
European Social Models and Growth: where are the Eastern European countries heading for?

The authors finds as crucial issue for the Eastern European countries to understand that a single European Social Model does not exist. Only recently some Eastern European unionists have started to defend their requirements by a reference to the European Social model having in mind its inefficient continental form. Deeper public discussion of the pros and cons of the various social models and approaches should be triggered taking into account also resulting past and future country competitiveness. Let those models compete to open opportunities based on forward looking approach with full respect to the minimum harmonized standards (such as social safety net etc.) instead of fixing the past.

Professor **Michal Mejstřík** and **Julie Chytilova** , both Institute of Economic Studies, Charles University in Prague and EEIP, a.s.

Presentation for the conference of Institutional IES research task on 17.November 2006. The first draft presented at the Study day of the EPP-ED Group on European Social Policy in times of Globalisation; European Parliament, Brussels; February 9, 2006, second draft at International Economic Forum-Krynica on 6-9 September 2006 European Challenges: The Question of Europe's Identity"



The European Social Model : A Few brief notes of an economist

Brief survey:

- Many authors share the view that the idea that Europe is an inherently peaceable place of social harmony would have seemed fairly absurd in the first half of the last century. At the beginning of that century the European nations still dominated much of the world with military-based empires. Later the European nations fought two 'world wars' with each other and the European ideologies of first communism and then fascism successfully preached new levels of violence against fellow Europeans.
- The ideas emerged after **World War II**. Within Europe, the social model is said to be derived from the political settlement at the end of the War. Right the way across Europe the end of the War saw a political consensus based on those forces which had opposed fascism, or at least which wanted no longer to be identified with it - this meant both the **political left** (the trade unions, the social democrats, the communists) and also **Christian Democracy**.
- In its early years the European Community hardly had any role in social policy which remained completely the preserve of the member states and **welfare state features happened to be adopted within Europe**.
- Balance between economic growth and development in social sphere was to be maintained by all EU member states. According to the Treaty of Rome from 1957, member states will support balanced development of economic activities and at the same time high level of employment, social security, increase in the standard of living and quality of life, economic and social cohesion and solidarity between member states. However it is important to notice that emphasis on economic matters outweighed the social ones for quite a long time.
- The European Social Charter from 1961 – a document of the European Council – formed a starting point of the social model. All main principles of the model were defined in the document. General rights to protection of health, social security, rights of the family as a fundamental unit of the society, working conditions and rights to education were laid down.
- The another wave of activity came with the Social Action Programme of 1974 after the enlargement of the Community to include Ireland, the UK and Denmark (Particularly important were the three directives outlawing gender discrimination in pay, employment and social insurance)
- The term '**social cohesion**' is said to have been first used in the Single European Act (1987). In a socially cohesive society people take some responsibility for each other even if they do not share any personal links. Cohesion is therefore somewhat as the opposite of individualism (Islamic critics of 'Western society' have pointed out, total individualism, or what is increasingly termed 'North Atlantic libertarianism'). In a socially inclusive society people might be integrated or included rather than excluded
- For much of the 1980s subsequent attempts by the Commission to develop a more active social policy were limited, not least by the UK government's determination to veto anything which undermined its deregulation of the UK labour market and UK return to Anglo-Saxon model.
- From the late 1980s European integration was revitalized by the drive to create a single European market in 1992. As a reaction to this process → the Social Charter of 1989 - If Europeans were going to be exposed to European-wide competition, then they also tried to be protected from the excesses of the market at European level.
- The term European social model as such is said to have emerged at the beginning of 1990's when the Maastricht Treaty came into force. It was used first in the Green Paper (1993) and later in the White Paper (1994) on future of social policy.
- Since 1992 the main focus of European Union policy has been the drive towards the single currency and the consolidation of the single market most of the social and economic rights of EU citizens remain at the level of their individual member state. Within EU-25 people's health, transport, pensions, education, all depend almost entirely on national governments. And because different models are financed and regulated at national level, regulation, taxation and redistribution level varies widely across the Union.
- Different tax rates and national regulations give rise to the superficial criticism regarding „**social dumping**“. Firms may locate sections of their enterprise where taxes are lower or labour restrictions weaker. And „social dumping“ is sometimes connected with '**race to the bottom**', where each country tries to have lower taxes and less regulation than its competitors. While critics such as Wickham (2002) are afraid of loss of social cohesion at the end, I would accentuate the other questions: i) should not be lower taxes and reasonable deregulation connected with **the race to the top from development point of view** subject to the relevant national social strategies ii) whether excessive regulations and redistribution resulting from prevailing social model adopted in different countries secure social cohesion Europe wide in the face of current challenges: Is that in fact compatible with a 'competitive and dynamic knowledge based economy in a stepwise globalized world'?
- The prevailing forms of European social model are only made possible because Europeans accept the importance of the welfare state, **acceptance of the many public goods provided by state** and **acceptance of a public sphere**. In contrast to some foreign competitors, for example, some media are considered too important to be run purely for profit, since citizens have a right to good quality entertainment and impartial news which the market cannot be trusted to deliver. Or...the state should play a major role in providing education and health, since these involve notions of equity which it would be difficult for a commercial company to apply. What should we understand under public goods then and who should be accountable for their provision in today's stepwise internationalized world? Discussion by European parliament (2006), by the European Council at the Hampton Court (2005 published 2006) etc.

The European Social Model : Deconstruction

- **Maria Jepsen** ETUI and Université Libre de Bruxelles, Belgium , **Amparo Serrano Pascual** (2005)
The European Social Model: an exercise in deconstruction
- One of the fastest growing European catchwords at the present time - the 'European Social Model' (ESM) - is used to describe the European experience of simultaneously promoting sustainable economic growth and social cohesion. The use of the concept of ESM in academic and political debate is characterized by two main and interconnected features: on the one hand, the usually taken-for-granted assumption of the reality of the concept (the reality called 'Europe' becomes a naturally occurring phenomenon); on the other hand, the highly ambiguous and polysemic nature of this concept. A clear definition of what constitutes its essence seems to be lacking in most documents on the subject, while a review of some of the most important of these documents reveals that, insofar as definitions are to be found, they do not necessarily converge. This article aims to discuss the concept of the ESM. It analyses and deconstructs the concept in order to identify the main understandings and the various dimensions of the model. It classifies and discusses the ways in which the ESM is most frequently construed and proposes a new approach to understanding this polysemy. We argue that the different dimensions of the concept can be seen as rhetorical resources intended to legitimize the politically constructed and identity-building project of the EU institutions
- Environmental aspects of ESM....



The European Social Model : Coping with the Challenges of Diversity

Scharpf F.W., The European Social Model : Coping with the Challenges of Diversity, 2002

- „European integration has created a constitutional asymmetry between policies promoting market efficiencies and policies promoting social protection and equality. National welfare states are legally and economically constrained by European rules of economic integration, liberalization, and competition law, whereas efforts to adopt European social policies are politically impeded by the diversity of national welfare states, differing not only in levels of economic development and hence in their ability to pay for social transfers and services but, even more significantly, in their normative aspirations and institutional structures. In response, the "Open Method of Coordination" is now applied being in the social-policy field. It leaves effective policy choices at the national level, but tries to improve these through promoting common objectives and common indicators and through comparative evaluations of national policy performance. These efforts are useful but cannot overcome the constitutional asymmetry. Hence there is reason to search for solutions which must have the character of European law in order to establish constitutional parity with the rules of European economic integration, but which also must be sufficiently differentiated to accommodate the existing diversity of national welfare regimes. The article discusses two such options, "Closer Cooperation" and a combination of differentiated "framework directives" with the Open Method of Coordination“.

The European Social „(sub-) Models“

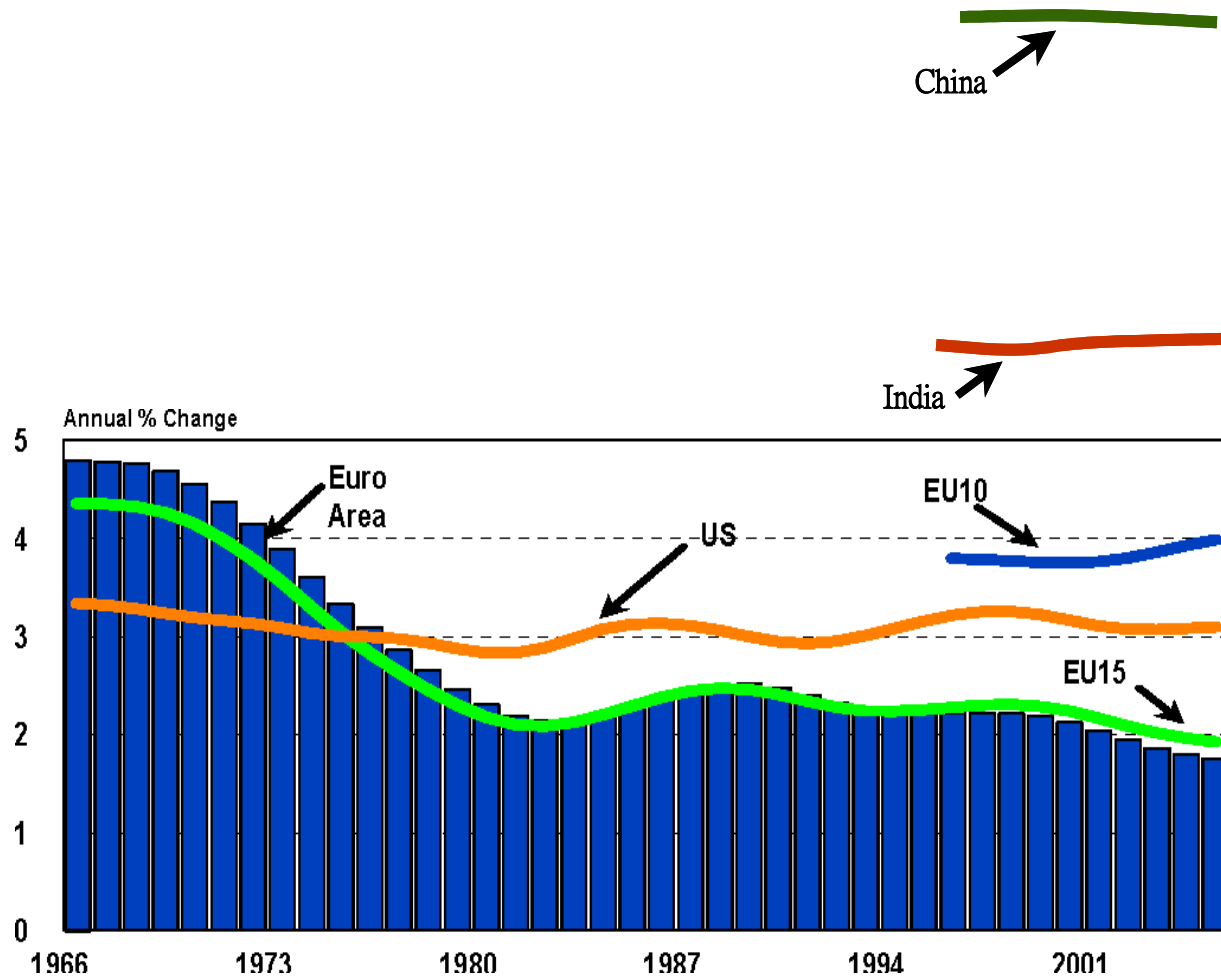
- Within the broad context of the single European social system, a variety of more specific national models of social provision have been identified. The most important difference among the countries can be found in transfer system, tax-benefit system, welfare policies, more generally in the share of state intervention and individually based insurance in the matters of pensions, health care, education, etc.
- Several types of distinguishing criteria have emerged and the sub-models have been compared from many viewpoints. Albert (1993) puts in contrast an Anglo-American model of deregulated capitalism on one hand, which is in Europe represented by United Kingdom, and a Nippo-Rhenish model of capitalism on the other hand, represented by Germany and to a lesser extent by Sweden. Other theorists preferred division into more types of regional models. For example Bianco and Trento (1995) and Regini (1995) consider Italian capitalism as another specific form of socio-economic system. De Jong (1995) and Moerland (1995) see difference between Germanic (social market) forms of capitalism, which are characteristic for Germany, Benelux and France, and Latin (pragmatic) forms of capitalism, represented by Italy and South-European countries.
- Nowadays **four types of European social (sub)-models are usually distinguished: Scandinavian social democratic, Continental corporatist, Anglo-American liberal and Mediterranean.** All of them differ significantly from American socio-economic model. While the rights to education, social security and health care form an inherent part of all social systems in Europe and these services are available for everybody, in the USA individual responsibility is emphasized. Furthermore the employment rights including unemployment and sick benefits, maternity leave, regulation of working hours, etc. are much more generous in European countries in comparison to the USA.
- **Anglo-American liberal model** has two versions. The first one is more radical and is represented by the USA, Australia, New Zealand, etc. Benefits are focused almost exclusively on those most in need and are aimed at preventing poverty rather than ensuring certain level of standard of living. Taxes are relatively low and labor markets not heavily regulated. Continental version of the model is represented by Great Britain. This version of the model is located somewhere in between American version and other types of European models. For example active labor market policies and support for families with children were introduced.
- **Scandinavian model** can be characterized by active employment policy, significant role of the state, high level of taxation, progressive taxation, high level of women' employment, etc. In contrary to the British model the role of the charity is negligible. The social system is almost entirely financed from the tax revenues.
- **Continental corporatist model** is mainly by Germany. Strong emphasis on the role of labor law - elaborated in very detailed way. Working conditions of more than 90% of German employees are determined by collective bargaining. The employees also participate in quite a large extent on the decision making of the enterprise. The role of women in the society is different from the Scandinavian model – their employment is very low and their role has been described by the term familism.

	Governmental expenses (2003; % of GDP)	Share of poorest quintile in income (The most recent year available; 2002)	Share of public health expenditures on total health expenditures (2002; % of GDP)	GDP growth (1990 -2003; average annual 1 % growth)	Gini index (2000, 1999 UK, 1996 Czech R. %)
Sweden	37.2	9.1	84.8	2.3	25.0
Germany	32.8	8.5	78.9	1.5	28.3
Italy	39.6	6.5	75.3	1.6	36.0
UK	39.7	6.1	83.1	2.7	36.0
Czech R.	38.2	10.3	91.4	1.4	25.4
USA	21.0	5.4	45.2	3.3	40.8

Sources: World Bank – 2005 World Development Indicators;
United Nations – Human Development Report 2005



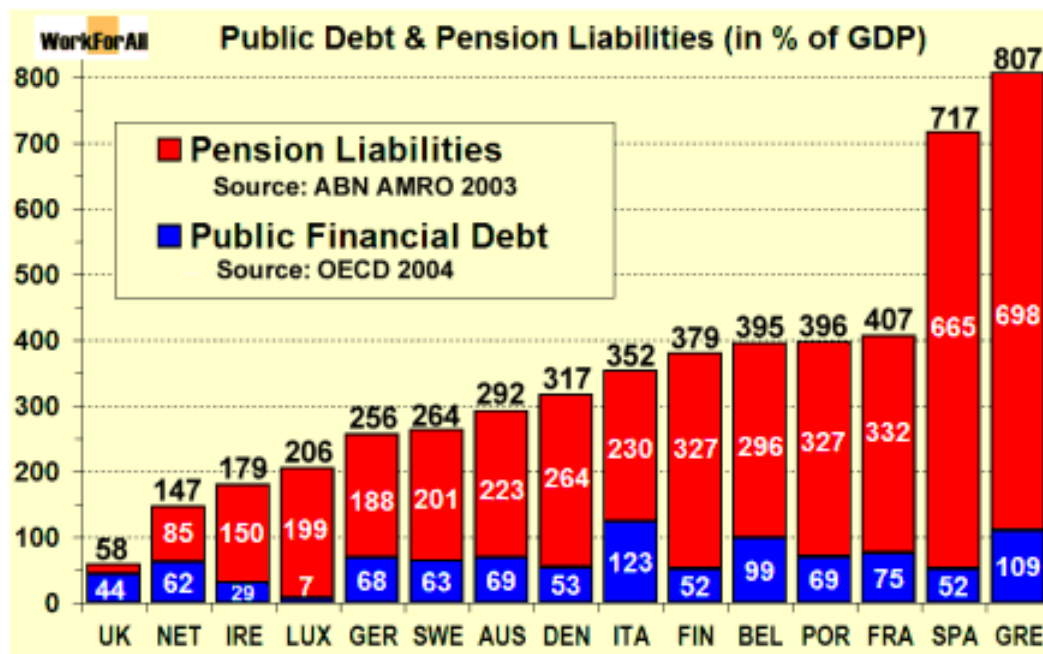
Current attractiveness of Euro zone and EU 15 for new EU members



Source: EU Growth Trends at the Economy-Wide and Industry Levels, European Commission, April 2006

“Europe’s Ailing Social Model: Facts & Fairy-Tales”

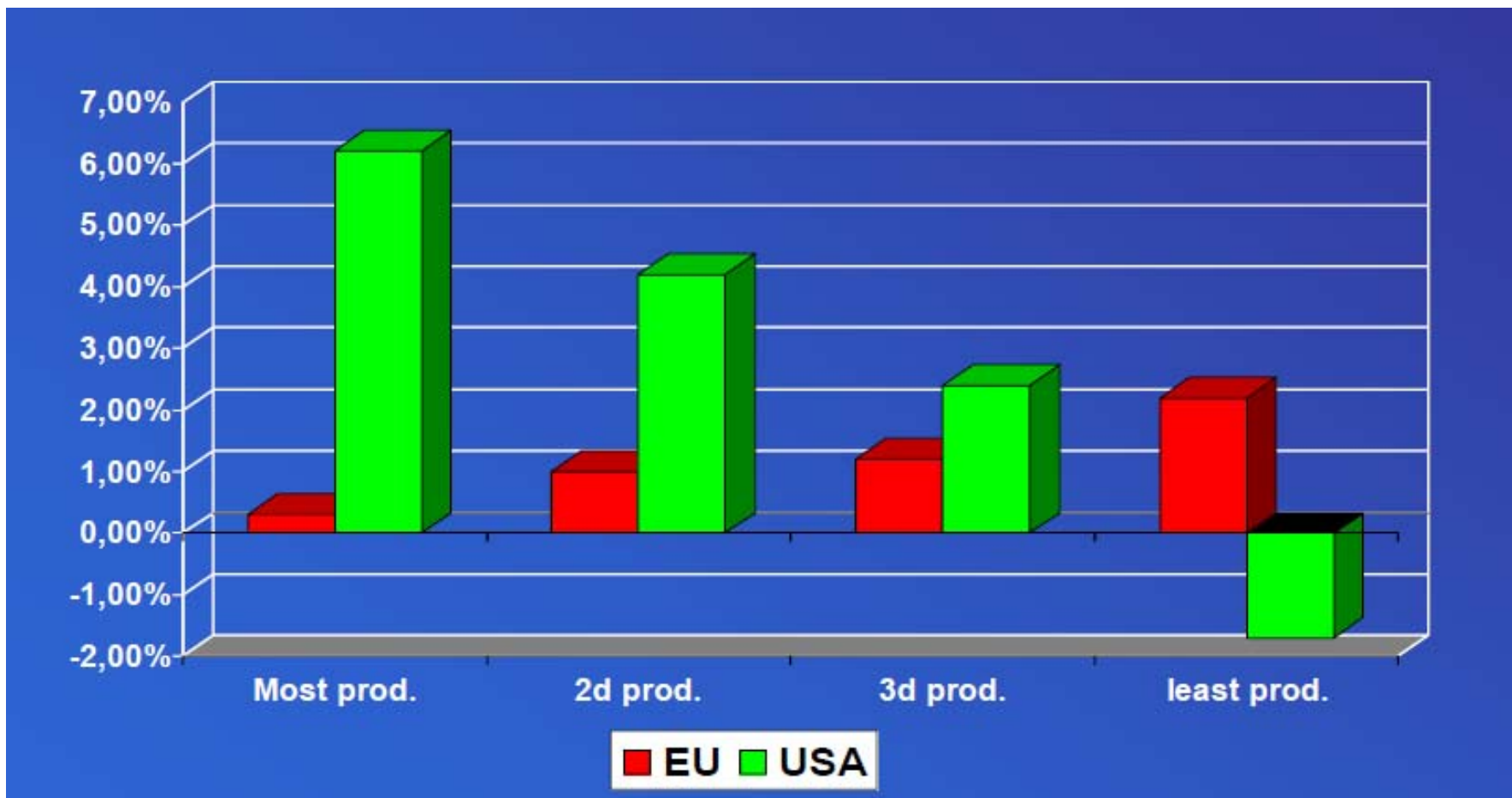
„The reality of Europe’s ailing economy contrasts sharply with its economic potential and with the massive resources employed to cure its ailing growth. The whole arsenal of Keynesian remedies has now been tried and has failed one by one. Massive deficit spending throughout the eighties and nineties has left Europe with a public debt unequalled in history. The size of Europe’s monumental public debt is only surpassed by the hidden liabilities accumulated in Europe’s shortsighted pay-as-you-go public pension schemes. Unfunded pension liabilities now average some 285% of GDP more than 4 times the officially published public debt figures. Total public liabilities now exceed assets in most EU countries, and are causing runaway debt service. Unfortunately, this will just kill growth completely. **Europe’s present social model is unsustainable because it is based on robbery of future generations**...the workforce is demotivated, and that Europe’s personnel and managers are increasingly rebelling against the persistent confiscation of over 50% of the fruit of their labour“.



Source : De Vlieghe Vreyman (2006) based upon ABN Amro(2003) and Hedbávný, Schneider, Zápál (2004)

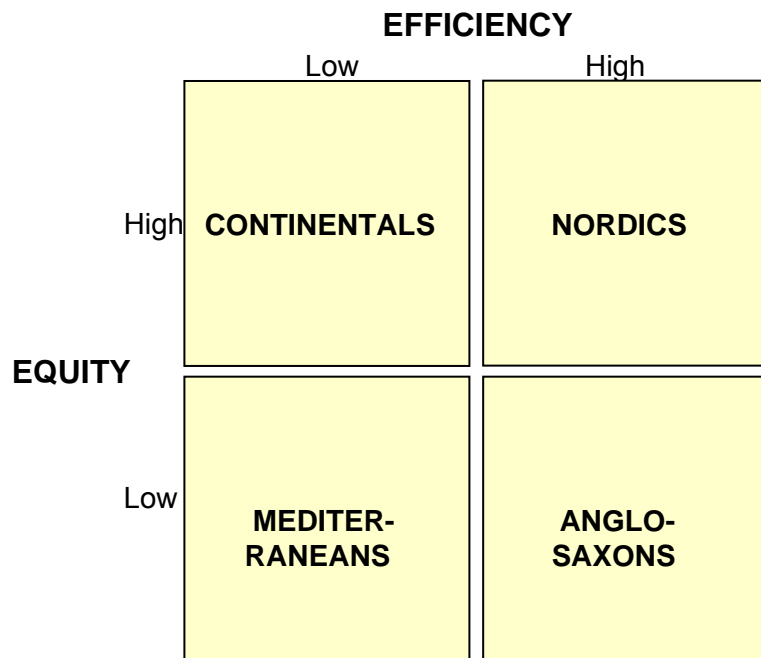
Growth of Employment by Productivity Quartiles – LT signalling

– knowledge, competition and flexible labor markets needed



Data source: Gretschman (2006)

Then ? Typology of European „(sub-) models“ (Sapir, 2005)



Nordic model (*flexibility+security*)

- easy access to both hiring and firing
- High level of social protection expenditures
- Universal welfare provision
- Active interventionist's labour market policy

Anglo-Saxon model

- Large social assistance of the last resort
- Cash transfers oriented to people in working age
- Low level of labour market regulation

Continental model

- Insurance-based benefits, Old-age pensions
- Elaborated labor law, Relatively strong unions
- Labor co-decision in firms, collective bargaining on working conditions

Mediterranean model (similar to previous)

- Focus on employment protection and early retirement provisions
- Regional decision making - regional differences

Two efficient, two inefficient, but efficiency is not a matter of social choice but equity is.

Sapir´s conclusion: Continental and Mediterranean models 90% GDP of Euro zone EU-12 inefficient and unsustainable to comply with opportunities offered by globalization and avoid threats

Therefore need to move to efficiency not to converge

Options: Anglo-Saxon model or Danish model - “Flexicurity”

Let those models compete to open opportunities based on forward looking approach with full respect to the minimum harmonized standards (such as social safety net etc.) instead of fixing the past.

Anglo-Saxon model....

Three elements of the **Danish model**

- Sound and stable macroeconomic policy
- “Flexicurity”
 - Flexible labour market with easy access to both hiring and firing
 - High level of social security
 - Active labour market policy
- Decentralised labour market with responsible social partners

Recent discussion, implementation and criticism of the Danish model

- Paris – France, UMP conference on economic challenges, September 7, 2005: Speech on the Danish model by the Danish Prime Minister Anders Fogh Rasmussen
- Villach – Austria, Informal meeting of EU employment and social policy ministers, January 20, 2006: Paper on Flexicurity as a new perspective on labour markets and welfare states in Europe by Per Kongshoj Madsen from the University of Aalborg
- France, January 2006: French Prime Minister Dominique de Villepin proposed a new set of measures based on „flexicurity“ model.



Public goods and responsibility of the state as part of ESM

- PG Original definition → Response: State ownership and full care
- Change in technology (? Natural monopoly) and narrowing of public goods
 - E.g. Highways – electronic toll makes them quasi private goods, – utilities
- Better (often with incentives) regulation approach to the government more efficient than state ownership and bureaucratic burden
- Modified and extended definition in globalized world
 - Global public goods (UN Africa see in attachment)
 - Regional public goods (Asia)
 - „Commons“ (water, sky,..) – left wing Latin America, internet environment

Fundamental question:

Who should be entrusted with decision regarding multinational public goods specification (is that not too wide ?, legal system) and who should take care?

EP Report on a European Social model for the future ?

Reform of the European Social Model (13th July 2006)

- 1. stresses the necessity to preserve and enhance the values associated with the European social model - equality, solidarity, individual rights and responsibilities, non-discrimination and redistribution with access for all citizens to high-quality public services - and the high social standards already achieved;
- 2. recalls strongly that only an EU based on economic and social cohesion that defends its common values can be strong enough to defend its interests;
- 3. is convinced that there is no alternative to urgently reforming economic and social systems where they fail to meet the criteria of efficiency and socially sustainable development, and where they are inadequate to tackle the challenges of demographic change, globalisation and the IT revolution;
- 4. expresses its deep disappointment at the present growth rate in the EU which makes structural reform extremely difficult;
- 5. is aware of the widespread concerns among EU citizens regarding unemployment - especially unemployment among young people - exclusion, poverty, insecurity on the job market, and the potential failure of social security systems;

- **Comment derived from discussion of MM at the European Parliament in February 2006: Vague, conflicting and confusing EP conclusions overlooking global competitiveness due to the current absence of principal reform programs in key Euro zone countries. The room for joint activity of smaller and medium size EU members (new and old).**



ESM and the New EU Member States

Why has European Social Model „not travelled to the East“ yet

– Bohle, D., Greskovitz, B (2004)

- Typical feature: Escaping from Socialist paternalism and enforced „social entitlements“ such as unified corporate housing, corporate holidays–Vecernik (1993)
- Total failure of historical slogans and goals of Marxism, similarities ? – Singer (2005)
- Rapid internationalization – more internationally privatized businesses than in many old EU member countries with improved corporate governance and improved performance and global competitiveness
- Tough domestic industrialists and stepwise increasing workers living standard (catching-up process) with welfare benefits sizable in relative terms – still high redistribution (see table)
- Many local labor market tensions present – Vecernik 2004
- new markets with relatively cheap and skilled labor force attracting investments and investors – diversified experience within individual countries (Czech republic, Slovakia, Hungary)
- Originally cumbersome application of inefficient forms of ESM disregarding NMS domestic conditions has been recently significantly refined under the umbrella of harmonization of „acqui communitaire“ by several governments due to political cycle (and new institutional labor market rigidities were born). Inefficient „Continental ESM“ marketed by relevant trade unionists supported by their governments that might undermine competitiveness of new EU member states



ESM and the New EU Member States

The author finds as crucial issue for the Eastern European countries to understand that :

- a single European Social Model does not exist.
- Only recently some Eastern European unionists have started to defend their requirements by a reference to the European Social model having in mind its inefficient continental form.
- Deeper public discussion of the pros and cons of the various social models and approaches should be triggered taking into account also resulting past and future country competitiveness.
- Complementing factor: bureaucratic burden should be reduced by „Better regulation“
- Let those models compete to open opportunities based on forward looking approach with full respect to the minimum harmonized standards (such as social safety net etc.) instead of fixing the past.



Tax burden and structure of taxes in EU-25

	Total taxes			Indirect taxes		Direct taxes		Social security contributions		Top statutory personal income tax rate ¹ , %	Effective top statutory tax rate on corporate income ² , %
	as % of GDP			as % of total tax burden							
	1995	2001	2003	1995	2003	1995	2003	1995	2003	2004	2004
EU25	40,5	40,8	40,3	33,8	34,8	31,5	32,7	35,0	32,7	41,7	27,4
EU15	40,5	41,1	40,6	33,6	34,6	31,6	33,1	35,0	32,5	46,2	31,4
BE	45,1	46,2	45,7	29,5	30,1	37,9	38,3	32,7	31,6	50,0	34,0
CZ	36,2	34,5	36,2	33,9	31,4	26,5	27,1	39,6	41,5	32,0	28,0
DK	49,0	49,8	48,8	35,0	35,7	62,4	61,1	3,1	3,4	47,6	30,0
DE	40,8	40,7	40,3	30,1	30,7	27,5	26,7	42,4	42,5	45,0	38,3
EE	37,9	31,6	33,4	36,6	39,4	28,9	26,2	34,6	34,5	26,0	26,0
EL	32,6	37,0	36,2	44,1	39,8	23,8	24,8	32,1	35,6	40,0	35,0
ES	33,4	34,8	35,6	32,7	35,1	31,4	30,9	36,0	35,8	45,0	35,0
FR	43,7	44,7	43,8	37,1	35,5	20,7	26,8	42,9	37,9	49,6	35,4
IE	33,5	30,2	29,9	43,9	43,5	41,1	41,2	15,0	15,3	42,0	12,5
IT	41,2	42,5	42,9	30,9	34,5	37,4	35,6	31,6	30,0	45,0	37,3
CY	26,9	31,5	33,3	42,7	49,6	32,9	29,2	24,4	21,2	30,0	15,0
LV	33,6	29,0	28,9	40,7	39,7	23,2	29,3	36,1	31,0	25,0	15,0
LT	28,6	28,8	28,5	43,0	41,6	30,6	28,4	26,4	30,3	33,0	15,0
LU	42,3	40,7	41,3	31,9	33,8	41,6	38,6	26,4	27,6	38,0	30,4
HU	41,6	39,3	39,1	42,8	42,4	21,3	25,0	35,9	32,5	40,0	17,7
MT	26,9	31,1	33,6	46,0	42,6	31,4	37,1	22,6	20,3	35,0	35,0
NL	40,6	40,0	39,3	29,3	33,9	31,2	29,3	39,5	36,8	52,0	34,5
AT	41,3	44,7	43,0	35,8	35,1	28,3	31,1	35,9	33,8	50,0	34,0
PL	39,4	35,4	35,8	40,1	42,8	32,4	20,1	29,7	39,4	40,0	19,0
PT	33,6	35,7	37,0	43,5	43,0	26,6	25,3	29,9	31,7	40,0	27,5
SI	40,8	39,1	40,1	39,5	41,8	17,7	21,1	43,0	37,1	50,0	25,0
SK	40,5	32,0	30,6	38,6	37,6	28,6	23,6	35,4	40,2	38,0	19,0
FI	46,0	46,0	44,8	31,0	32,3	38,2	41,0	30,8	26,7	53,0	29,0
SE	49,5	51,8	50,8	32,8	34,5	40,8	37,4	26,4	28,1	56,0	28,0
UK	35,4	37,3	35,7	39,9	38,3	42,7	43,7	17,5	18,0	40,0	30,0

Source: Eurostat



Bibliography

- Alesina, A., Angeloni, I., Schuknecht, L.; What Does the European Union Do?; NBER Working Paper 8647; December 2001
- Amoako, K. Y.; Promoting International Action to Provide Global Public Goods; Speech at United Nations Conference Center; Addis Abeba; January 2005
- Blanchard, O.; The Economic Future of Europe; NBER Working Paper 10310; February 2004
- Bohle, D., Greskovitz, B.; Capital, Labor, and the Prospects of the European Social Model in the East; Program for the Study of Central and Eastern Europe; Working Paper 58; May 2004
- Bohle, D., Greskovitz, B.; Capitalism without Compromise; Osteuropa, 5–6; 2004
- Bollier, D.; Who Owns the Sky? Reviving the Commons; Global Policy Forum; February 2004
- Brandt, H., Hauert, Ch., Sigmund, K.; Punishing and abstaining for public goods; Published online before print: www.pnas.org – Proceedings of the National Academy of Sciences of the United States of America; December 2005
- Chapon, S., Euzéby, Ch.; Towards a Convergence of European Social Models?; International Social Security Review, Volume 55; April–June 2002
- Dauderstädt, M.; EU Eastern Enlargement: Extension or End of the European Social Model?; in: Hoffmann, Reiner, et al.; European Integration as a Social Experiment in a Globalized World; Düsseldorf 2003
- De Vlieghe, Martin and Vreyman, Paul. 2006. “Europe’s Ailing Social Model: Facts & Fairy-Tales”, The Brussels Journal from 2006–03–23
- Diamantopoulou, A.; The European Social Model – Myth or Reality?; Address at the fringe meeting organized by the European Commission’s Representation in the UK; September 2003
- European Parliament. 2006. “Report on a European Social Model for the future.” A6–0238/2006
- EU Better European Regulation Program, Edinburgh, 2005
- Frost, J., Morner, M.; Corporate Commons: Sustaining Competitiveness through Public Goods in Multidivisional Firms; International Journal of Learning and Change, Volume 1; 2005
- Gretschmann K., Innovation, Competition and Economic Growth, presented at Knowledge Economy Forum V, Prague March 2006
- Halvorsen, R., Hvinden, B.; Convergence towards a Libertarian Model of Active Citizenship? The Future of Anti-discrimination Regulations in European Disability Policy; Paper prepared for the COST A13 research seminar Changing Labour Markets, Welfare Policies and Citizenship; November 2002
- Hay, C., Watson, M., Wincott, D.; Globalisation, European Integration and the Persistence of European Social Models; University of Birmingham; Working Paper 3/99; 1999



Bibliography

- Hedbávný, Petr, Schneider, Ondřej and Zápál Jan. 2004. “Does the Enlarged European Union Need a Better Fiscal Pact ?” IES Working Paper, Prague
- Hueter, Ch.; A Conceptual Analysis of Public Goods: The Case of Nationalized Defense; Drizzten; March 2005
- Hvinden, B.; Nordic Disability Policies in a Changing Europe: Is There Still a Distinct Nordic Model?; Social Policy & Administration, Volume 38; April 2004
- Madsen, P. K.; Flexicurity – A New Perspective on Labour Markets and Welfare States in Europe; Speech at Informal Meeting of EU Employment and Social Policy Ministers; Villach; January 2006
- Maskus, K. E., Reichman, J. H.; International Public Goods and Transfer of Technology Under a Globalized Intellectual Property Regime; Cambridge; June 2005
- McCrudden, Ch.; The New Concept of Equality; Paper delivered to the Academy of European Law; June 2003
- Mertlík, P.; Social State and Changed World – Why the States Reform Public Finance (Sociální stát a změněný svět aneb proč státy reformují veřejný finance); Presentation for the Czech Economic Society; České Budějovice ; March 2005
- OECD Economic Outlook; Chapter VII: Enhancing Income Convergence in Central Europe after EU Accession; May 2004
- O’Connor J., Policy coordination, social indicators and the social–policy agenda in the European Union, Journal of European Social Policy, Vol. 15, No. 4, 345–361 (2005)
- Policy Network. 2006 “The Hampton Court Agenda: A Social Model for Europe”, London
- Porte, C., Deacon, B.; Contracting Companies and Consultants: The EU and the Social Policy of Accession Countries; GASPP Occasional Paper No 9/2002; 2002
- Rasmusen, A. F.; Speech at the UMP Conference on Economic Challenges; Paris; September 2005
- Sapir, A.; Globalisation and the Reform of European Social Models; Breugel Policy Brief; November 2005
- Scharpf F.W., The European Social Model : Coping with the Challenges of Diversity, MPIfG WP, July 2002
- Singer, M.; Lisbon Agenda, Sound Finance and Central Banks (Lisabonská agenda, zdravé finance a centrální banky); Speech at the European Federalist Conference on Lisbon Agenda; Prague; March 2005
- Bredt, S.; The European Social Contract and the European Public Sphere; European Law Journal, Volume 12; January 2006
- Špidla, V.; Speech at the Informal Ministerial Meeting: “Social Dimension of the Lisbon Strategy”; Villach, January 2006
- Waddington, J.; Trade Unions and the Defence of the European Social Model; Industrial Relations Journal, Volume 36; November 2005
- Wickham, J.; The End of the European Social Model: Before it Began?; Paper prepared for the Irish Congress of Trade Unions; undated
- UN web page Global Public Goods: The New Economy of Water; Global Policy Forum; July 2004
- Vecernik, J. Escaping from Socialist paternalism: Social Policy Reform in the Czech Republic, Czech Sociological review, 1993.
- Vecernik, J. Structural Tensions in the interface between the labor market and Social Policy in the Czech Republic, WP SOU, 2004



The European Social Model : History

O'Connor J., Policy coordination, social indicators and the social-policy agenda in the European Union, 2005

- This paper traces the development of the European Social Model from the recognition of the right to equal pay for men and women in the Treaty of Rome to agreement of a Social Policy Agenda in 2000 and the adoption of an open method of coordination (OMC) in employment (1997), social inclusion (2000) and pensions (2002). The associated framework of social indicators is considered in terms of the measurement of poverty and social exclusion on a multi-dimensional basis. Reasons for the shift from directives to the OMC are discussed, as are the proposed extension and streamlining of that process and its synchronization with economic and employment policy in 2006. The Europeanization of significant aspects of economic policy and the pervasive differences across EU welfare states in social outcome indicators and capacity for redistribution contribute to the considerable constraints on the open method of coordination in social inclusion. Fulfilling its potential is dependent on national policy legacies, political context and the involvement of a wide range of national actors in National Action Plan formulation and monitoring. While the extent of change associated with the EU social-policy agenda and the OMC, in particular, is still an open question it is concluded that the EU dimension needs to be taken into account in analysing change over time in EU countries and in comparative analysis incorporating EU countries



Example : UN Global Public Goods for Africa

Six priority global public goods identified by UN:

- Maintenance and enforcement of peace and security
 - Control of the spread of communicable diseases
 - Protection, preservation and exploitation of commons (biodevirsity, natural resources)
 - Improvement of global financial stability
 - Open and fair international trading regime
 - International policy coordination and consensus on issues of private intellectual property and knowledge in the public domain
-
- Very very wide...UN promoting International action



Annex: Lessons from the past – Singer, 2005

In response to increasing economic problems of socialist countries, genuine Marxists experienced the following ideological development during the last century:

1. Our idea is right (**the best** one)
2. The idea is right, but some **errors occurred**
3. The idea is right, but it is implemented by **wrong people**
4. The idea is right, but the **conception of the policies is wrong** (when we **change them**, everything will be **all right**)
5. Everything is wrong, but the idea is (**in principle**) right
6. The idea **might not be as good** as it initially seemed to be
7. The idea itself is **wrong**

Singer suggests that we are situated between the points 4 and 5