

Remarks on the Future EU 2020 STRATEGY

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Introduction

The AthensID welcomes the European Commission's launch of the this consultation over Future EU 2020 Strategy. In this framework, this paper discusses the governance deficits of the relevant working document. In particular, EU's strongest point and best political value is the way it governs itself. As the current Lisbon Strategy has failed to give sufficient recognition to the essential role played by civil society organisations, volunteers, third sector and local and regional authorities across the EU in implementing and communicating the strategy on the ground, the new Strategy should place a value on the voice of all members of society.

Part A. The Role of the European Parliament in the New Strategy

On June 2009 only a third of the Europeans voted for the election of the new European Parliament and that did not happen by accident or for the first time. It is now time to reconsider the linking of the Strategy to the term of office of the European Commission and the European Parliament. There should be a more clearly defined role for the European Parliament as the democratically elected body of Europe in the new Strategy, working in partnership with the

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Committee of the Regions and the European Economic and Social Committee. For instance, 5-year period elections create a European parliament which during its lifetime may be or may not be in accordance with political and social trends across the Union. You may have (speaking in political terms) a majority of center right Parliament and –in two years’ time- national elections may result in a center left majority in National Parliaments. This is not a check and balance situation, it is rather an awkward situation. Or, 5-years uninterrupted legislative period is, on average more than 25% bigger than the legislative period of National Parliaments. Furthermore, we underline the widespread uncertainty amongst the members of local societies about the overall purpose of the current Lisbon Strategy, which can be addressed by establishing clear objectives in the new Strategy, and communicating these effectively to people on the ground through local campaigns organised by local or regional authorities in coordination with the Committee of the Regions. The outcome of this local consultation process can be communicated to the members of the European Parliament or can be monitored by the the Committee of the Regions’ networks, in particular the Lisbon Monitoring Platform.

Part B. The role of the subnational authorities in the implementation of the “EU 2020” Strategy

According to the EC’s working document, “the promotion of...multilevel governance...will be an integral part of the EU 2020” (p.4). Furthermore, “the EU 2020 vision will need the active support of stakeholders...its take up across all the regions of the EU will also be crucial to its success” (p.11). However, the Commission’s consultation working document fails to give explicit recognition of the important role played by local and regional authorities in delivering Lisbon on the ground. Even if a relative majority of Europeans find that the public authorities at the national level have the most impact on their living conditions (43%), the view that this position should be assigned to

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regional or local authorities is also widely held in Europe: nearly four out of ten citizens feel that it is that level which has the most impact on their living conditions (38%)². Yet, the subnational authorities are mentioned just four times in the entire consultation document of the post-Lisbon strategy. Taking into account, though, the constraints and the new challenges that, according to working document (p.3), policy makers will face in the coming years (financial and economic crisis, demography and social cohesion, and smarter and greener economy), subnational authorities are the main keys to the success of the EU 2020 vision, because the creativity of those who live in and run cities will determine their future success facing the current challenges of cities such as the new demographic context, migration, high unemployment rates, service economy, that challenge the managerial capacities of national and subnational authorities³.

So, we consider that the development of a successor to the current Lisbon Strategy beyond 2010 should give more recognition to the role played by local and regional authorities across the EU in the implementation of the EU 2020 priorities for a series of reasons.

In particular, first, subnational authorities are most able to understand their local labour markets and to work with businesses to develop the skills of local people to meet employers' needs. Many countries are localising welfare services, most recently in Denmark and the Netherlands, where councils have been empowered to tailor local solutions, work innovatively with local businesses and employers, and link services for comprehensive support to

² See Committee of the Regions, *The role and impact of local and regional authorities within the European Union Opinions on the different levels of public authorities and awareness of the Committee of the Regions*, Brussels 2009, p.6.

³ See ECOTEC Research and Consulting Ltd, *State of European Cities Report*, European Commission (Directorate-General Regional Policy), Official Website of DG Regional Policy of the EC (http://ec.europa.eu/regional_policy/sources/docgener/studies/pdf/urban/stateofcities_2007.pdf, 26 July 2007).

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vulnerable groups⁴. More specifically, the Danish Local Government Reform Bill, which came into force in January 2007, has created a new map of Denmark. The 98 councils are now responsible for almost all welfare and regeneration tasks, including unemployment services, social services, and business services. Five new regions were created to focus on wider health care and hospital services. From August 2009, councils gained full responsibility for tackling unemployment. Job centres have been established in all councils to provide one access point for citizens and business enterprises to the public employment effort. Councils receive additional resources to finance the new tasks, which include managing jobseeker and incapacity benefits. For instance, Aalborg City Council, which serves a population of around 195,000, is embarking on an ambitious and innovative programme to support job-seekers and reduce the 14 per cent increase in unemployment since 2008. On the one hand, for individuals, Aalborg has done much to assess and understand the profile of local job-seekers in its area, and has found that unemployment often reflects a complex set of other conditions, such as health and social exclusion. In response the council has developed a range of comprehensive personalised support packages that, on top of existing services, include the right mix of services from other council departments. For example:

- young people have been hardest hit by the recession and so the council has built on the existing training, mentoring, and financial services with a personalised mix of social, health or disability support services unique to each individual;
- the local authority's *New Chances for All* campaign targets the long-term unemployed, socially isolated groups, and people with medical complications. The campaign reached 300 new people last year, helping 100 individuals into temporary or full-time employment;

⁴ See LGA, *Global Slowdown Local Solutions. International Comparisons*, London 2009, p.8.

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- recent immigrants are one socially isolated group experiencing particularly high unemployment during the recession. In response the council has worked with national government to appoint two additional staff working to support immigrant communities only.

On the other hand, concerning employers, Danish Local Government Reform has given local authorities the freedom to work more closely and creatively with employers. Co-operation with local business is crucial for reducing unemployment, particularly during recession, and Aalborg has set resolving business recruitment issues as a top priority. For example:

- the authority has identified many opportunities to collaborate with business, such as subsidised trainee and mentoring programmes. In one scheme, the *rotation project*, the local authority runs subsidised training courses to upskill business staff, and for the periods where employees are being trained, job-seekers are temporarily taken on by the business;
- local employers are also engaged in shaping local training and education programmes to ensure that they match the local labour demand. In particular, the local authority is increasingly working with businesses to develop *short skills* courses that train job-seekers in basic but necessary skills for local employers;
- in response to the sharp increase in the number of unemployed men, the council is launching a campaign to encourage men into the social care and health profession, a sector with lower proportions of male employees, and in need of skilled labour.

Second, councils are best placed to bring forward investment that supports jobs and contributes to the longer-term prosperity of a place. This is most

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successfully achieved in countries with local financial flexibility⁵. For instance, a significant part of the Spanish national government's recovery package, the *State Fund of Local Investment*, puts councils at the centre of an €8 billion finance injection for projects to generate employment and stimulate the economy. Following a large-scale campaign to communicate the possibilities and conditions, more than 30,000 applications have been submitted by local authorities representing 99.9 per cent of the population. More than 17,000 projects were launched before July 2009, with many more since. Local interventions have already directly created 200,000 jobs, and are estimated to have supported 400,000 jobs altogether. Key initiatives include the regeneration of public spaces, the renewal of basic service infrastructures, and building or regeneration of educational, cultural, healthcare and facilities. What is more, Slagelse local authority, which like all Danish councils enjoys high degrees of self-financing (60 per cent of total revenue comes from local taxes), has given a boost to local employment by bringing forward construction of 7 new schools and a programme of energy efficiency and maintenance in other public buildings. The investment of €15 million is estimated to protect around 200 jobs. In addition, Lisbon is bringing forward the investment of €120 million to fund 350 projects, including renovation of social housing, 58 schools, and 39 other public buildings, which will generate or protect around 2,700 local construction jobs. The majority of the investment has been loaned by the European Investment Bank, with a favourable repayment plan. Finally, Linz City Council has responded quickly to a sharp rise in unemployment (around 17 per cent between 2008 and 2009) with a plan to invest €261 million to reduce unemployment and boost the local economy in 2009-15. The council has brought forward an additional €13.4 million, on top of existing investment, to finance construction and support local firms. The additional investment supports 49 projects beginning in 2009, which primarily focuses on renovating schools and other childcare

⁵ Ibid, p.14.

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facilities so that additional short-term educational improvement will also generate longer-term educational improvement. Linz is also implementing a programme to modernise the heating supply systems of an additional 20,000 houses and 3,500 flats between 2009 and 2015, which will provide sustained employment,

guarantee reduced and more stable energy prices for low income households, and improve environmental performance by reducing carbon output by 180.000 tonnes per year.

Third, effective housing markets not only help meet basic human needs, but also contribute to wider economic and social wellbeing. Frankfurt, for example, has worked with local and regional partners, energy companies and the third sector to set up the *Cariteam Energy Saving Service*, an innovative project helping low-income households reduce their energy costs while also supporting the long-term unemployed into work. The project has trained twelve long-term unemployed people to become consultants in energy and water savings. They give low-income households free advice on saving opportunities in relation to water, heat energy and electricity consumption. In addition, each household receives a starter kit worth €51, containing simple technical appliances such as low-energy light bulbs and water-saving devices. The project worked with energy providers in order to distribute the starter kits to around 400 households which achieve energy and water savings of around €140 and of nearly 400 kg of CO₂ per household each year. The support offered to struggling households has gained recognition at national level, and the concept has been developed, with federal support, in 54 other German local authorities since February 2009⁶.

Fourth, within a modern multilevel model of governance, the local level is the most appropriate field where the political representatives of a country can put

⁶Ibid, p.21.

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intercultural dialogue into practice as a means of defining the public interest of the national community and securing the agreement based on the joint hopes of its members for the future⁷. Their proximity to the citizens and their close acquaintance with all the local players enable local authorities to assess local cultural diversity and instigate consultation and dialogue with representatives of the culturally diverse groups in order to provide an equitable response to the different groups' concerns and demands. Starting from the local level as a basis for analysing the newly reconstituted multicultural environment does not involve taking a sideways or secondary approach. It is firstly at the local level of the towns, municipalities and possibly prefectures and regions that the primary issues of regulation of the cultural sphere arise. In this field too, the local level is now of vital importance, since it is the diversity of the local cultural environment that inspires new forms of recognition and action. At that level, the cultural views and other aspects of community life are more closely interconnected⁸. For example, in Greece, the Organisation for Youth and Sports (O.Y.S.), founded in 1937, operates in the Municipality of Athens in order to satisfy the essential needs of the town's residents, related with health, vigour, well-being, leisure time, creative occupation, gender equality, protection of human rights, social integration and education of groups with specific cultural characteristics (immigrants, muslims, refugees, expatriates, emigrants, Gypsies). The constitutional objective of O.Y.S. is to provide services to the most sensitive and demanding part of our society, the young and the children. In this framework, O.Y.S. serves immigrants and also other sensitive social groups by organising events and co-organised happenings. The Municipality of Drama, with its *Integrated Plan of Intervention for the elimination of Social Exclusion and Unemployment* of the Regional Operational Program of Eastern

⁷ See Twelve Principles of Intercultural and Interreligious Dialogue for the Local Authorities, in *Gods in the City. Intercultural and Interreligious Dialogue at Local Level*, Council of Europe, Strassbourg 2008, pp.221-223.

⁸ See J. Palard, Introduction in *Gods in the City. Intercultural and Interreligious Dialogue at Local Level*, Council of Europe, Strassbourg 2008, p.18.

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Macedonia and Thrace, aims to improve employment in sectors or regions with intense social and financial problems for specific groups of people (expatriates, economic immigrants) who face problems of social exclusion at local level. The actions of the program are as follows: (a) Counselling: This includes activities and measures contributing to the awareness raising and mobilisation of the social network, the information and encouragement of individuals to the direction of social and employment integration (i.e. networking of the unemployed, awareness raising of enterprises, standard agreements with employers, training structures and beneficiaries); (b) Skill training: upgrading of the qualifications and skills of the experienced workers in building and technical crafts for Gypsies, training in making traditional hand-made products for Gypsies, upgrading of qualifications and skills in agriculture and green-house cultivation for Gypsies; (c) Employment: absorbing 30 beneficiaries in full-time jobs in enterprises and institutions, offering new places of self-employment in establishing businesses of social economy and small cooperations, obtaining work experience (Stage); (d) Accompanying supportive services: Counselling and psycho-social support for 150 beneficiaries from all targeted groups (support for social integration, facilitating the access to public services, the solving of differences in the working places), and (e) Medical and Social Centre for Gypsies of the municipal districts of Philippi, Spartakos and Abelokipi: Its basic objective is to project new perception about health, safety, prevention and family planning. In addition, the authorities of the Municipality of Imittos, with the substantial cooperation of the Committee for Solidarity to Refugees of the Municipality, showing sensitivity to the more vulnerable groups among its citizens, established a school for immigrants. For the first time in the Municipality of Imittos, the immigrants living in its territory and in nearby municipalities have the chance, if they wish, to learn the Greek language as a second language. It was a pleasant surprise to see the number of immigrants from different nations who participated in the qualification exams for testing their level of

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knowledge of the Greek language. The basic aim of this program, which is also a basic target of the Initiative of Solidarity to Refugees, is to make immigrants feel the sincere interest of the municipal authorities for their needs⁹.

Fifth, subnational authorities are the main providers of a more attractive framework conditions for basing growth on knowledge. The 21st Century is actually being identified as the 'Century of Knowledge' where knowledge is the driving force of the economic and urban development¹⁰. So, considering the major challenges that Europe's towns and cities today face, the European Council recently noted with interest the *emergence of creative towns and cities*, whose sustainable urban development is based on new competitive factors, including urban infrastructure quality and interaction between culture and industry, and called on Member States and the Commission, within their respective spheres of competence and with due regard for the principle of subsidiarity, to encourage innovation and experimentation in sustainable development, in architecture, in urban planning and landscaping, particularly within the framework of European policies or programmes¹¹. Over 60 cities worldwide called themselves "creative city" from Creative Manchester¹² to Bristol and, of course, Creative London in Britain. And ditto Canada: Toronto with its Culture Plan for the Creative City¹³; Vancouver and the Creative City Task Force¹⁴ and Ottawa's plan to be a creative city¹⁵. In Australia we find the

⁹ See Ministry of Interior and Ministry of Foreign Affairs (eds.), *LOCAL GOVERNMENT AND INTERCULTURALISM: The Contribution of the Greek Local Authorities to the Intercultural Dialogue Today*, National Printing House, Athens 2008.

¹⁰ See P. Drucker, *The Post-Capitalist Society*, Harper-Collins, New York 1994.

¹¹ See Conclusions of the Council, *Architect's contribution to Sustainable Development*, [(2008/C319/05) OJ C 319/13, 13.12.2008].

¹² See Manchester Knowledge Capital, *Manchester City Region Innovation Prospectus*, (<http://www.manchesterknowledge.com/page.asp?id=2700>).

¹³ See City of Toronto, *Culture Plan for the Creative City*, Culture Division, City of Toronto 2003.

¹⁴ See Creative City Task Force, *Culture Plan for Vancouver 2008-2018. Creative City*, City of Vancouver, January 2008.

¹⁵ See City of Ottawa, *Ottawa 20/20 Arts Plan for the City of Ottawa (2003-2008)*, (http://ottawa.ca/city_services/planningzoning/2020/arts/toc_en.shtml), Ottawa 2003.

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Brisbane Creative City strategy¹⁶; there is Creative Auckland. In the United States, there is creative Cincinnati, creative Tampa Bay and the welter of creative regions such as creative New England. Partners for Livable Communities in Washington, D.C., launched a Creative Cities Initiative in 2001; Osaka set up a Graduate School for Creative Cities in 2003 and launched a Japanese Creative Cities Network in 2005; and since 2004, there has been "Yokohama: Creative City"¹⁷. Even UNESCO, through its Global Alliance for Cultural Diversity, launched its Creative Cities Network in 2004, crowning Edinburgh as the first member for its literary creativity, and since then, over a dozen have followed¹⁸. This discussion of cities as creative environments emphasise creative acts as problem solving in situations of structural instability and tension fed by communication and interaction between people and groups of people with different knowledge and competences¹⁹. In this sense, it is a challenge to existing organisational structures, power configurations and habitual ways of doing things.

Last, but not least, subnational authorities are most able to determine targets and indicators for the new Strategy. For instance, cities and regions are responsible for over half of greenhouse gas emissions generated by the use of energy in human activities. It was therefore essential to create an appropriate framework so that cities, regions and Member States could assume responsibility in the fight against climate change. the Covenant of Mayors is a political initiative which seeks to unite the Mayors of European towns and cities around a shared goal of reducing CO₂ emissions by 2020:

¹⁶See Brisbane City, *Creative City Strategy. Brisbane City's Council Cultural Strategy 2003-2008*, (<http://www.brisbane.qld.gov.au/>).

¹⁷ See City of Yokohama, *Yokohama-The Creative City of Art and Culture*, (http://www.city.yokohama.jp/me/keiei/kaikou/souzou/en/outline/pdf/map_01.pdf), Yokohama March 2007

¹⁸See U.N., *Creative Economy Report 2008. The Challenge of Assessing the Creative Economy: Towards Informed Policy-Making*, UNCTAD, N.Y. 2008.

¹⁹ See B. Johnson and M. Lehmann, *Sustainability and Cities as Systems of Innovation*, Druid Working Paper no.06-17, Danish Research Unit for Industrial Dynamics (www.druid.dk), 2006.

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20% reduction in greenhouse gas emissions, 20% improvement in energy efficiency and 20% use of renewable energies in the consumption of energy. By signing this Covenant, Mayors voluntarily commit to implementing an Action Plan for sustainable energy in their community. The Covenant allows pioneering experiments to be shared, facilitates the exchange of good practices and increases the awareness of citizens and local socioeconomic actors with regard to sustainable energy use.

Part C. On creating value by basing growth on knowledge

EU should encourage the creation of Networks Of Universities (NET.U.s). By 2020 a 20% of students in EU (post or undergraduates) should be graduates not of a single University but of a NET.U. Networking should mean for example a common application procedure, studying in different campuses of the NET.U, combined degrees, pooling resources, increased mobility, combining strengths and even creating alliances or campuses around the world by sharing costs. NET.U.s could also be a vehicle for private-public partnerships inside education and research.

Concluding Remarks

For all these reasons we believe that the ambitious goals of the EU2020 would be harder to meet without the active involvement and voice of the local and regional authorities and/or stakeholders. In any case, we would like to thank the European Commission for giving us the opportunity to comment on the EU 2020 vision. We wish a fruitful conclusion of this open deliberation and are committed to engage in future discussions of it.

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Who we are?

AthensID is a think-tank focused on innovative and methodologically diverse research in all subfields of politics discipline including, but not limited to, world politics, comparative politics, formal theory, international relations, political theory, social policy, public administration and public policy. We search for and communicate ideas to give people more power to shape their own lives. People contributing in the thematic agenda of the think tank comprise a network of affiliates from many different disciplines and working fields. There are two main channels through which the think tank is communicating with the public:

- a) TheAthensID magazine
- b) The website www.democracycrisis.com

The AthensID magazine, started in 2008 as an electronic magazine, "published" up to 6 times a year by an editorial team located mainly in Athens. The magazine is freely distributed by e-mail to more than 1000 recipients. The majority of the recipients are middle to high rank public servants but the list also includes private sector executives and people from the academia. People that receive the magazine may freely redistribute it.

The website www.democracycrisis.com was launched on October 2009 to cover for the need of everyday correspondence. It is a website that gathers opinions and links to them but also gives the opportunity to participate in an on going and open dialogue. The website uses European languages and aims to be a source of information and dialogue.

The Think Tank uses loose hierarchy, but the people behind it are as such:

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