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COHERENT SOCIAL POLICY OF THE EU MEMBER STATES

After the end of the WWII, European countries commenced works on creation of a single market and, consequently, integration became the central idea of the European continent. At the early stage of existence of the European Communities, attention was devoted mainly to economic objectives. The social policy was treated as a matter of secondary importance, however, as the practice has shown, it cannot be isolated from other spheres as there are interconnections and interdependencies between individual areas of Community policies. This is particularly visible in the present dynamic phase of globalisation, which has increased income and social inequalities, both in individual countries and in the world. Poverty and social exclusion affect more and more EU citizens, which has very serious economic, social and cultural consequences. Therefore, a coherent social policy, which, according to the Council of Europe’s definition, means an ability to ensure prosperity of all its members, minimise disparities between them and avoid polarisation, has become one of the most important economic programmes of the European Union. All economists agree that it is an essential factor in harmonious development and increasing prosperity, and, at the same time, a condition for social and economic success.

This article attempts to demonstrate the significance of the coherent social policy of the European Union in combating negative social and economic phenomena such as poverty and income inequality. Particular attention is drawn at actions connected with activation of people on the labour market; it also discusses the role of non-governmental organisations and institutions in the social cohesion policy.

There is no single common social model in Europe, which arises from different detailed regulations in the social policy of each country. However, we must admit that social systems in European countries share many qualities which determine their uniqueness in the international context and distinguish our continent from other regions of the world, in particular from the USA and the Asian region. The

most important qualities that determine the specific character of European countries are as follows [Anioł 2003, s. 195]:

1. **Shared attachment to the principle of social justice**, acknowledgement of solidarity with the aggrieved and underprivileged, acceptance of the need of full employment, general access to health care and education, adequate social security, assistance for the poor and the excluded.

2. **Acknowledgement of the thesis that social justice may contribute to economic effectiveness and progress**, in Europe it is generally believed that there is no fundamental contradiction between economic competitiveness and social cohesion.

3. **High degree of organisation of interests and multilateral negotiations** between state authorities and social partners concerning matters related to economic and social policies. The majority of employees are covered by collective agreements, which set out conditions of work, social security and standards of living.

4. **Similarity of many institutions and legal regulations** in the social policy and similar forms of social life.

All this allows us to talk about common social culture. Many economists claim that the concept of European welfare states will lose in the clash with American and Asian political patterns. Therefore, there is a need for sweeping reforms being the answer to social and economic changes, including, in particular, demographic ones (ageing of societies, decrease in fertility and transformations on the labour market). European countries join forces to fight these difficulties. Their aim is to create the most competitive and dynamic economy in the world, with a more flexible labour market and higher social cohesion. These are the objectives the European Union set itself during the summit in Lisbon in March 2000. Then it was also decided that the social policy will be openly coordinated by all member states. Open coordination is an active approach to eradication of poverty and social exclusion. It sets certain social aims but the methods of achieving them are devised individually by each member state, including Poland. The combat against poverty within the framework of this method requires from politicians long-term decision-making as well as specification of the goals set and their coherent pursuit. It is also important that all member states may take advantage of experiences of other countries in accordance with the rule of mutual learning, which will considerably reduce time and costs connected with own mistakes. In addition, the European Council adopted the European Social Agenda, which plays a key role in stimulating economic growth through development of the social policy, and a list of main objectives which are as follows [Ciechański 2002]:

- making access to employment, resources, rights, goods and services easier,
- prevention of exclusion,
- supporting people who are most exposed to the risk of poverty and social exclusion,
- activation of all relevant institutions and social partners for the benefit of social integration.

The process of implementation of the coherent social policy is supported by the European Social Fund which subsidises the actions with structural funds. During the years 2007-2013, funds available within the framework of the ESF will be allocated to [Głębicka, Brewiński 2008, p. 64]:

- increasing professional activity and employability of the unemployed and professionally passive,
- decreasing the number of social exclusion areas,
- improvement of employees' and companies' adaptability to changes taking place in the economy,
- promotion of education at each level and simultaneous improvement of the quality of educational services,
- increasing the potential of the public administration within the scope of development of a high-quality service provision policy and strengthening partnership mechanisms,
- greater territorial cohesion.

All these actions aim at equalisation of the standard and conditions of living of EU citizens. In general, social differences between social groups and general income stratification have increased recently, which was connected with the economic recession, progressing development of globalisation, greater competition on world markets, information revolution and restructuring of economies as well as the existing demographic situation and transformations in the social structure. Countries of Central and Eastern Europe are in particularly difficult situation due to transformations of the economy, which have brought about many social and economic changes which, unfortunately, have often been the cause of deterioration in households' financial situation. Economies had to adapt to increasing competition and undergo intense restructuring, there was a considerable decrease in real earnings, rapid increase in unemployment, inflation was high and a large part of the society could not adapt to new rules governing the market economy. Accumulation of these and many other negative phenomena has increased income inequality and poverty of a considerable group of people.

Poverty is a very complex phenomenon and is the subject of many discussions and controversies. Generally speaking, poverty is defined as non-fulfilment or low-standard fulfilment of basic human needs, in practice, however, poor households are those whose income or expenses are below the agreed amount [Wrzeszcz-Kamińska (ed.) 2007, s. 237]. Poverty affects all EU countries, however, with different intensity. Each country has its own programme of combating poverty, developed on the basis of historical, cultural, economic and demographic experiences. It finds reflection in the model of the social policy being in force in a given country. It is generally believed that in our today's civilised world the state cannot leave its citizen with nothing to live on and is obliged to provide them with necessary assistance if the citizen is not able to satisfy their needs with their own rights, resources and

possibilities. A coherent social policy of the European Union is to support member states in eliminating this increasing problem.

The situation of the social cohesion in the EU is briefly characterised in Table 1.

Table 1. Measures of poverty for EU member states in 2007 (unemployment rate for 2008)

Country	Total unemployment rate (%)	Share of people at risk from poverty before social transfers* (%)	Share of people at risk from poverty after social transfers (%)	Unequal distribution of income**
Austria	3.8	25	12	3.8
Belgium	7.1	28	15	3.9
Denmark	3.3	28	12	3.7
Finland	6.4	29	13	3.7
France	7.7	26	13	3.8
Greece	8.3	24	20	6.0
Netherlands	2.8	21	10	4.0
Spain	11.3	24	20	5.3
Ireland	4.4	33	18	4.8
Luxembourg	4.4	23	14	4.0
Germany	7.3	25	15	5.0
Portugal	7.7	24	18	6.5
Sweden	6.2	28	11	3.4
United Kingdom	5.3	30	19	5.5
Italy	6.1	24	20	5.5
Bulgaria	5.6	–	–	–
Cyprus	3.8	21	16	4.5
The Czech Republic	4.4	20	10	3.5
Estonia	5.5	25	19	5.5
Lithuania	5.7	26	19	5.9
Latvia	7.3	27	21	6.3
Malta	5.8	22	14	3.8
Poland	7.1	27	17	5.3
Romania	6.4	24	19	5.3
Slovakia	9.6	18	11	3.5
Slovenia	4.5	23	12	3.3
Hungary	7.9	29	12	3.7

* The percentage of people whose income equivalent to disposition (having taken social transfers into account in the income) is lower than the poverty line set at 60% of the median of income equivalent to disposition in a given country.

** The ratio of the total income earned by 20% of people with the highest income (the highest quantile) to the total income earned by 20% of people with the lowest income (the lowest quantile).

Source: data provided by Eurostat, <http://epp.eurostat.ec.eu.int>.

On the basis of the above data we can say that differences between EU member states are still big, which is connected with different level of economic development, social and cultural differences, hangover from old systems in those countries and their resistance to integration of regulations in this sphere. The scale of poverty and income inequality is lowest in Scandinavian countries and in the Netherlands; these countries are strongly committed to combating unemployment through investments in human capital. The effectiveness of the programmes on the labour market is reflected in the total unemployment rate of individual EU member states. The lowest unemployment rate is in the Netherlands and Denmark, these countries spend highest amounts of public funds on eradication of poverty and pay a lot of attention to active actions. In the group of new member states we should also mention the Czech Republic and Slovenia. The worst situation is observed in Greece, Spain, Italy, Portugal, Ireland and Great Britain. New EU member states, that is: Latvia, Lithuania, Poland, Estonia and Romania, join this group. These are the countries that appreciate the value of trainings least and the labour market policy has not been shaped yet [Swadźba 2007, pp. 93-105]. However, we cannot say that the effectiveness of the combat against unemployment is determined only by the amount of public expenditures allocated to this end. It has considerable influence but such factors as the macroeconomic situation of the country, pursued economic policy, transformations, cultural and historical determinants as well as the hierarchy of objectives also play the key role. Ireland can be cited here as an example: despite low commitment of the country to fighting unemployment, it has a very low unemployment rate amounting to as little as 4.4%.

Countries from Central and Eastern Europe should introduce many more changes to the social policy. The EU membership and access to Community programmes, in particular to social funds, are a chance for significant technological progress and reduction of social disparities between population of these countries and West-European societies. The social policy system in countries of Central and Eastern Europe should be heading towards active social policy, which develops so fast in countries of Western Europe. It is aimed at departure from redistribution of benefits which are to ensure social security, to regulation of the labour market, that is creation of new jobs for the unemployed. It is assumed that employment, on the open labour market or in the social economy sector, is the fundamental factor influencing social cohesion [Rybka 2007, s. 28]. Actions taken by the country are addressed mainly to the unemployed who are able to work, and then to those who can regain this ability. The aim of the active social policy is participation in social life defined as activity on the labour market [Rymsza 2003, p. 31]. A country that fully pursues this model is Denmark. It follows full employment policy, subsidising new jobs from public funds. What matters here are jobs created in the social economy sector [Bertelsen 2003, p. 142]. The effectiveness of the Danish social policy finds confirmation in very low poverty rates is presented in Table 1.

Another key party in combating negative social phenomena is non-governmental organisations, also called non-profit organisations. They are the response to country's ineffective provision of public goods; they operate in the public services sector and are oriented at satisfaction of the society's needs and not at generation of profit. Their funds come from both public and private sources, and any financial surplus is allocated to development of the organisation. Such an institution can effectively combat growing social inequalities since, as a small and flexible organisation, it can react to social needs easier and quicker than bureaucratic public administration authorities. Among their good points we also can name low costs of service, innovative problem-solving methods, wide range of services, they are more available than state units and actively reach the clients. Furthermore, as independent civil initiatives, they create a possibility for taking common actions, which very positively influences the motivation for work. In Poland, the sector of non-governmental organisations started developing dynamically after Poland's accession to the European Union; nonetheless, the activity of this sector is definitely below standards of Western Europe [Stanisz 2003, pp. 188-191]. Non-profit organisations are a prerequisite for harmonious development and growing prosperity.

When talking about the third sector, we should also mention the ever more significant social economy. This is an activity on the borderline between the private and public sectors conducted by non-governmental organisations. The social economy is to facilitate opening of local communities to the poor, who usually are unemployed for a long time and exposed to the risk of marginalisation, and additionally, support those people in finding their place on the labour market and fulfilment in other basic social roles [Rybka 2007, p. 27]. These actions are to teach people who receive social assistance to stand on their own two feet and, at the same time, to increase social cohesion.

Also public institutions play a very important role in building social cohesion. They are responsible for providing citizens with goods and services the society finds adequate, and the redistribution policy pursued by the country should guarantee a wage differential which is at least tolerated by the society [Piotrowska 2008, p. 37]. The priority is to strengthen the state and, at the same time, to enhance the quality of government. Reaching a good institutional effect takes a long time and requires consistent actions, but in the long run it will ensure greater social cohesion, economic development and improved competitiveness. In order to achieve this goal, we need the state's and the society's commitment as well as cooperation at the local level. The social policy should focus on activation of people exposed to the risk of poverty and social exclusion as well as continuous search for new forms and methods of combating poverty and marginalisation.

Conclusion. Europe and individual citizens face the challenge of devising a coherent social policy. Its significance is consistently growing and Community's achievements are already very important, including many legal regulations, social programmes, and, first of all, advanced cooperation between member states in

dealing with social issues. New EU members must adjust their policy to the European Union's requirements; however, the reforms cannot arouse strong social opposition and radically abandon previous practice. The reforms are to consist, above all, in limiting social activity of the state to an extent ensuring sufficiently high competitiveness of EU states' economies. They may consist in attaching more importance to individual activity, initiative and creativity, self-organisation and mutual-aid activities taken by civil society institutions. Neither the tax nor social policy may to any extent discourage from work or creation of new jobs, nor make people permanently dependent on different forms of state aid. Actions taken by the European Union and its influence on the national policy have changed the approach to eradication of poverty and social exclusion, have made the new EU members aware of the fact that the combat cannot consist only in financial support but also in active fight in the form of consultancy, trainings and multi-stage transformations on the labour market. The priority of the post-Communist countries is also to strengthen the institution of the state and, at the same time, to improve the quality of government. The success will require many expensive and onerous actions, but in the long run it will ensure greater social cohesion, economic development and higher competitiveness.

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