agreed priorities** such as action to implement the Active Inclusion Recommendation (including the adequacy of minimum income schemes) and follow up of the commitments to tackle child poverty and homelessness.
- That there is a stricter application of **social impact assessment** of all policies, in line with the new horizontal social clause in the Lisbon Treaty
- In order to defend Fundamental Rights and promote high level social standards, **legislative proposals** should be considered such as, a framework directive on the adequacy of minimum income schemes.
- That a **European Funding Programme** to support the Platform against Poverty (a revised PROGRESS programme) should support a strengthened participation of all relevant actors in the implementation of the strategy, and the development of demonstration approaches at national/local level.

Is a new Vision for an EU free of poverty needed?



Perhaps for the way forward we can take inspiration from the vision of one of the founding fathers of the EU, Jean Monnet, when he wrote in 1943

What we are aiming for is "an organisation of the world that will allow all resources to be exploited as well as possible and to be distributed as evenly as possible among persons, so as to create peace and happiness throughout the entire world"

Building Alliances for 2010



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