

## **Conclusions North-South Capacity Building “A Common Future in the Eurozone?”\***

### **A. General**

#### **Definition of the Crisis**

The current crisis in the eurozone has different levels: economic, social and political. The causes of the crisis have to be assessed for every level in a common European analysis taking into account that all three levels are interconnected. The northern and southern member states need to make a common analysis of the crisis and identify the roots of the current situation together in order to be able to adequately address the main problems, work out a common roadmap out of the crisis and prevent a similar crisis in the future.

### **1. Economic Aspects of the Crisis**

#### **A new economic model**

Europe is a diverse union; one single economic model (i.e. the export-based German model) cannot be applied to the whole of Europe. It is important to create and propose concrete alternatives to the current economic model. In this sense, a new economic platform should be pursued, based on investment in education and research, green economy, integration and participation of women (in order to ensure equal opportunities), real progressive taxation, new and high-quality services for health, culture and for more vulnerable members of society (old people and children). The political debate should focus on alternative measures like e.g. the unconditional basic income and should more strongly address a symmetrical adjustment strategy taking into account the existing macroeconomic imbalances.

#### **Jobs and incentives**

The lack of entry level, i.e. the replacement of entry level jobs with internships/traineeships, is part of the problem of youth unemployment and also leads to competition between graduates and the most vulnerable youngsters (NEET group) as they both compete for the same available jobs.

Incentives have to be found to create more entry level jobs. European and national decision makers should focus on creating jobs based on decent standards. The concept of fairness also applies to internships/traineeships.

Youth entrepreneurship can be one incentive to face the problem of youth unemployment across Europe. Young people should be encouraged to creatively open up and run businesses. Access to such economic participation has to be made possible for all social groups.

#### **European integration**

The economic integration of the EU has been pushed forward to such an extent, that it has major social impacts on the national level. Therefore the political integration needs to catch up with this development in order to foster legitimisation of decisions in the economic area and encounter social consequences of economic integration. Both economic and political processes need to be made transparent for European citizens. Transparency is also needed

on a national level. A common problem of many Member States is the lack of transparency in institutions and decision-making procedures. Here as well we need a better democratic control in order to avoid corruption, bribery and too much influence of certain lobby associations.

Stepping forward in the integration process will be only possible by overcoming the lack of common political decision processes on the supranational level. We need an empowerment of the European institutions as strong actors with the capability to control and to sanction infringements of the Member States. This increase of powers should not be a blank cheque but conditionally linked to the before mentioned transparency.

## **2. Social Aspects of the Crisis**

### **Mobility**

Mobility fosters European identity as it enables European citizens to travel and work freely within the European Union. However, voluntary mobility should not be confused with forced economic mass migration. Within the context of the euro crisis mobility can only be one of many instruments to alleviate the social situation in the south temporarily, as otherwise it will inevitably lead to brain drain and, in the long-term, to unequal local and regional development. This is *not* a plea for the restriction of workers' mobility as it is ventilated in certain political circles accompanied with a revival of nationalistic and defensive sentiments. It is, however, unacceptable that one of the European Union's fundamental freedoms is being abused – as is the case in the current practice – due to imbalances of the Member States' labour markets. Therefore, incentives are to be put into place in order to keep talents where they are needed. Entry level jobs could be such an incentive (see part 1). Structures for both learning and labour mobility should be strengthened and be opened up for all social groups.

### **Flexicurity and definition of 'job'**

Flexicurity is a welfare state model that presupposes a pro-active labour market policy. It is, however, not compatible with austerity. Therefore, a new approach is needed. When we talk about jobs, we should focus on different aspects:

*Job conditions.* It is not enough to have a job, instead it is pivotal to ensure good conditions. The ILO defines the concept of a "decent job"; a similar definition should be elaborated for jobs for young people in order to prevent them from employers' exploitation (who can currently profit from the increased vulnerability of young /new entry workers).

*Job stability.* The existence of precarious jobs is hugely damaging from a social point of view (precarious workers are not eligible for social safety nets in many countries) but also from a productive point of view (many firms prefer workers with low qualifications and have not invested in technology and innovation, as is the case e.g. in Italy).

*Job tasks.* It is important to enable workers to participate actively in the definition of the productive process, especially if we consider that young people entering into the labour market could bring with them a higher knowledge of ICT and of social media, which are becoming an important part of marketing for many companies.

### **Youth alliance**

Young citizens should form an alliance with other vulnerable groups (e.g. older citizens and migrants) to make sure their assessment of the crisis management is heard by the European institutions and national administrations.

## **3. Political Aspects of the Crisis**

### **European narrative**

A new narrative for Europe is needed to engage its citizens, especially the young, and to counter distrust/ fatigue/ apathy towards the European project. This new narrative should be based on a better understanding of the common history of Europe, solidarity and a courageous and ambitious re-definition of the future of the European project.

### **A new definition of solidarity**

Solidarity is often (mis)understood as charity of the north toward the south. As the crisis is reaching the north too, solidarity needs to be redefined. One new definition of *solidarity* is threefold: *social responsibility* of Europe towards its (younger) citizens, a *common development* of northern and southern European countries and *fiscal discipline* of all European governments.

### **Youth participation**

A new European narrative is also needed to increase the participation of young people in the European elections – the European project has to be framed as co-owned by (younger) citizens. This can be achieved with the help of social and traditional media and through political education. The current crises have fostered national stereotypes, especially on a north-south scale. The mass media have to acknowledge their responsibility when it comes to presenting information on the European situation. Common activities and networks connecting northern and southern (young) citizens should be established in order to fight against stereotypes and to facilitate mutual understanding. An EU-wide history book could contribute to a common knowledge and shared narrative.

### **Youth and European institutions**

Young citizens need to be better represented in European institutions in order to be able to assess policies and measures. However, in order to be better represented, they must have a deeper institutional knowledge of European organisation. In all European countries, at middle or/and high school, students should have the possibility of studying the history of the EU and its current institutional, political and economic organisation, in order to raise a new civic European conscience in each young student.

## **B. General Conclusions**

Our discussions have shown that there is, indeed, a north-south divide. More critical input from the south is needed to make people in the north aware of the current situation in the southern countries. The north-south dialectic must be overcome by a greater awareness of the historical and social reality in every region.

Awareness of the north should not be confused with pitying the south: making the European system work is important for all the countries alike.

The answer to how to create awareness and solidarity lies in activities like this capacity building (learning process, empathy, solidarity), which build trust among young people and empowers them to take their future into their own hands.

The creation of awareness is not an easy step and it is possible only if there is a common ground of knowledge and a comprehension of the differences and specificities of each country. Recognising diversities allows identifying similarities without superficial generalisation or prejudice. Many young students have the opportunity of experiencing this thanks to programmes such as Erasmus or Leonardo. However, even if Erasmus and Leonardo programmes are very important and should be sustained, they are not able to capture that part of society that is most marginalised, such as young people that do not have the chance to go to university. These young people feel a bigger isolation and are probably more likely to embrace anti-European and nationalist ideas if they cannot see anything else than austerity measures.

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