
**SOCIAL COHESION AROUND THE WORLD:
AN INTERNATIONAL COMPARISON
OF DEFINITIONS AND ISSUES**

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EXECUTIVE SUMMARY

Over the past few years, policy researchers and policy makers in Canada have been asking questions about social cohesion. What is it? What threatens it? What promotes it? What can we do about it?

This study was undertaken to obtain an overview of pragmatic responses to the problem of social cohesion. How did other jurisdictions view “the problem” and what were they doing to address it? The study analyzes how three international organizations -- the European Union, the Organisation for Economic Cooperation and Development (OECD) and the Council of Europe -- have defined social cohesion. It also examines major threats to social cohesion and positive factors promoting social cohesion, as perceived by these organizations. Finally, it outlines measures undertaken to address perceived threats and draws general conclusions about their approach to this emerging policy challenge.

The first and most counter-intuitive finding of this review of social cohesion in the European Union, the OECD and the Council of Europe is that none of the three has an explicit or even widely accepted working definition of the term “social cohesion”. The OECD has the narrowest implicit definition of social cohesion, focussing almost exclusively on the economic and material aspects of the concept, which is consistent with the Organisation’s economic mandate. The Council of Europe, on the other hand, has an extremely broad implicit definition of cohesion – so broad, in fact, that it has separated cohesion into three interrelated categories – democratic cohesion, social cohesion and cultural cohesion. The European Union falls somewhere between the OECD and the Council of Europe in the breadth of its implicit definition of social cohesion. The EU has characterized its approach to social cohesion as being consistent with “the European model of society”, founded on a notion of solidarity which is embodied in universal systems of social protection, regulation to correct market failure and systems of social dialogue.

It has proven difficult to find much descriptive material in documents produced by and for the European Union, the OECD and the Council of Europe on the determinants of a cohesive society. There appears to be little consensus in this literature with regard to factors that promote social cohesion, although both the European Union and the Council of Europe agree that European solidarity is an important element of European cohesion.

In contrast to the lack of literature on factors promoting social cohesion, the European Union, the OECD and the Council of Europe have published a vast amount of material on threats to social cohesion. This documentation covers a variety of threats on all fronts – political, economic, social and cultural. All three organizations view unemployment, poverty, income inequality, social exclusion and exclusion from the Information Society as threats to social cohesion. Both the European Union and the Council of Europe also consider the “rights deficit” as a negative pressure threatening the cohesion of their societies. In general, the consensus on economic and social threats appears to be stronger than on political and cultural ones.

Diminishing support for income security measures for the poor and unemployed is viewed by the OECD as a factor eroding social cohesion, but its concerns in this context appear to be linked more closely to productivity and political dissatisfaction than to cohesion. For the European Union, problems of unemployment, poverty, income inequality, regional deprivation and urban distress are closely linked to social exclusion, which EU literature defines as “not only the material deprivation of the poor, but also their inability to fully exercise their social, cultural and political rights as citizens”. The Council of Europe also links the question of rights closely to social exclusion and has produced a great deal of documentation on the need to expand the legal framework of human rights. Like the European Union, the Council considers the divide between the information-rich and the information-poor to be a particular threat to identity and

cohesion. In the Council's view, American dominance of advanced modes of cultural expression and communication may be having a negative impact on European values, economy and employment, as well as on cultural and linguistic diversity, posing an additional threat to overall cohesion on the continent.

Despite the lack of consensus about a definition of social cohesion or about major threats and factors promoting it, the EU, OECD and Council of Europe are making many interventions in the name of cohesion. Some of these are so-called "soft" measures, such as research and consultations, but many are also "hard" measures in the form of legislation, policy and programs.

The threats to social cohesion on which the EU appears to spend the most "hard" resources are the economic threats of unemployment, poverty, income inequality, rural deprivation and regional disparities, with a lesser (but increasing) amount going toward alleviating urban distress. While a great deal of research on social exclusion was carried out during the 1990s, the EU has only recently turned attention toward the need to adjust social protection systems in member countries to address this problem. However, social inclusion is now being "mainstreamed" in all EU initiatives, particularly the European Employment Strategy and Guidelines, the European Social Fund and the Community initiative EQUAL. Similarly, measures to address exclusion from the Information Society have also taken a "harder" turn since the production of a number of policy research and policy papers in the early and mid-1990s. Measures to promote European citizenship tend to be "softer" than those in other areas that the EU considers vital to social cohesion. However, one citizenship area that has become the focus of "harder" EU measures is culture. In January 2000, the EU adopted **Culture 2000**, an agenda to highlight cultural characteristics common to the European people, promote cultural diversity, and use culture to contribute to social cohesion.

The majority of the OECD's interventions on the subject of social cohesion have taken the form of consultations and policy research, although the annual OECD Ministerial Council Meetings, which have been the main audience for these efforts, have also issued communiqués pledging action by their governments to address threats to social cohesion. The most proactive attempt to translate "soft" into "hard" measures has been the follow-up to the OECD's Jobs Strategy, adopted in 1994. OECD measures to address political disenchantment and value change have mainly taken the form of studies of alternative forms of governance. The OECD has suggested that governance systems in member countries will have to change to sustain respect for people's differences within a globalizing economy, to encourage the social responsibility and trust needed for success in such an economy and to promote greater sharing of responsibility in the workplace and community, thereby fostering social inclusion.

The Second Summit of the Council of Europe in 1997 adopted an *Action Plan* for social cohesion which recommended that all member countries promote social standards as embodied in the *Social Charter* and other Council of Europe instruments. In addition, the Summit created a new European Committee for Social Cohesion to take over the work of the former CoE committees on social security, employment and social policy and asked that Committee to develop strategy for social cohesion. To assist in the implementation of its social cohesion strategy, the Council also created a Specialized Unit on Social Cohesion which undertakes research, carries out risk analysis on social exclusion, assesses the effectiveness of activities undertaken in support of the Committee's strategy and supports the implementation of new policies, practices and procedures. The Summit's *Action Plans* for democratic and cultural cohesion gave prominence to rights issues, setting up a single Court of Human Rights and an Office of Commissioner for Human Rights, urging the Council to develop practical measures in support of the *Framework Convention for the Protection of National Minorities*, and launching an initiative for education on democratic citizenship, a campaign on Europe's common

heritage and a European policy on new information technologies to ensure that they respect human rights, cultural diversity and freedom of expression.

The results of this study have led to the following conclusions:

- 1) The implicit definition of social cohesion used by the three organizations has evolved from a fairly narrow economic and material focus to encompass elements related to social well-being, as well as cultural and democratic cohesion.
- 2) There is greater consensus about what threatens social cohesion than on what promotes it.
- 3) Matching implicit definitions with factors promoting social cohesion, as reflected in EU, OECD and Council of Europe literature, reveals more about their beliefs about social cohesion than an isolated reading of either.
- 4) The absence of a generally accepted definition of social cohesion has not prevented the EU, the OECD and the Council of Europe from using the concept to justify a wide array of activities intended to support greater cohesion.
- 5) Policy research has played a surprisingly large role in moving forward the organizations' social cohesion agendas.
- 6) Definitions of social cohesion are embedded in the organizations' histories, mandates and ideological outlooks, and actions taken to address threats are constrained by these factors as well as by resource limitations.
- 7) The ambiguity of the concept of social cohesion has opened up space for a host of actions by the EU, the OECD and the Council of Europe which speak as loud, or louder, about their levels of concern than their conceptual vagueness on the subject.

PART 1 - INTRODUCTION

Social cohesion has become a major concern of the Government of Canada because of a growing sense among policy makers that the social fabric linking Canada's many overlapping communities may be unravelling. In the past, social cohesion was based, to a large extent, on an unspoken but deeply held belief in Canada as a land of opportunity -- a society where Canadians could realize their aspirations and be treated with fairness and dignity. A preliminary analysis of the Canadian socio-economic landscape carried out in fall 1996 by the federal government's Policy Research Committee suggested that various fault-lines may be opening, that there are growing pressures on social cohesion and that Canadians' faith in the future of their families, their communities and their country may be eroding.

The Social Cohesion Network was established by the Policy Research Committee in November 1996 to develop a forward-looking research plan which would investigate these concerns and provide the government with more information on likely trends to the year 2005.

One of the first tasks of the Social Cohesion Network was to develop a working definition of social cohesion that would describe the dimensions of the problem and highlight the horizontal linkages between them. The working definition adopted by the 23 federal government departments and agencies on the Network was as follows:

Working Definition of Social Cohesion

Social cohesion is the ongoing process of developing a community of shared values, shared challenges and equal opportunity within Canada, based on a sense of trust, hope and reciprocity among all Canadians.

This working definition, although not considered the final word on the subject, proved to be robust enough to serve as an umbrella for an extensive research plan comprising three overarching themes and 12 sub-issues, which was developed by the Network in 1997. The three themes are: 1) emerging fault lines, 2) changing axes of community identification and 3) implications of changes in social cohesion. The workplan reflects the major research concerns that these departments hold in common and, as such, is heavily weighted toward Canadian, nationally-oriented socio-economic pressures. For example, Issue 1 under "Fault lines" examines the impact of contemporary diversity on social cohesion, while Issue 4 under "Changing axes of community identification" focusses on the emergence of the Information Society and its impacts on social cohesion.

Research Objectives

The Social Cohesion Research Workplan also kick-started within the Canadian academic community an unexpected, but welcome, debate on the conceptual underpinnings of the term "social cohesion" – a debate which has spilled over into the international domain. This work, notably by Jane Jenson and Paul Bernard of the Université de Montréal, has done much to advance our understanding of the theoretical origins and contemporary uses of the term. Nevertheless, politics (and policy research) being the "art of the possible", the Network also wished to obtain an overview of pragmatic responses to the problem of social cohesion in other countries and international organizations, such as the European Union. How did other jurisdictions view "the problem" and what were they doing to address it?

As a result, this study has been undertaken to:

1. Determine how other countries / international organizations define social cohesion;
2. Outline the major threats to social cohesion, as perceived by the governments or governing bodies of those countries / international organizations;
3. Outline any positive factors that may be promoting social cohesion in those countries / international organizations;
4. Describe any measures undertaken by governments in those countries or by international organizations to address perceived threats to social cohesion.

Organizations and Countries Profiled

The international organizations profiled in this study include:

- European Union
- Organisation for Economic Cooperation and Development
- Council of Europe

A subsequent study (or studies) will be undertaken, as resources permit, to examine the issue of social cohesion in the following countries:

- Australia
- Belgium
- France
- Germany
- India
- Japan
- Mexico
- United Kingdom
- United States

Research Methodology

The methodology for these studies consists of:

1. a literature search, utilizing for the most part, information already collected by the Department of Foreign Affairs and International Trade, as well as documentation from the OECD, the Council of Europe and the European Union;
2. information gathered from the Internet and from other sources such as the European Foundation for the Improvement of Living and Working Conditions and the embassies and high commissions of the countries studied;
3. responses to a request for information sent to posts of the Department of Foreign Affairs and International Trade in the above countries in July 1997. Posts were asked to provide a short report on the following:
 - how the host country defines "social cohesion" in its society;
 - the major threats, as the host country's government perceives them, to social cohesion;
 - the positive factors that are perceived to bring about harmony / cohesion in the host country;
 - the measures that the government is taking to address perceived threats to social cohesion.

Posts were encouraged to utilize a broad range of contacts to gather this information, including government departments, academics and policy institutes investigating social issues.

It was recognized that in most cases, no formal definition of social cohesion exists within the country / international organization. However, to the extent possible, an *implicit definition* was derived from the following sources, which were weighted in the following descending order:

- official documents and speeches, where available
- information provided by Foreign Affairs embassies in the relevant country / international organization
- academic or think tank research
- media analyses.

Structure of the Report

The following framework was used to organize the organization profiles:

Relevant history

- C The organization's historical approach to the major social cohesion issues of concern (e.g. on immigration or on social capital)
- C Particular aspects of the organization's mandate which dictate its social cohesion focus (e.g. EU's focus on regional equity, Council of Europe's focus on culture and multiculturalism).

Definition of social cohesion

- C Where no formal definition of social cohesion is in use within the international organization, a "working definition" derived from key documents or speeches is included.

Major threats to social cohesion

- C Brief descriptive analyses of perceived threats

Major factors promoting social cohesion

- C Brief descriptive analyses of positive factors promoting social cohesion in the international organization

Measures to address threats to social cohesion

- C Brief descriptive analyses of organization-sponsored measures to address any threats that may have been identified.

Conclusions

- C A brief "situation report" on social cohesion in the international organization summarizing its major concerns and assessing its success in addressing these concerns.

PART 2 - OVERVIEW OF FINDINGS

Definitions of Social Cohesion

The first and most counter-intuitive finding of this review of social cohesion in the European Union, the OECD and the Council of Europe is that none of the three has an explicit or even widely accepted working definition of the term “social cohesion”. This finding is surprising because the term is widely quoted in policy documents published by all three organizations and is, in fact, used to justify a wide range of research and policy interventions. Yet, few attempts have been made, until very recently, to clarify what the organizations mean by “social cohesion”.

The second finding from this review concerns the breadth of elements which are included in the organizations’ *implicit* definitions of social cohesion. Table 1 summarizes the various components that are cited in the organizations’ literature as characterizing a socially cohesive society.

One is, first of all, impressed by the sheer number of elements that are covered. On the other hand, one can also see a certain lack of consensus about the requirements for a socially cohesive society. The one common component of all three organizations’ definitions is “secure access to material well-being”, reflecting the concerns of decision makers throughout Europe and the industrialized world about the growing socio-economic cleavages within their populations due to the globalization of capital and production. Other areas where a lesser degree of consensus exists include the importance to social cohesion of a political link between the citizen and the state, a universal system of social protection and equitable access to housing, health care and education. The two European organizations, the EU and the Council of Europe, also share a conviction that social cohesion is strengthened by a greater sense of European identity.

The OECD has the narrowest definition of social cohesion, focussing almost exclusively on the economic and material aspects of the concept, which is consistent with the Organisation’s economic mandate. Social cohesion, while never explicitly defined by the OECD, appears to mean “a world where life is characterised by stability, continuity, predictability, and secure access to material well-being”.¹ This implied definition of “an absence of turbulence” is counterpoised against economic policies that have encouraged “the productive turmoil of relentlessly competitive markets”, leaving the reader with the impression that the OECD views social cohesion as an insurance policy against upheavals that might disrupt the march toward prosperity.

¹ Wolfgang Michalski, Riel Miller and Barrie Stevens, “Economic Flexibility and Societal Cohesion in the Twenty-First Century: An Overview of the Issues and Key Points of the Discussion”, Societal Cohesion and Globalising Economy – What Does the Future Hold? (Paris, 1997), p. 7.

Table 1 - Major Elements of Organization's Stated or Implied Definition of Social Cohesion			
Element	European Union	OECD	Council of Europe
Democratic / political cohesion			
Freedom of expression			T
Free flow of information			T
Access to information			T
Protection of human rights	T		T
Application of the rule of law			T
Political link between citizen and state	T		T
Active participation in society	T		T
Economic well-being			
Stable and secure society		T	T
Secure access to material well-being	T	T	T
Regulation to correct market failure	T		
Social well-being			
Universal system of social protection	T		T
Access to housing, health care and education		T	T
Freedom from crime and corruption			T
Social links to community			T
Systems of social dialogue	T		
Cultural cohesion			
Positive attitude to cultural diversity			T
Strengthened sense of European identity	T		T

The Council of Europe, on the other hand, has an extremely broad definition of cohesion – so broad, in fact, that it has separated cohesion into three interrelated categories – democratic cohesion, social cohesion and cultural cohesion. The Council, of the three organizations studied, has the most detailed and extensive policy description of democratic cohesion, focussing on the cohesive role of pluralist democracy, active citizenship, access to information, a safe and tolerant society and a strong human rights regime situated within a sound legal framework. The Council's definition of cultural cohesion is closely related to and, at times, overlaps with its definition of democratic cohesion and aims at “fostering democratic values and human rights; building confidence and mutual respect; and promoting awareness of the cultural

community of the new Europe and its diversity”.² Social cohesion, in the Council’s view, “makes respect for human dignity and personal integrity paramount and enables the social link between the individual and society to be restored”, but is also a means of restoring social equilibrium, “an essential element of democratic security in Europe”.³ In general, the Council views cohesion in all its forms as a positive and progressive concept, but like the OECD, an underlying concern about stability and equilibrium in the face of economic and democratic upheaval appears to rest just below the surface.

The European Union falls somewhere between the OECD and the Council of Europe in the breadth of its definition of social cohesion. The EU has characterized its approach to social cohesion as being consistent with “the European model of society”, founded on a notion of solidarity which is embodied in “universal systems of social protection, regulation to correct market failure and systems of social dialogue”.⁴ Some of the EU’s literature views cohesion as being undermined by the emergence of a “dual society” where an active, educated workforce creates wealth and a non-active segment consumes it. It is implied, but not stated, that a socially cohesive society would be an “active society”, where incomes are more equal and where “every person feels that she or he can contribute, not only to production ... but also by participation in the life and development of society.”⁵ The EU also shares the Council of Europe’s concern about citizenship rights, particularly “social rights based on solidarity”. It views these social rights as fundamental to rebuilding the trust, feeling of belonging and willingness to show solidarity which underpin social cohesion.⁶

None of the organizations is exclusively focussed on one element of social cohesion to the exclusion of others. However, the implicit definition of social cohesion used by the OECD emphasizes the right to material well-being, that of the Council of Europe gives prominence to the strengthening of democratic citizenship, and that of the European Union the promotion of solidarity.

Major Factors Promoting Social Cohesion

Table 2 summarizes the factors, drawn from the organizations’ literature, that are viewed as promoting social cohesion.

² The European Task Force on Cultural and Development, In from the margins – A contribution to the debate on Culture and Development in Europe, (Strasbourg, 1997), p. 287.

³ “Fighting social exclusion and strengthening social cohesion in Europe”, Recommendation 1355 (1998) of the Parliamentary Assembly of the Council of Europe, paragraph 15.

⁴ European Union, First Report on Economic and Social Cohesion 1996, (Luxembourg, 1996), p.14.

⁵ Colin Ball, Bridging the Gulf – Improving social cohesion in Europe: the work of the European Foundation for the Improvement of Living and Working Conditions, 1984-1993, (Dublin, 1994), Preface.

⁶ Mateo Alaluf, Final Report - Seminar: Demographic trends and the role of social protection: the idea of social cohesion, (Brussels, 1999) at <http://www.ulb.ac.be/project/tef/cohocen.html>

Table 2 - Organization's View of Major Factors Promoting Social Cohesion			
Factor	European Union	OECD	Council of Europe
Political			
Solidarity - the "European model"	T		T
Economic			
Capacity to balance competitive markets with strong social fabric		T	
Dematerialization and the "culturization" of the economy		T	
Social			
Capacity for dialogue and cooperation		T	T
Societal flexibility and demographic change		T	
Renewal of civil society			T
Cultural			
Culture and a sense of belonging	T		
Openness to diversity		T	
Technological			
Potential of information technologies			T

The first point to note about this list is its relative brevity, compared to the other summary tables. Social cohesion, as has been pointed out by Jane Jenson, is a term used by those who "sense an absence of some sort".⁷ As a result, it has proven difficult to find much descriptive material in documents produced by and for the European Union, the OECD and the Council of Europe on the determinants of a cohesive society. Second, there appears to be no consensus in this literature with regard to factors that promote social cohesion, although both the European Union and the Council of Europe agree that European solidarity is an important element of European cohesion.

The OECD has identified the longest list of positive factors, beginning with the capacity of OECD democracies to find the appropriate balance between "dynamism and security" thereby avoiding "both stagnation and social fragmentation".⁸ The OECD also seems to be the most optimistic of the three organizations about the capacity of society to adapt and renew itself in the face of internal and external pressures. It has suggested that long-term demographic trends, such as the impending scarcity of young people in the labour market, increased levels of education and greater wealth among older people, may lessen income disparities and thereby promote greater social cohesion. Among these flexibilities, however, the OECD also includes the tendency of

⁷ Jane Jenson, *Mapping Social Cohesion: The State of Canadian Research*, (Ottawa, 1998), p. 3.

⁸ Michalski, Miller and Stevens in *Societal Cohesion and the Globalising Economy: What Does the Future Hold?*, pp. 7-8.

workers to adopt “survival strategies”, such as multiple part-time employment, that is not universally viewed as a positive development.⁹ Surprisingly, the OECD appears to be more optimistic than the other two organizations about the capacity of intercultural dialogue to solve political and economic problems. It has also speculated about the capacity of “culturalization” of the economy to take the edge off disruptions brought about by new information technologies. According to this logic, the cultural sector will become a growth industry, “since it consists of the key factors of production in a dematerialized economy: languages, media, knowledge, design”.¹⁰ Since social cohesion is generally tied to material well-being in the OECD’s definition, this development will presumably help to contain destabilizing pressures.

The European Union’s list of factors promoting social cohesion is quite brief and is anchored by the European model of solidarity. The principal feature of this model, as has been mentioned above, is the commitment to combat poverty and to correct large income inequalities through taxes and social transfers. It has, in the words of former EU Commissioner, Pádraig Flynn, allowed Europe to steer “a unique course in the world between excessive liberalism, which risks social fragmentation, and excessive paternalism, which stifles initiative and innovation”.¹¹ A sense of a common European culture and sense of belonging is also cited by the EU, first, in promoting a sense of European citizenship and secondly, as a source of employment. Since both material well-being and solidarity with other Europeans are implicit in the EU’s definition of social cohesion, this rather vague linkage with culture and a sense of belonging is obviously considered a key, although theoretically unexplored, contributor to a cohesive Europe.

The Council of Europe views the extensive cooperative activity that has taken place in Europe since the end of World War II as a positive factor in promoting social cohesion, citing legal instruments, publications, training activities, technical assistance and mediation as playing key roles in solving societal problems and in forging European solidarity.¹² One of its publications identifies the capacity of the Internet to enable better communication among Europeans, to enhance political communication between governments and citizens and to make European audiovisual material digitally available to consumers as positive factors in building social cohesion.¹³ The Council also considers the formation of new pan-European networks of voluntary and non-profit associations in response to transborder European issues a positive development for the democratic process.¹⁴

The organizations’ literature on factors promoting social cohesion is too sparse to furnish much insight or to support an overall conclusion. For the European-based organizations, European solidarity is viewed as being both a means to and an end of social cohesion, but “solidarity”, like “social cohesion” is one of those words that means different things to different people. For the OECD, “solidarity” appears to mean “flexibility” in adapting to the demands of globalization. For the European Union, it means continuing state intervention to combat poverty and income

⁹ Barry Stevens and Wolfgang Michalski, “Long-term Prospects for Work and Social Cohesion in OECD Countries: An Overview of the Issues” in OECD Societies in Transition: The Future of Work and Leisure, pp. 22-3.

¹⁰ Christian Lutz, “Prospects for Social Cohesion in OECD Countries” in OECD Societies in Transition: The Future of Work and Leisure, pp. 112-113.

¹¹ Speech by Pádraig Flynn, “Social Policy and Economic Performance”, Presidency Conference, (Amsterdam, January 23, 1997) at <http://europa.eu.int/en/comm/dg05/speeches/970123pf.htm>

¹² Council of Europe, Objective 1997 - The intergovernmental programme of activities of the Council of Europe, (Strasbourg, 1997), p. 13.

¹³ In from the margins - A contribution to the debate on Culture and Development in Europe, pp. 108-110.

¹⁴ In from the margins - A contribution to the debate on Culture and Development in Europe, paragraph 8.3.8, p. 163.

inequality. For the Council of Europe, it means a variety of interventions, both by governments and Europeans themselves, to solve societal problems. All this is thought to promote social cohesion, but the causality and mechanisms of the relationship remain unclear.

Major threats to social cohesion

In contrast to the lack of literature on factors promoting social cohesion, the European Union, the OECD and the Council of Europe have published a vast amount of material on threats to social cohesion. Table 3 summarizes the main points drawn from this literature.

Table 3 - Organization's View of Major Threats to Social Cohesion			
Threat	European Union	OECD	Council of Europe
Political			
Lack of a sense of European citizenship	T		
Political disenchantment		T	
The "rights deficit"	T		T
Economic			
Unemployment	T	T	T
Poverty and income inequality	T	T	T
Rural deprivation / regional disparities	T		
Urban distress	T		
Social			
Deterioration of the environment and quality of life	T		
Social exclusion	T	T	T
Retreat from intervention by state			T
Exclusion from the Information Society	T	T	T
Cultural			
Cultural diversity and demographic change		T	
Changing values regarding work and society		T	
Influence of American culture			T
Shift from "culture of collective security" to "culture of individual opportunity"			T

This symptomatic list is interesting from a number of perspectives. First, it covers a variety of threats on all fronts – political, economic, social and cultural. Second, it moves one level below general analyses of globalization and structural change to focus on problems amenable to policy and program intervention, generally at the transnational level, but also at other levels and by players outside the public sector. Third, it displays more areas of consensus among the three organizations than the previous two lists – possibly because of the more extensive analytical resources they have devoted to the study of these threats.

All three organizations view unemployment, poverty, income inequality, social exclusion and exclusion from the Information Society as threats to social cohesion. Both the European Union and the Council of Europe also consider the “rights deficit” as a negative pressure threatening the cohesion of their societies. In general, the consensus on economic and social threats appears to be stronger than on political and cultural ones.

The OECD’s extensive research on unemployment, poverty and income inequality appears to have been spurred by concerns about lagging productivity and labour market performance, but it has highlighted a “divergence of interests between gainers and losers” with the result that “an increasing number of families may perceive that they will receive less out of the state than they contribute to it”.¹⁵ Diminishing support for income security measures for the poor and unemployed (which the EU would describe as a key element of “solidarity”) is viewed by the OECD as a factor eroding social cohesion, but its concerns in this context appear to be linked more closely to productivity and political dissatisfaction than to cohesion. Political disenchantment, in fact, appears as a major problem in OECD literature because “it threatens to undermine both the drive toward improved economic flexibility and the policies that encourage strong competition, open markets and technological evolution”.¹⁶ Similarly, diversity and demographic change tend to be viewed as stressors in OECD literature due to the growth of wage inequality among the immigrant population and to the aging of the workforce. While the OECD acknowledges that immigration may be a means of regenerating aging populations, one publication also notes that “there is concern in some quarters that Member countries’ capacity to integrate growing migratory flows may be weakening” with a potential for “disrupting social cohesion”.¹⁷ Somewhat paradoxically for an organization as dedicated to liberal market philosophies, OECD literature has also singled out the growth of individualism and a diminished commitment to work among young people as threats to social cohesion, observing that “the combination of unlimited accumulation of wealth .. and weak collective institutions could usher in the worst of both worlds: uncompetitive monopoly or collusive behaviour in the marketplace and risk-averse defensive behaviour among individuals”.¹⁸

For the European Union, problems of unemployment, poverty, income inequality, regional deprivation and urban distress are closely linked to social exclusion, which is viewed as a major threat to social cohesion. EU literature defines social exclusion as “not only the material deprivation of the poor, but also their inability to fully exercise their social, cultural and political rights as citizens”. Social cohesion is threatened when “material living standards and citizen rights of significant numbers of people are restricted by persistent, multiple and concentrated

¹⁵ OECD, *Beyond 2000: The New Social Policy Agenda*, (Paris, 1996), p. 15.

¹⁶ Riel Miller, “Economic Flexibility and Social Cohesion”, *The OECD Observer*, Number 207 (August/September 1997), p. 24.

¹⁷ Stevens and Michalski in *OECD Societies in Transition: The Future of Work and Leisure*, p. 19.

¹⁸ Michalski, Miller and Stevens in *Societal Cohesion and the Globalising Economy: What Does the Future Hold?*, p. 17.

deprivation”¹⁹ and by deterioration of the environment.²⁰ Such exclusion is exacerbated in rural areas by loss of facilities and services, such as public transportation, and in urban areas by the loss of social housing and rising crime rates²¹. A two-tier Information Society is viewed as particularly damaging to social cohesion in that it further disadvantages people living in isolated rural communities and in deprived inner city areas, as well as the unemployed or less educated.²² Finally, shortfalls in rights and in a sense of European citizenship are identified in EU documents as compromising social cohesion. “Europe will be a Europe for everyone, for all its citizens, or it will be nothing” asserts one EU publication, in urging that fundamental social rights be respected and applied.²³

The Council of Europe’s literature also puts a heavy emphasis on social exclusion as a major threat to social cohesion. In fact, of the three organizations, the Council has the most detailed analysis of the origins and dimensions of social exclusion. It uses the idea of the “welfare triangle” to describe the dimensions of social exclusion. Individuals at risk of social exclusion are those who have a weak relationship with at least one of the three poles of integration – the state, economic markets or civil society. Those severely at risk are weakly integrated in two or all of these areas.²⁴ For example, they may be excluded from the rights of citizenship and the political process, may suffer from economic exclusion due to poverty, long-term unemployment or lack of job security and may be excluded from educational or cultural opportunities.²⁵ The Council links the question of rights closely to social exclusion and has produced a great deal of documentation on the need to expand the legal framework of human rights to include both social and cultural rights. In the face of “a disturbing rise in racism, anti-semitism, xenophobia, ethnocentrism, religious fundamentalism and ... intolerance and exclusion”, the Council has devoted particular attention of cultural rights, such as the rights to identity, language, heritage, education and participation in cultural life.²⁶ It views the challenge of identity construction in modern Europe as one of reconciling a series of multiple identities, but until the notion of diversity is accepted and certain groups cease to be marginalized, it foresees continuing pressure on social cohesion.²⁷ Like the European Union, the Council also considers the divide between the information-rich and the information-poor to be a particular threat to identity and

¹⁹ Mike Geddes, The Role of Partnerships in Promoting Social Cohesion, European Foundation for the Improvement of Living and Working Conditions Working Paper No. WP/95/38/EN, (Dublin, 1995), p. 5.

²⁰ First Report on Economic and Social Cohesion 1996, p. 46.

²¹ European Foundation for the Improvement of Living and Working Conditions, Mobility and Social Cohesion in the European Community – A Forward Look, (Dublin 1991), pp. 96-97, and Bridging the Gulf, p. 24.

²² Paragraph 109, Chapter 5.5, Living and Working in the Information Society: People First, (EU COM (96) 389, 1996 at <http://www.peoplefirst.agenda-comm.ie:80/english/theme1/extracts.htm>

²³ Comité des Sages, For a Europe of civic and social rights, (Luxembourg, 1996), p. 23.

²⁴ Katherine Duffy, “Initiatives on Human Dignity and Social Exclusion (HDSE) - Opportunity and Risk: Broad Perspectives Arising from the Result of HDSE Phase I (1996-1997)”, presented at the Colloquy on *Towards a better social cohesion in Europe: today and tomorrow*, (Bratislava, September 16-17, 1997), p. 4.

²⁵ Social, Health and Family Affairs Committee, Fighting social exclusion and strengthening social cohesion in Europe, (Parliamentary Assembly of the Council of Europe, January 12, 1998), paragraph 26 at <http://stars.coe.fr/doc98/edoc7981.htm>

²⁶ In from the margins - A contribution to the Debate on Culture and Development in Europe, paragraph 8.4.4., p. 165.

²⁷ Patricia Meyer-Bisch, “The Political Subjectivity of a Cultural Community” in Council for Cultural Cooperation, Council of Europe, Workshop on “Cultural Rights and Social Cohesion” - General Report, (ed. Etienne Grosjean), (Strasbourg, 1997), p. 36.

cohesion. In the Council's view, "American dominance of advanced modes of cultural expression and communication ... may be having a negative impact on European values, economy and employment, as well as on cultural and linguistic diversity"²⁸, posing an additional threat to overall cohesion on the continent. While it believes that information technologies have the potential to reinforce democratic participation and social cohesion, it concludes that this will not happen unless responsible communication practices at the supranational level ensure that information technologies promote equal opportunity for citizens and diversity of content (including cultural and linguistic diversity).²⁹

Measures to address threats to social cohesion

Tables 4, 5 and 6 summarize the measures that the European Union, the OECD and the Council of Europe are taking to address the threats outlined above. Despite the lack of consensus about a definition of social cohesion or about major threats and factors promoting it, even a cursory glance at the three tables reveals a huge number of interventions made in the name of cohesion. Some of these are so-called "soft" interventions, such as research and consultations, but many are also "hard" measures in the form of legislation, policy and programs.

The ratio of "soft" versus "hard" measures depends to a certain extent on the mandate of the organization. In 1987, the original *Treaty of Rome*, which created a customs union between six European states, was amended by the *Single European Act*, which contained a chapter on economic and social cohesion and gave the EU a much more active role in social policy. In the 1993 *Treaty on European Union (the Maastricht Treaty)*, the European Union made economic and social cohesion one of its three priorities, and this paved the way for many "hard" measures, most of which involve significant amounts of money. On the other hand, the OECD, which serves as a forum for countries from Europe, North and South America and the Pacific region to consult on economic and social issues, has no legislative powers and relies more heavily on the "soft" measures of policy research and consultations to move its social cohesion agenda forward. The Council of Europe, which functions as a forum for dialogue for European legislators and fosters the development of common standards and agreements on social, economic, cultural and scientific matters, relies primarily on "hard" measures such as policy and program interventions to address social, democratic and cultural cohesion, but has also engaged in a fair amount of consultation and research on the subject as well.

European Union Measures

The threats to social cohesion on which the EU appears to spend the most "hard" resources are the economic threats of unemployment, poverty, income inequality, rural deprivation and regional disparities, with a lesser (but increasing) amount going toward alleviating urban distress. This undoubtedly reflects the fact that the EU's mandate, up until about the mid-1980s, was primarily focussed on economic issues such as freedom of movement of financial and human capital. Since the mid-1980s, EU activity in the social arena has accelerated, with more "hard" measures being devoted to countering threats to social cohesion as a result of deterioration of the environment and quality of life, social exclusion and exclusion from the Information Society. Political threats to social cohesion brought about by lack of a sense of European identity and citizenship and a lack of attention to social and cultural rights have only begun to appear on the

²⁸ In from the margins - A contribution to the debate on Culture and Development in Europe, paragraph 5.2.42, pp. 84-85.

²⁹ In from the margins - A contribution to the debate on Culture and Development in Europe, paragraphs 6.1.22 and 6.1.23, pp. 110-11.

EU's radar since the mid-1990s, and have only recently become the focus of "hard" measures (such as the Culture 2000 program).

Table 4 - European Union Measures to Address Threats to Social Cohesion		
Element	Major threats	Major measures to address threats
Political	Lack of a sense of European identity / citizenship / rights deficit	<ul style="list-style-type: none"> - Policy research (e.g. Comité des sages - 1995-96) - Intergovernmental Conference 1996 - Consultations with civil society - Culture 2000 agenda - EU Charter of Fundamental Rights
Economic	Unemployment Poverty/ income inequality Rural deprivation / regional disparity Urban distress	<ul style="list-style-type: none"> - Structural Funds - EMPLOYMENT Initiatives (NOW, HORIZON, YOUTHSTART, INTEGRA, ADAPT) - European Employment Strategy - Employment Guidelines for Member States - Structural and Cohesion Funds - Structural and Cohesion Funds - LEADER Initiative - Common Agricultural Policy - Policy research (e.g. reports by the European Foundation for the Improvement of Living and Working Conditions) - Structural Funds (since 2000) and URBAN Initiative
Social	Deterioration of the environment / quality of life Social Exclusion Exclusion from the Information Society	<ul style="list-style-type: none"> - Structural and Cohesion Funds - ENVIREG Initiative - Policy research (e.g. reports by the European Foundation for the Improvement of Living and Working Conditions) - Policy research (e.g. reports by the European Foundation for the Improvement of Living and Working Conditions) - Structural Funds - NOW, HORIZON, YOUTHSTART and INTEGRA Initiatives - EU's Social Agenda - reform of social protection schemes (including European Social Fund) - Program on Social Exclusion (2000) - Policy research (e.g. <u>Green Paper on Living and Working in the Information Society, 1994</u>, <u>Social and Economic Cohesion and the Information Society, 1996</u>) - Europe's Way to the Information Society - Action Plan (1994) - <u>Social and Market Dimension of the Information Society: People First</u> (response to Green Paper - 1997) - Trans-European Network for Telecommunications - Information Society Technologies Programme (1998-2002) - eEurope Initiative (2000)

Overall, the EU's financial commitments to economic and social cohesion under the Structural and Cohesion Funds alone amount to 213 billion euros (roughly C\$300 billion) over the 2000-2006 period. Allocations to the three Objectives of the Funds are:

- 69.7% to Objective 1 (aid to regions with a per capita GDP less than 75% of the Union average)
- 11.5% to Objective 2 (aid to areas affected by change in the industrial, services or fisheries sectors, as well as to rural and urban areas in difficulty)
- 12.3% to Objective 3 (aid to adapt and modernize systems of education, training and employment in regions not covered by Objectives 1 and 2).

The balance is earmarked for the Community Initiatives (5.35%), for innovative actions and for technical assistance (0.65%). Funding commitments under the Cohesion Fund, which finances transport and environment infrastructure in Member States whose GDP per capita is less than 90% of the Union average, amount to 18 billion euros (C\$24 billion) for the period 2000-06.³⁰

While a great deal of research on social exclusion was carried out during the 1990s by the European Foundation for the Improvement of Living and Working Conditions, the EU has only fairly recently turned attention toward the need to adjust social protection systems in member countries to address this problem. At a Presidency Conference on *Social Policy and Economic Performance* in 1997, it was agreed that social protection systems in Europe “play a fundamental role in income redistribution and social cohesion, political stability and economic progress”, but while they have been successful in alleviating poverty, they have been “a failure, in terms of promoting full integration within society”.³¹ In May 1999, Article 137 of the *Amsterdam Treaty*, which amended the *Treaty on European Union* to provide for measures to combat social exclusion, came into force. A conference in May 1999 therefore recommended more coordinated action in areas such as housing, health, education and training, transport and communication, social assistance and social protection. It suggested that social inclusion should be “mainstreamed” in all EU initiatives, particularly the European Employment Strategy and Guidelines, the European Social Fund and the Community initiative EQUAL.³²

In June 2000, a Commission communiqué announced a more focussed approach to the EU’s Social Agenda in which social exclusion figured prominently. A new program on social exclusion was to be created, with a five-year budget of 70 million euros (C\$99 million), to analyze, develop and disseminate comparable statistics on social exclusion within the EU, to exchange best practices and to support the capacity of NGOs to address social exclusion.³³

Similarly, measures to address exclusion from the Information Society have also taken a “harder” turn since the production of a number of policy research and policy papers in the early and mid-1990s. Starting in 1993, the EU began to provide assistance for a Trans-European Network for Telecommunications (TEN-Telecoms), which invests in advanced applications and services of public interest, such as tele-medicine, education, access to cultural heritage, telework and city information highways. More recently, the EU’s Information Society Technologies Programme (IST), which has a budget of 3.6 billion euros (C\$5.1 billion) over the 1998-2002 period, has been funding research on systems and services for citizens and on multimedia content and tools. Finally, in June 2000, the European Council approved the

³⁰ “Agenda 2000 - Structural policy reform” at <http://europa.eu.int/scadplus/leg/en/lvb/160013.htm>

³¹ European Commission, *Modernising and improving social protection in the European Union*, Section 1.2 (COM (97) 102, March 12, 1997) at <http://europa.eu.int/en/comm/dg05/soc-prot/social/commu/commuen.htm>

³² European Commission, *Report on the Round Table Conference Towards a Europe for all: how should the Community support Member States to (sic) promoting social inclusion?*, (Brussels, 6 and 7 May 1999), p. 22.

³³ Communication from the Commission to the Council, the European Parliament, the Economic and Social Committee and the Committee of the Regions, *Social Policy Agenda*, (Brussels, 29.6.2000), COM (2000) 379 final, sub-section 4.2.2.2, p. 21.

eEurope Initiative which is intended to bring every European citizen, home, school and business on-line, create a digitally literate and entrepreneurial Europe and ensure a socially inclusive Information Society.³⁴

Measures to promote European citizenship tend to be “softer” than those in other areas that the EU considers vital to social cohesion. However, one important piece of policy research that appears to have made the transition from “soft” to “hard” was by the Comité des Sages, which recommended in February 1996 that, to strengthen social cohesion, the EU should consider incorporating social rights into the EU *Treaty*. Examples of such rights cited by the Comité included the right to lifelong education, the right to work, the right to health care, the right to housing and the right to social security and social protection.³⁵ In October 1999, after extensive intergovernmental and civil society consultations, the European Council of Ministers agreed to draft a Charter of Fundamental Rights for the EU before the end of 2000.³⁶ The working group charged with this task was specifically instructed to look at economic and social rights and to undertake public hearings on this subject.

Another citizenship area that is becoming the focus of “harder” EU measures is culture. In January 2000, the EU adopted **Culture 2000**, an agenda to highlight cultural characteristics common to the European people, promote cultural diversity, and use culture to contribute to social cohesion. A new program was established to accomplish these objectives, with a budget of 167 million euros (C\$236 million) over five years.³⁷ In announcing the program, the Council of Ministers and the European Parliament were quite clear that it was an instrument intended to promote among Europeans “their common cultural values and roots as a key element of their identity and their membership in a society founded on freedom, democracy, tolerance and solidarity”.³⁸

OECD Measures

The majority of the OECD’s interventions on the subject of social cohesion have taken the form of consultations and policy research, although the annual OECD Ministerial Council Meetings, which have been the main audience for these efforts, have also issued communiqués pledging action by their governments to address threats to social cohesion. Policy research has been particularly extensive on measures needed to improve access to work and on “active aging” to encourage older workers to participate in the labour force for longer periods of time.³⁹

³⁴ “eEurope - An Information Society for All” at http://europa.eu.int/comm/information_society/eeurop/background/index_en.htm

³⁵ *For a Europe of civic and social rights*, p. 51.

³⁶ “Draft Charter of fundamental rights of the European Union – Introduction to the Internet site” at <http://db.consilium.eu.int/DF/intro.as?lang=eng>

³⁷ “General Overview” at http://europa.eu.int/comm/culture/overview_en.html

³⁸ Decision No. 508/2000/EC of the European Parliament and of the Council of 14 February 2000 establishing the Culture 2000 programme, *Official Journal of the European Communities*, L 63/1, 10.3.2000.

³⁹ See particularly the “Ministerial Communiqué” from 1997, *The OECD Observer*, Number 206, (June/July 1997), pp. 47-48 and “Communiqué - OECD Council Meeting at Ministerial Level” (Paris, 27 May 1999) at <http://www.oecd.org/media/release/nw99-52a.htm>

Table 5 - OECD Measures to Address Threats to Social Cohesion		
Element	Major threats	Major measures to address threats
Socio-economic	Unemployment	<ul style="list-style-type: none"> - Policy research (e.g. OECD Jobs Study, 1994) - OECD Jobs Strategy, 1994 - OECD Ministerial Council Meetings (1997, 1998, 1999) - Local Economic and Employment Development (LEED) Program
	Poverty / income inequality / social exclusion	<ul style="list-style-type: none"> - Beyond 2000 Conference on the New Social Policy Agenda, 1996 - <u>Societal Cohesion and the Globalising Economy Forum</u> (and book), 1996 - OECD Social Assistance Reviews
	Skills deficit in a knowledge-based economy	<ul style="list-style-type: none"> - Policy research (e.g. <u>Technology, Productivity and Job Creation</u>, 1996, <u>OECD Societies in Transition: The Future of Work and Leisure</u>, 1994)
Socio-political	Political disenchantment with current forms of governance	<ul style="list-style-type: none"> - <u>Societal Cohesion and the Globalising Economy Forum</u> (and book), 1996 - LEED Program (facilitation of local level responses to unemployment and social exclusion) - Conference on Decentralisation of Employment Services and Local Management, 1998 - Forum on Social Innovation, 2000 - OECD Ministerial Council Meeting, 2000 - OECD Forum 2000 - Partnerships in the New Economy
	Cultural diversity and value change	<ul style="list-style-type: none"> - Policy research (e.g. <u>OECD Societies in Transition: The Future of Work and Leisure</u>, 1994)

The most proactive attempt to translate “soft” into “hard” measures has been the follow-up to the OECD’s Jobs Strategy, adopted in 1994. The Strategy placed heavy emphasis on nurturing entrepreneurialism, and on increasing wage flexibility and active labour market policies, such as improving labour force skills and reforming unemployment insurance and social benefit systems. However, an OECD publication has concluded that adoption of the Strategy by member countries has been sporadic and uneven, primarily because of concern that proposed changes to social transfer systems would “be at odds with the policy objectives of ensuring some degree of equity across members of the labour force or the population at large”.⁴⁰ Clearly, the tensions between measures to reduce unemployment and income inequality have been viewed by some member countries as themselves threatening social cohesion.

OECD measures to address political disenchantment and value change have mainly taken the form of studies of alternative forms of governance. The OECD has suggested that governance systems in member countries will have to change to sustain respect for people’s differences within a globalizing economy, to encourage the social responsibility and trust needed for success in such an economy and to promote greater sharing of responsibility in the workplace

⁴⁰ OECD Council at Ministerial Level, Implementing the OECD Jobs Strategy: Lessons from Member Countries’ Experience, (Paris, 13 May 1997), p. 14.

and community, thereby fostering social inclusion.⁴¹ In recent years, It has begun examining the effectiveness of decentralization and local partnerships in reconciling economic success with social cohesion. The Head of the OECD's Local Economic and Employment Development (LEED) Program has suggested that "local partnerships reinforce democracy at the local level, and this is the key to social cohesion".⁴² Perhaps in order to provide concrete evidence in support of this statement, in 2000 the LEED Program is sponsoring a *Forum on Social Innovation* to identify, analyze and disseminate information on mechanisms and norms to improve the well-being of individuals, communities and places in terms of social inclusion or the creation of employment.⁴³ In addition, as a result of discussions within the OECD's Employment, Labour and Social Affairs Committee, the Organisation appears to have accepted the fact that it lacks adequate information on the effectiveness of social policies in promoting social inclusion. It has therefore launched a project to develop a set of social indicators that would give guidance on "self-sufficiency, equity, healthy living and social cohesion".⁴⁴

The OECD has become much more active in recent years in considering the role of civil society partnerships in promoting social cohesion. Most notably, the OECD Ministerial Meeting in June 2000 hosted a special event called the *OECD Forum 2000 - Partnerships in the New Economy* at which representatives of NGOs, unions, businesses and universities were invited to explore how the knowledge-based economy could best function for the betterment of all. An enhanced interest in social capital was also evident at an OECD event on *The Contribution of Human and Social Capital to Sustained Economic Growth and Well-Being*, which was held in Quebec City in March 2000 to "bring together a number of different perspectives and disciplines in the analysis of the contribution of human and social capital to economic growth, productivity, social cohesion and human well-being".⁴⁵

Council of Europe Measures

The question of rights has a prominent place in the Council's definition of social cohesion and is closely linked to its analysis of the causes of social exclusion. As long ago as 1992, a conference sponsored by the Congress of Local and Regional Authorities of Europe (one of the governing bodies of the CoE) concluded that the fight against poverty would have to focus on "the furthering of economic and social rights, social security, dynamic housing and employment policies, democratisation of knowledge and culture and investment in training and skills development".⁴⁶ More recently, an NGO Forum on *Social Rights are Human Rights*, sponsored by the Council in January 2000 stated that "... poverty, the denial of shelter, food, basic education and basic healthcare, is a violation of fundamental human rights".⁴⁷

⁴¹ *Societal Cohesion and the Globalising Economy: What Does the Future Hold?*, p. 22.

⁴² Sergio Arzeni, "Local Partnerships in a Competing Environment", Speech given at the *Mayors for Employment, European Conference*, (Helsinki, 9-10 September 1999) at <http://www.oecd.org.tds/speeches/mayorssa.htm>

⁴³ *Forum on Social Innovation* web site at: <http://www.oecd.org.tds/leed/Forum2/socinnovation.htm>

⁴⁴ Directorate for Education, Employment, Labour and Social Affairs, *Social Indicators: A Proposed Framework and Structure*, (Paris, 22 September 1999), p. 4.

⁴⁵ OECD Centre for Educational Research and Innovation web site at: <http://www.oecd.org/els/conferences/quebecity.htm>

⁴⁶ Standing Conference of Local and Regional Authorities of Europe, Resolution 243 (1993) - *Citizenship and Extreme Poverty: The Charleroi Declaration*, (28th Session - 16-18 March 1993), paragraphs G.1 and G.2.

⁴⁷ "Social Right are Human Rights - People's Priorities for the Social Summit Review", (Dublin, 15 January 2000) at <http://www.coe.fr/dase/en/cohesion/strategy/Develop/ngoforum.htm>

Table 6 - Council of Europe Measures to Address Threats to Social Cohesion		
Element	Major threats	Major measures to address threats
Democratic cohesion	The “rights deficit”	<ul style="list-style-type: none"> - Intergovernmental Programme of Activities (e.g. measures to combat intolerance and protect minorities) - Project on Democracy, Human Rights, Minorities, 1993-1997 - Summit of the Council of Europe, 1997 - Education for Democratic Citizenship Programme, 1999 - Social Rights are Human Rights - NGO Forum 2000 - European Conference on Social Development, 2000 (promotion of social cohesion based on strengthened social rights)
Social cohesion	Social exclusion	<ul style="list-style-type: none"> - Intergovernmental Programme of Activities (e.g. establishment of partnerships with civil society) - Policy research (e.g. <u>Human Dignity and Social Exclusion</u> project) - Resolutions (1993-1998) - Conferences (1991-1998) - Summit of the Council of Europe, 1997 (strategy for social cohesion) - European Committee for Social Cohesion (est. 1997) - Broadened Social Development Fund, 1997-98 - Specialised Unit on Social Cohesion (est. 1998)
Cultural cohesion	<p>Influence of American culture / loss of identity</p> <p>Divide between the information-rich and information-poor</p>	<ul style="list-style-type: none"> - Intergovernmental Programme of Activities - European Cultural Convention, 1954 - Council for Cultural Cooperation - Policy research (e.g. <u>In from the Margins</u>, 1997) - Summit of the Council of Europe, 1997 - European Secondary School Youth Exchange Programme, 1998-2002 - Europe, A Common Heritage campaign, 1999-2000 - Summit of the Council of Europe, 1997 - European Policy for Information Technologies, 1999-2000 (promotion of cultural diversity and access)

This linkage was reinforced at the Second Summit of the Council of Europe in 1997, when all 40 heads of state and government met for only the second time in Council’s history, to adopt an action plan for the 21st century. The Summit’s *Action Plan* for social cohesion recommended that all member countries “undertake to promote social standards as embodied in the *Social Charter* and other Council of Europe instruments and call for the widest possible adherence to these instruments”.⁴⁸ In addition, the Summit created a new European Committee for Social Cohesion to take over the work of the former CoE committees on social security, employment and social policy and asked that Committee to develop strategy for social cohesion. To assist in the implementation of its social cohesion strategy, the Council also created a Specialized Unit on Social Cohesion which undertakes research, carries out risk analysis on social exclusion,

⁴⁸ Summit of the Council of Europe, *Final Declaration*, (Strasbourg, October 11, 1997) at <http://www.coe.fr/summit/edecplan.htm#ActionPlan>

assesses the effectiveness of activities undertaken in support of the Committee's strategy and supports the implementation of new policies, practices and procedures.⁴⁹

It is virtually impossible to analyze the Council of Europe's interventions on social cohesion in isolation from the measures it has adopted to build democratic and cultural cohesion. The Summit's *Action Plans* for democratic and cultural cohesion also gave prominence to rights issues, setting up a single Court of Human Rights and an Office of Commissioner for Human Rights, urging the Council to develop practical measures in support of the *Framework Convention for the Protection of National Minorities*, and launching an initiative for education on democratic citizenship, a campaign on Europe's common heritage and a European policy on new information technologies to ensure that they respect human rights, cultural diversity and freedom of expression.

The Council's primary mechanism for delivering on these commitments is through the dense network of committees, legal conventions and consultative bodies that it oversees. For example, the key research on social exclusion carried out through the Initiative on Human Dignity and Social Exclusion grew out of a Colloquy "Towards Future Social Justice in Europe: the Challenge of Marginalisation and Poverty" held in Strasbourg in December 1991. Similarly, the extensive report on cultural cohesion, *In from the margins*, was produced by a Task Force on Culture and Development which was established by the Council of Cultural Cooperation, the Council of Europe body responsible for culture, sport and educational programming.

Beyond its capacity for moral suasion and networking, the Council has fairly limited resources to expend on programs in support of cohesion, at least in comparison to the European Union. The main instrument for programming on social cohesion, quality of life, democratic cohesion, cultural cohesion and cultural pluralism is the Intergovernmental Programme of Activities of the Council of Europe. The program budget for 1999, however, amounted to only about 87.5 million French francs (or about C\$18.5 million).⁵⁰ Within this rather restricted budget, the Council has launched a program on education for democratic citizenship, as well as the European Secondary School Exchange Programme, both intended to promote cultural cohesion. As a minor supplement to these resources, the Council of Europe Development Bank (formerly the Social Development Fund) which provides loans to member countries for investments in health, education, social housing and the environment, was also directed by the Council of Ministers to contribute 1.5 million euros (C\$2 million) in 1999-2000 to finance work in support of social cohesion projects.⁵¹

⁴⁹ Council of Europe, "Social cohesion and Quality of life" at <http://www.coe.fr/dase/en/cohesion.htm> and "Political summary - Social cohesion and Quality of life" at <http://www.coe.fr/dase/en/cohesion/strategy/discuss/HDSE/politic.htm>

⁵⁰ "Budget of Expenditure - Financial Year 1999" at <http://www.coe.fr/cm/ta/res/1999/99x7a1.htm>

⁵¹ Council of Ministers, "Council of Europe Social Development Fund: Activities and Outlook", (667th meeting - 7-9 April 1999) at <http://www.coe.fr/cm/dec/1999/1999/667/17.htm>

PART 3 - CONCLUSIONS

The purpose of this report has been to examine what the European Union, the Organisation for Economic Cooperation and Development and the Council of Europe have said and done on the subject of social cohesion. An inductive approach to this issue, utilizing official documents of the organizations, has both advantages and disadvantages. On the plus side, it reflects *realpolitik* as it is actually practised and gives an unvarnished look at the sometimes messy business of moving forward on important public policy issues in a democratic context. On the minus side, induction takes time and does not provide a simple answer to a simple question. Often, it is only after painstaking analysis of a mass of documentation that one is able to discern credible patterns.

Despite the challenges of the inductive method, this examination *has* succeeded in clarifying the stances of the three organizations on social cohesion and providing insight on how they think it can be achieved. Moreover, despite the messiness of public policy formation, it has even been possible to trace the evolution of policy stances on the subject of social cohesion and to draw conclusions about how the organization's philosophical orientation has shaped and guided the policy process. This section summarizes the main messages derived from the material studied.

The implicit definition of “social cohesion” used by the three organizations has evolved from a fairly narrow economic and material focus to encompass elements related to social well-being, as well as cultural and democratic cohesion.

There is considerable evidence in the material examined to show that the notion of social cohesion has become more complex and less materialist over the past few years. Both the EU and the OECD began the 1990s with a fairly narrow conception of social cohesion as dependent on such factors as secure access to material well-being, but by the end of the decade the EU had recognized that protection of rights, active participation in society (as well as the economy) and a strengthened sense of citizenship were also important determinants of a cohesive society. The European Union has demonstrated the most change of the three organizations over the decade, explicitly reorienting policies and programs to address not only economic elements of cohesion, but also social and cultural ones. Of the three organizations, the OECD has remained the most conservative in its definition, tending to view elements of social policy, such as health, housing and education, as factors sustaining a healthy economy rather than a cohesive society. While the Council of Europe has had a broad definition of cohesion throughout the decade, it has only recently reinforced the programs and administrative structures needed to take explicit action on its definition.

There is greater consensus about what threatens social cohesion than on what promotes it.

All three organizations appear to agree about the economic threats to a cohesive society: unemployment, poverty and income inequality and exclusion from the Information Society. There is a lesser, but growing, consensus that social exclusion (defined as social, cultural, political and material deprivation) and the “rights deficit” (defined as a lack of attention to social and cultural rights) are also serious threats to social cohesion. An emerging concern within both the European Union and the Council of Europe appears to be citizens' weak attachment to and identification with Europe. This relates not only to lack of a sense of European citizenship, but also to questions of values – particularly the growth of individualism (partially fed by the increasing influence of American culture) and an erosion of the European tradition of “solidarity”.

An underlying anxiety about growing political disenchantment within the populations of member countries is also evident in the documentation of all three organizations, but is particularly apparent in OECD literature. Whether social unrest is merely “a symptom of a symptom” – arising from the other threats to social cohesion – or a threat in itself is not explored to any great extent. However, it does confirm that decision makers at the highest levels of these organizations are fundamentally concerned about questions of *social order* – a debate that, as Jane Jenson pointed out in *Mapping Social Cohesion: The State of Canadian Research*, has preoccupied both philosophers and governments since the 17th century.⁵²

In contrast to the extensive literature and partial consensus on threats to social cohesion, the three organizations do not appear to agree on what promotes social cohesion. The only area where a modest level of agreement exists is the belief that solidarity and the capacity for dialogue and cooperation of western democracies will help to overcome threats. A lesser degree of faith is also expressed, especially by the OECD, in the flexibility of these societies and in their capacity to balance competitive markets with a strong social fabric.

Combining Tables 1 and 2: Characteristics of a Cohesive Society?

<p>Political Freedom of expression, free flow of information, access to information, protection of human rights, application of the rule of law, political link between citizen and the state, active participation in society</p>	<p>Supporting factors Solidarity, renewal of civil society</p>
<p>Economic Stable and secure society, secure access to material well-being, regulation to correct market failure</p>	<p>Supporting factors Capacity to balance competitive markets with a strong social fabric, dematerialization and “culturalization” of the economy, potential of information technologies</p>
<p>Social Universal systems of social protection, access to housing, health care and education, freedom from crime and corruption, social links to the community, systems of social dialogue</p>	<p>Supporting factors Solidarity, capacity for dialogue and cooperation, societal flexibility and demographic change, renewal of civil society</p>
<p>Cultural Positive attitude to cultural diversity, strengthened sense of European identity</p>	<p>Supporting factors Culture and a sense of belonging, openness to cultural diversity</p>

Matching the implicit definitions with factors promoting social cohesion, as reflected in EU, OECD and Council of Europe literature, reveals more about their beliefs about social cohesion than an isolated reading of either.

Combining Table 1 and Table 2, and reprofiling the organizations’ views of both the various elements of social cohesion and the factors promoting it (see box below), provides a surprisingly comprehensive view of the socially cohesive society. It is a view, however, that represents a composite of elements from all three organizations; therefore, it cannot be considered to be

⁵² Jenson, p. 8.

universally accepted. Its main use lies in highlighting the strengths and weaknesses of current models.

On the negative side, current analyses of social cohesion by the three organizations appear to draw no clear distinctions between causes and effects. It is debatable, for example, whether political elements of social cohesion, such as freedom of expression and protection of human rights, are outcomes of a socially cohesive society or contributors to it. There is also no consensus about whether solidarity is a positive or negative contributor. The European Union and the Council of Europe believe that it is, but the OECD, in much of its literature, has taken a more negative view of public policy interventions that may distort markets.

On the positive side, this consolidation of elements and factors promoting social cohesion clearly shows that the “whole is greater than the parts”. All four sets of conditions – political, economic, social and cultural – need to be part of a cohesive society, even if organizations tend to place greater emphasis on one or the other of these areas in their individual analyses.

The absence of a generally accepted definition of social cohesion has not prevented the European Union, the OECD and the Council of Europe from using the concept to justify a wide array of activities intended to support greater cohesion.

Mateo Alaluf and the other participants at a recent Université de Bruxelles seminar on social cohesion and demographic trends concluded that the idea of social cohesion “creates a link between economic restructuring, social change and political intervention”, making it possible “to describe the same evolution either as a set of signs of worsening living and working conditions which idealise the past and lead to a conservative attitude of identity withdrawal” or “a means of spotting dysfunction and shortcomings” [which] indicates measures needed to reform society”.⁵³ There seems to be little sign of nostalgia in the various public pronouncements of the EU, the OECD and the Council of Europe with regard to social cohesion, except possibly for a few statements by the Council of Europe about eroding linguistic diversity as a result of American dominance of communication and information technologies. All three organizations are resolutely post-modern and outward-looking in their attitudes to identity, viewing globalizing economies as requiring a more proactive and tolerant attitude to diversity. Instead of a reticent or conservative reaction to increasing pressures on social cohesion, the three organizations appear to have taken advantage of definitional ambiguity to undertake a variety of actions across a wide range of social and economic domains, ranging from “soft” measures, such as policy research, to “hard” measures, such as financial subsidies.

Within the European organizations, “solidarity” and the “European way” are used to justify a remarkably (by North American standards) activist and interventionist approach to social cohesion. The European Union has expended billions of euros over the decade and will spend billions more euros during the next six years to reinforce cohesion in Europe. Much of this money in the past went toward combatting economic threats to social cohesion. However, at the turn of the millennium the EU appears to be directing more resources to issues of social exclusion, exclusion from the Information Society and measures to promote a sense of European citizenship, all in the name of strengthening social cohesion.

The Council of Europe, with its more limited resources, has chosen to establish specific decision making and responsibility centres for social cohesion (the European Committee for Social Cohesion and the Specialized Unit on Social Cohesion). Within the extensive network of

⁵³ Mateo Alaluf, Final Report - Seminar: Demographic trends and the role of social protection: the idea of social cohesion, p. 4.

committees and task forces sponsored by the Council, it has taken active steps to address threats to social rights and to cultural identity, viewing deficiencies in these areas as equally threatening to cohesion as social exclusion and material deprivation.

The OECD, which espouses a less interventionist philosophy, has nevertheless put extraordinary effort into persuading member countries to tackle unemployment, which it views as the primary threat to social cohesion. The OECD tends to favour community responsibility and social capital over government measures to promote a cohesive society, and recent program interventions within the OECD have encouraged decentralization and local partnerships as instruments for fostering social cohesion and social inclusion. However, the Organisation appears to continue to support state intervention to establish “active employment strategies” and to maintain the “stable and secure society” necessary for a prosperous economy.

Culture, identity and citizenship issues are emerging as the “new frontier” of social cohesion, although relatively few resources have so far been devoted to the subject by the three organizations. The theme of “belonging”, at both the national and the supra-national levels, is becoming more common in social cohesion discourse within Europe, as are the dimensions of citizenship in a world of multiple identities. The EU’s **Culture 2000** agenda and its decision to draft a Charter of Fundamental Rights move it more closely in line with the work of the Council of Europe, which has been focussing on these areas for a number of years. The EU has not yet, however, developed an analytic framework that comfortably integrates these elements with the social and economic factors that are thought to contribute to social cohesion. A reading of the literature produced by the organizations also suggests that neither the Council nor the EU has a clear sense of the direction of causality: does a strong cultural identity foster social cohesion or is it an outcome of cohesive society? Moreover, can the cohesion that in the past was derived from national identity be transferred upward to the transnational level?

Policy research has played a surprisingly large role in moving forward the organizations’ social cohesion agendas.

One of the most unexpected conclusions that can be drawn from the organizations’ literature is that policy research has been instrumental in laying the groundwork for “harder” interventions.

In the case of European Union, a series of policy research reports by the European Foundation for the Improvement of Living and Working Conditions, beginning in the late 1980s, described the growing gulf between the socially excluded and other Europeans, particularly within urban areas. This research was complemented by a Green Paper on Living and Working in the Information Society, published in 1994, and the findings of the Comité des sages, which in 1996 issued the report, For a Europe of civic and social rights. It is possible to trace, via EU communiqués, the evolution from this research to public consultations and from there to policy interventions, which spawned results ranging from the drafting of a Charter of Fundamental Rights to the launch of the eEurope Initiative.

In the OECD, the most notable instance of policy research leading to organizational measures was the 1994 Jobs Study, which led to the OECD Jobs Strategy. In the Council of Europe, the Human Dignity and Social Exclusion project contributed to a range of legislative resolutions which culminated in the development of a strategy for social cohesion and the creation of an organizational unit to address issues of social exclusion. Similarly, the Council’s report In from the margins has encouraged a more intense focus on the role that culture plays in creating and sustaining cohesive societies.

While it would be an overstatement to say that policy research alone was responsible for organizational actions on the issue of social cohesion, it would also be a mistake to ignore its

role in highlighting specific issues and in drawing them to the attention of decision makers.

Definitions of social cohesion are embedded in the organizations' histories, mandates and ideological outlooks, and actions taken to address threats are constrained by these factors as well as by resource limitations.

This examination of documents from the European Union, OECD and Council of Europe has reinforced an oft-noted feature of discussions of social cohesion – the term can mean many different things, depending on who is describing the concept, and can entail a variety of responses ranging from the reactionary to the innovative. Philosophical perspective does shape substance, even within organizations as large and diverse as the EU, the OECD and the Council of Europe. Despite a lack of theoretical rigour, the three organizations appear to have a fairly clear idea of the nature of the threats they are confronting and have taken steps that are more than symbolic to tackle them.

The European Union, as noted in the **Conclusions** of Part 4.1, (page 61) has faced huge challenges in completing the Single Market and the monetary union. Due to a convergence of exogenous factors, such as globalization and the information revolution, its “economic project” has become inextricably intertwined with the social restructuring of European society. Its history is one of increasing integration, harmonization and cooperation among European nations, and it is this mandate, supported by its overarching philosophy of “solidarity”, that has shaped both its definition of social cohesion and the actions that it has taken to strengthen it. Of late, it has taken a more active approach to fostering social rights and inclusion, which it views as key elements of social cohesion and European citizenship. In addition to its considerable legislative powers, its resource base, in comparison to that of the OECD and the Council of Europe, is huge, enabling it to intervene massively to counteract both economic and social pressures on social cohesion. But, arguably, it would not have done so if it had not already been predisposed toward such intervention.

The OECD has as its central mandate to achieve the highest sustainable economic growth and employment in member countries, while maintaining a rising standard of living and financial stability. Over the years, it too has evolved beyond its strictly economic mandate to examine and offer advice on labour, social affairs, education, science, technology, health and environmental policies, but its definition of social cohesion remains firmly anchored to the priority of material well-being. As an organization which relies mainly on knowledge-based investigation and moral suasion to achieve its ends, it cannot intervene to the same degree as the EU to address threats to social cohesion. However, even if it had the means, its philosophical aversion to state interference in the social and economic spheres would likely prevent it from doing so.

The Council of Europe's major priority is to foster human rights and fundamental freedoms within the European community of nations, and of the three organizations examined, it has the broadest definition of social cohesion, which interlinks political, social and cultural elements with economic dimensions. Throughout its history it has served as a forum for dialogue and for common standards in social, cultural, economic, scientific and legal policy areas. It functions through a dense network of committees and legislative bodies, consisting of both elected and official representatives of member states, and has drafted more than 160 legal conventions governing a diverse array of issues. Given this background, it is not surprising that the Council tends toward a more interventionist approach against threats to social cohesion than the OECD. On the other hand, it lacks the resource base of the EU and is therefore unable to use the power of the purse to achieve its vision of social cohesion. Like the OECD, it tends to rely on the power of its ideas to broker change, but unlike the OECD, it possesses a variety of legal instruments,

such as the *European Social Charter*, which it uses to counter the inequality and exclusion that it sees as the main threats to social cohesion.

Action is eloquence (William Shakespeare) – Lessons for Canada

A country such as Canada cannot draw wholesale lessons from the examples of the European Union, the OECD and the Council of Europe. Each of these organizations' member countries has unique problems which affect social cohesion in differing ways. Therefore, lessons drawn about the measures they have taken to promote social cohesion must always be tempered by circumstances.

Nevertheless, if one judges by what the three organizations are currently doing, it is evident that many similar Canadian policies and programs, primarily justified for other reasons, may also have an impact on social cohesion here. For example, major social programs and transfers, such as employment insurance, the Canadian Health and Social Transfer (CHST) and equalization payments from the federal government to the "have not" provinces, play important roles in reducing the regional disparities and income inequalities that threaten social cohesion. Similarly, programs designed to promote human rights, active citizenship, cultural participation and a cleaner environment may also be contributing to a more cohesive Canadian society. However, the "positive externalities" of such measures for social cohesion are not generally recognized in this country.

As a general rule, subtler, non-economic threats to social cohesion have not yet been thoroughly explored in Canada. For example, all three of the organizations profiled in this study appear to be further advanced than Canada in recognizing and addressing the societal risks posed by social exclusion and the divide between the information-rich and the information-poor. The European Union, in particular, has focussed considerable resources on poverty and quality of life issues in urban neighbourhoods, both of which are seldom mentioned in social cohesion discourse in Canada. Both the EU and the Council of Europe are more active than Canada in utilizing cultural programming as an instrument to promote cohesion. They have also been significantly more assertive in taking the results of policy research in these areas and translating them into policy and program interventions.

One can conclude that in the EU, the OECD and the Council of Europe, the ambiguity of the concept of social cohesion has opened up space for a host of actions which speak as loud as words. Canada can take some credit for measures taken which indirectly reinforce social cohesion in this country, but public policy would benefit from a more comprehensive assessment of the benefits flowing from these measures, as well as of key areas where words have not yet been translated into action.

PART 4 - ORGANIZATION PROFILES

4.1 European Union (EU)

Relevant History

The European Union is an entity created by a set of treaties signed by member states in Europe. The *Treaty of Rome*, signed in 1957, created a customs union between six European states and sought to harmonize national policies in four areas: freedom of movement of workers, freedom of establishment, freedom to provide services and free movement of capital. The main governing bodies set in place by the *Treaty of Rome* include:

Council of Ministers - the principal decision making body of the EU, consisting of Ministers from member states, who meet regularly on particular subject areas. The Council is responsible for authorizing and concluding international negotiations and for coordinating national and EU policies.

European Commission - the college of twenty Commissioners responsible for EU portfolios which initiates legislation, regulations and directives and manages the day-to-day operation of common policies.

European Parliament - a body of 626 members directly elected by the citizens of the member states. The Parliament cannot initiate legislation, nor do the Commissioners report to it. However, it does have budget approval powers.

The EU has grown from the original six members in 1957 to 15 today. Currently, 12 additional states (principally from Eastern and Southern Europe) have applied or are about to apply for membership.⁵⁴

While the concerns of the European Union in its early days were primarily economic, in the 1970s, the European Commission proposed a Social Action Programme that launched legislative initiatives in the fields of employment law, equal opportunities, and health and safety at work. It also established the European Social Fund (described below).

In 1987, the *Treaty of Rome* was amended by the *Single European Act*. The chapter on economic and social cohesion in the *Single European Act* signalled the beginning of a heightened concern about social issues by the EU. That *Act*

- provided for a fundamental reform of the Structural Funds, which have become a major instrument for strengthening social cohesion within the Union; and
- provided the basis for the development of a *Social Charter*, signed in 1989 by 11 of the 12 members (the United Kingdom abstained), which contained 47 initiatives covering the workings of the labour market, pay and employment, improvement of living and working conditions, collective bargaining, freedom of movement, equal treatment of men and women, worker information and consultation, health and safety and vocational training.⁵⁵

⁵⁴ "European Union: a brief guide", Department of Foreign Affairs and International Trade, Memorandum dated February 5, 1997.

⁵⁵ "Employment and Social Policy", EU Web page at: <http://europa.eu.int/pol/socio/en/info.htm>

In 1989, the EU launched its second Social Action Programme aimed at implementing the Community Charter of Fundamental Social Rights for Workers and to develop the social dimension of the single market.

In 1993, the *Treaty on European Union* (the *Maastricht Treaty*) went a step further by making economic and social cohesion one of the three priorities of the Union, along with the Single Market and the European Monetary Union (EMU). This *Treaty* also created the Cohesion Fund and amended the European Social Fund to accommodate new forms of intervention (see below).⁵⁶

Also in 1993, the European Commission published a Green Paper on European Social Policy, which concluded that growing unemployment in Europe was a structural problem, not a cyclical one that could be addressed by increasing GDP alone. This was followed up in 1994 by a White Paper on European Social Policy that argued for a new mix between economic and social policy. The main themes of the White Paper were that competitiveness and social progress could flourish together and that Europe needed an adaptable, educated and motivated workforce that only social policy could create.⁵⁷

In 1995, the Commission adopted its third Social Action Programme covering the period 1995-1997. The three main messages of the Programme were that:

- Ⓒ the extent of socio-economic change in Europe required a dynamic and flexible European vision;
- Ⓒ social policy was at the heart of the process of European integration;
- Ⓒ social and economic policy needed to be more closely aligned.⁵⁸

By the late 1990s, it had become apparent that the EU required a more focussed and coordinated approach to issues of social cohesion and social exclusion. In May 1999, Article 137 of the *Amsterdam Treaty*, which amended the *Treaty on European Union* to provide for incentive measures to combat social exclusion, came into force. Building on the success of the EU's Employment Strategy (described below), Article 137 was intended to facilitate a concerted strategy on a range of issues that are linked to social inclusion, including social security, health, education, housing and infrastructure investment.⁵⁹

Definition of social cohesion

The European Union has no official definition of social cohesion, but several documents published or supported by the Commission or other EU bodies provide elements of a definition.

In a document on the operation of the EU's Structural Funds, an attempt is made to define social cohesion in operational terms:

A starting point would be to link social cohesion with the objectives of the European model of society which is founded on the notion of the social market economy ... The solidarity dimension is given practical effect through universal systems of social protection, regulation to correct market

⁵⁶ European Union, First Report on Economic and Social Cohesion 1996, (Luxembourg, 1996), p. 89.

⁵⁷ EU Web page on "Employment and Social Policy". In the EU a Green Paper is a Commission document released for public discussion and debate. A White Paper presents a detailed policy for political discussion and decision.

⁵⁸ EU Web page on "Employment and Social Policy".

⁵⁹ European Commission News Release, "Towards a Europe for all: how should the Community support Member States in their efforts to promote social inclusion?", (Brussels, 28 May 1999), at: http://europa.eu.int/comm/dg05/soc.../soc-incl/news/socinclusion_en.htm

failure and systems of social dialogue.

The promotion of social cohesion requires the reduction of the disparities which arise from unequal access to employment opportunities and to the rewards in the form of income. Such inequality tends to have serious social consequences through the marginalisation of sections of society, such as the long-term unemployed, the young unemployed and the poor. The incidence of poverty is also a result of policy choices affecting inter-personal income transfers.⁶⁰

A related attempt at defining social cohesion has been made by the European Foundation for the Improvement of Living and Working Conditions, a body that was established by the European Council of Ministers in 1975 to “contribute to the planning and establishment of better living and working conditions through action designed to increase and disseminate knowledge likely to assist in this development.”⁶¹

The Foundation defines social cohesion in terms of the challenges it poses:

Today the marginalisation of significant social groups -- young people, women, the elderly and older workers, the long term unemployed, the disabled -- is a major challenge to the social cohesion of the Union.⁶²

The Foundation goes further to describe two challenges for policy makers in this context:

- C What can we do about the gulf which has appeared, and is widening between those who benefit from change and those who do not? These latter become the “marginalised”, “excluded”, or “underclass”. How can we narrow the gulf and build bridges across that gulf?
- C How can we best support and assist those who have been adversely affected by change, both to cope with its effects upon them, and to turn it from threat to opportunity?

The choices, as seen by the Foundation, are between a “dual” society and an “active” society, which are defined as follows:

A “dual” society, in which wealth is created by a highly qualified labour force, using capital equipment based on advanced technology, and income is then transferred to the non-active, through social security payments, as the basis for some measure of social justice.

An “active” society, in which there is a wider distribution of income, achieved by means other than social security transfers, and in which every person feels that she or he can contribute, not only to production, with all those who wish to work having a reasonable chance of access to employment, but also by participation in the life and development of society.

In the opinion of the Foundation, only the “active” society can be socially cohesive because the “dual” society means that “some citizens will be doomed to long periods, even lifetimes, of unfulfilled potential at best and poverty at worst”. It goes on to observe that this “will also mean the persistent undermining of the economic competitiveness of Europe, because where social cohesion is lacking there is a cost.”⁶³

⁶⁰ First Report on Economic and Social Cohesion 1996, p. 14.

⁶¹ Colin Ball, Bridging the Gulf - Improving social cohesion in Europe: the work of the European Foundation for the Improvement of Living and Working Conditions, 1984-1993. (Dublin, 1994), Preface.

⁶² European Foundation for the Improvement of Living and Working Conditions, Social Cohesion Publications, (undated booklet), p. 5.

⁶³ Bridging the Gulf, p. 2.

Surprisingly, perhaps, the European Union has made little effort until recently to explore the conceptual roots of the term “social cohesion”. However, in September 1999, the European Commission provided support for a seminar at the Free University of Brussels on the topic of *Demographic trends and the role of social protection: the idea of social cohesion*. In the report emanating from that seminar, it was observed that “the idea of social cohesion ... rarely seems to be defined”. As a result, the seminar undertook to review definitions and uses of the words “social cohesion” and to focus on the implications of European demographic trends for labour and employment, social protection, education and training on that continent.

Seminar participants speculated about why the idea of social cohesion has returned to the centre of policy discussions, observing that the “current success of the idea of social cohesion is accounted for by the fact that ... it creates a link between economic restructuring, social change and political intervention”. The seminar report quotes a study by Goran Therbon which distinguishes three dimensions on which a definition of social cohesion may be based:

- trust - in particular in institutions
- a feeling of belonging - based on individuals’ social integration
- a willingness to show solidarity (in terms of social and fiscal contributions) to society.

In implicitly endorsing this definition, the report noted that “social cohesion, linked with the integration capacities of complex and pluralistic societies, cannot be separated from access to employment, social protection and intermediate groups, which are the characteristics of the modern social State.” Given this requirement for social cohesion, the seminar participants concluded that:

The concept of social cohesion is historically linked with a view of social rights based on solidarity. Social cohesion is therefore linked to three other ideas: civil society, which generates it, social capital which maintains it and social exclusion, which threatens it.⁶⁴

Citizenship rights, particularly social rights as defined by T.H. Marshall his landmark study *Citizenship and Social Class*, were identified as fundamental to a political redefinition of social protection that will be required if states are to reinforce the criteria of trust, belonging and contribution lying at the heart of the seminar’s definition of social cohesion. As will be seen below, the European Union’s actions with regard to unemployment and its impact on social protection schemes are indeed heading towards a much more explicit focus on the question of rights and social cohesion than has been evident in North America.

Major threats to social cohesion

The European Union and many of its agencies have carried out extensive analyses over the past decade of threats to social cohesion. A review of the literature produced on this topic suggests that the major threats, which are discussed in some detail below, are:

- | | |
|------------------------------------|--|
| ⊆ unemployment | ⊆ lack of a sense of European citizenship |
| ⊆ poverty and regional disparities | ⊆ deterioration of the environment and quality of life |
| ⊆ social exclusion | ⊆ exclusion from the Information Society. |
| ⊆ rural deprivation | |
| ⊆ urban distress | |

⁶⁴ Mateo Alaluf, *Final Report - Seminar: Demographic trends and the role of social protection: the idea of social cohesion*, (Brussels, 1999) at <http://www.ulb.ac.be/project/tef/cohsocen.html>

Unemployment

Widespread and long-lasting unemployment is by far the greatest social cohesion issue within the EU. This concern is expressed most often in economic terms, but over the past five to seven years, a heightened sense of the social threats posed by long-term, intractable unemployment has become more evident. The dimensions of the problem are disturbing:

- C About 14.5 million citizens, or about 8.5% of the workforce, were unemployed in mid-2000. This was, however, considerably improved from the mid-1990s when about 18 million citizens, or about 11% of the workforce, were without paid work.
- C The average rate of youth unemployment in the EU in 2000 was about 16%, representing a total of 5 million young people under the age of 25. In some member countries, it remains at unacceptably high levels: almost 27% in Spain around 25% in Italy and approximately 20% in France.
- C Unemployment among women is significantly higher than among men, averaging about 10% in 2000, as compared to about 7% for men. In Spain and Greece, the unemployment rate for women is over twice as high as for men.
- C In the EU in 1995, 49% of those unemployed and seeking work had been unemployed for a year or more (as compared to only 12% in the US) Long-term unemployment was over 55% in Spain and over 60% in Italy and Ireland. This is a particularly serious problem for older workers. A survey in 1995 indicated that 62% of the unemployed aged 55 to 59 had been out of work for more than a year, and two-thirds of these had been unemployed for more than two years.⁶⁵

The main implications of unemployment, particularly persistent and long-term unemployment are increasingly couched in the language of social exclusion.

High long-term unemployment creates problems of its own which are particularly intractable. Those affected face social exclusion, a loss of confidence, a degradation of their skills and increasing difficulty finding a job the longer they are out of work, reinforced by the general reluctance of employers to take on people who have not worked for some time.⁶⁶

While the impact of continuing structural change and globalization on all industries is recognized as central to the growing unemployment problem, analysis has begun to broaden outside the economic sphere to examine its social and environmental implications. The European Foundation for the Improvement of Living and Working Conditions has been particularly active in promoting a holistic approach, concluding that “policies ... must treat the needs of people affected by change as a whole and not as if they can be separated into “compartments” marked “economic”, “social”, “environmental”, and so on. Social, economic and environmental policies must, in other words, be linked.”⁶⁷

There is some evidence that the EU has begun to take this message to heart. In 1996, it commissioned a survey of 65,000 Europeans in all 15 member states to identify their expectations and concerns about the future of Europe. This poll discovered that 84.7% of Europeans would like to see the Union produce joint programs to combat unemployment. In response, the EU has concluded that it:

⁶⁵ First Report on Economic and Social Cohesion 1996, pp. 42-44.

⁶⁶ First Report on Economic and Social Cohesion 1996, p. 43.

⁶⁷ Bridging the Gulf, p. 3.

must play a part in the fight against unemployment, seen as the plague of the closing years of the 20th century. It must help to combat exclusion and discrimination, to guarantee a certain degree of social cohesion and to defend the European social model. It cannot assume the job-creation role played by the States, the regions, local authorities, social partners and companies. Nevertheless, it can do a great deal to coordinate efforts, encourage and publicize new initiatives, and above all, take employment issues into consideration when formulating policies.⁶⁸

Poverty and Regional Disparities

Differences in employment and productivity growth among the member countries of the EU have contributed to stubbornly persistent regional disparities within the Union.

The incidence of poverty in the 1980s was generally higher in the southern parts of the Union than in the northern parts. For example, the poverty rate in Portugal in the late 1980s was 27% and in Italy and Greece, it was 22% and 20% respectively. However, in Denmark and Belgium 5% and 7% of the population respectively fell below the poverty line. During the 1980s, only Ireland and Spain had substantial declines in the proportion of households living below the poverty level.⁶⁹ More generally, in 1993, income per head in the four poorest members states, Greece, Spain, Ireland and Portugal, was 74% of the EU average, an increase of only 8 percentage points over ten years, or about one-quarter of the gap between them.⁷⁰

This is seen as problematic in the light of a commitment made in Article 130a of the *Treaty on European Union*, where one of the objectives of “harmonious development” is “reducing disparities between the levels of development of the various regions and the backwardness of the least favoured regions, including rural areas”. Such disparities are viewed as implying not only a poorer quality of life and lack of opportunity in disadvantaged regions, but also as “an under-utilisation of human potential and a failure to take advantage of economic opportunities which could benefit the Union as a whole.”⁷¹

Social Exclusion

The linkage between poverty, social exclusion and social cohesion is a complex one that has only recently been recognized in EU. “Social exclusion”, as defined by in EU publications reflects this complexity:

The term social exclusion is intended to recognize not only the material deprivation of the poor, but also their inability to fully exercise their social, cultural and political rights as citizens. It suggests that where material living standards and citizen rights of significant numbers of people are restricted by persistent, multiple and concentrated deprivation, social cohesion is threatened. As the concept of social exclusion has become more widely accepted, this has involved important shifts in perspective from previous understandings of poverty:

- * from a focus on income and expenditure to a wider view of multi-dimensional disadvantage;
- * from a static picture of states of deprivation to a more dynamic analysis of processes;
- * from a focus solely on the individual or household to a recognition that it is within the local community that disadvantage is experienced.⁷²

⁶⁸ EU Web page “Building Europe Together” at: <http://europa.eu.int/en/comm/dg10/build/en/main.htm>

⁶⁹ *First Report on Economic and Social Cohesion 1996*, p. 45.

⁷⁰ *First Report on Economic and Social Cohesion 1996*, p. 19.

⁷¹ *First Report on Economic and Social Cohesion 1996*, p. 13.

⁷² Mike Geddes, *The Role of Partnerships in Promoting Social Cohesion*, European Foundation for the Improvement of Living and Working Conditions Working Paper No. WP/95/38/EN, (Dublin, 1995), p. 5.

Four broad groups of linked factors are seen to be contributing to social exclusion in the EU:

- C *Economic and social restructuring*, particularly the shift to less labour-intensive production methods and the increase in low-paid, part-time work (which means that poverty is now common even among Europeans with jobs).
- C *Demographic and social change*, particularly the weakening of family networks, increasing numbers of young, lone parent families, increasing homelessness, ageing of the population (all of which are straining the supportive capacity of communities).
- C *Reshaping of the welfare system and public services* due to the impact that high unemployment has had on the tax base. (In some parts of the EU the inability of the welfare system to cope has resulted in community breakdown.)
- C *Changing modes of political representation*, particularly the weakening of some established political parties, erosion of trade union membership and weakening of traditional patterns of consultation between social partners.⁷³

Europeans in general appear to share the conviction of their governments that social exclusion is and will remain a significant problem. A 1997 Eurobarometer poll which asked about expectations for the 21st century found that 56% of Europeans believed that even more people in their country would be poor and socially excluded in the new millennium.⁷⁴

Rural deprivation

Rural economies are undergoing structural change due to the modernizing and intensification of the production process, and this is leading to:

- C a decline in agricultural employment (agriculture accounts for over 30% of employment in only 10 of the EU's 166 regions -- all located in Greece, Italy and Spain);
- C pockets of rural poverty, particularly among vulnerable groups such as the elderly, the young, housewives and the disabled;
- C loss of facilities, such as public transportation, that have traditionally acted as agents of social cohesion among vulnerable groups.⁷⁵

The impact on social cohesion of EU's Common Agricultural Policy (CAP), which is based mainly on market price support of farm output, has been at least partially regressive. Denmark and France, two of the richest members of the EU, have been net beneficiaries of farm support, while Portugal, one of the two poorest and most agrarian countries, has been a net loser.⁷⁶

Urban distress

In the EU, between two-thirds and three-quarters of total wealth creation takes place in urban areas. Prosperity is therefore increasingly becoming concentrated in growing cities at the expense of declining hinterlands. For example, in Lisbon, Portugal, GDP per head increased

⁷³ The Role of Partnerships in Promoting Social Cohesion, pp. 6-7.

⁷⁴ Eurobarometer No. 49, May 1997.

⁷⁵ European Foundation for the Improvement of Living and Working Conditions, Mobility and Social Cohesion in the European Community -- A Forward Look, (Dublin, 1991), pp. 96-7).

⁷⁶ First Report on Economic and Social Cohesion 1996, p. 62.

from 81% of the EU average in 1983 to 96% in 1993, while in the neighbouring region of Alentejo, it fell from 48% to 42%.⁷⁷

Despite this trend, officials in the EU are becoming more concerned about pockets of urban poverty and unemployment where social exclusion is growing and social cohesion weakening. Statistics are difficult to obtain, but in one EU publication indicated that “national sources point to unemployment rates of 30% and more -- and occasionally as high as 50% -- in some districts.”⁷⁸ However, the problem goes beyond unemployment to encompass a set of related difficulties:

- C social housing issues, particularly the difficulties faced by unemployed and poor young people;
- C transportation issues, where disadvantaged urban dwellers find themselves “sealed” into poorly resourced local environments;
- C rising crime (identified by almost 70% of Europeans in the 1996 poll as being of fundamental concern).⁷⁹

Lack of a sense of European citizenship

The idea of European citizenship has become an increasingly important element of EU thinking about social cohesion. One official document put it this way:

The only true foundation for integration in Europe is a sense of common purpose and solidarity on the part of all its people. Any notion of European cohesion is inevitably intertwined with that of citizenship, democracy and solidarity.⁸⁰

The notion of European solidarity is viewed as central to the preservation of social and economic cohesion, and the dialogue (as well as various official documents) have frequently utilized the vocabulary of “rights” to define the challenges:

Europe cannot be built on unemployment and social exclusion, nor on a shortfall in citizenship. Europe will be a Europe for everyone, for all its citizens, or it will be nothing. It will not tackle the challenges now facing it -- competitiveness, the demographic situation, enlargement and globalisation – if it does not strengthen its social dimension and demonstrate its ability to ensure that fundamental social rights are respected and applied.⁸¹

Up until quite recently, the EU’s social policies were expressed in somewhat vague terms and were largely subsidiary to its economic objectives. Social rights are still defined outside the Treaty and apply mainly to workers. Since social rights would specify an entitlement to certain benefits and services involving costs to member states (for example, rights to education and training, health care, work, a minimum level of income in the event of unemployment, a retirement pension), they are inseparable from the social policies that give them effect. Such linkage implies a broad political and social consensus on, at least, minimum standards, and is therefore contingent on a participatory and democratic approach to ensure that “society is more fully permeated by the shared values which the rights express.”⁸² A heightened interest in the

⁷⁷ First Report on Economic and Social Cohesion 1996, p. 25.

⁷⁸ First Report on Economic and Social Cohesion 1996, p. 28.

⁷⁹ Bridging the Gulf, p. 24 and “Building Europe Together” Web page.

⁸⁰ First Report on Economic and Social Cohesion 1996, p. 47.

⁸¹ Comité des Sages, For a Europe of civic and social rights, (Luxembourg, 1996), p. 23.

⁸² For a Europe of civic and social rights, pp. 39-40.

fundamentals of “active citizenship” is therefore evident in the most recent EU pronouncements on social cohesion.

Deterioration of the environment and quality of life

Sustainable development is seen as a social cohesion issue by the EU for the following reason:

... there is concern about the consequences of economic growth for the environment, in terms of increased congestion, pollution and degradation. This has given rise of a concern with “inter-generational cohesion” and the need for national and regional development to be *sustainable* over the longer-term.⁸³

Besides trying to incorporate environmental projects into regional development programs (for example, investments in clean water, waste management and land reclamation), the EU is also focussing more explicitly on “quality of life” as a factor in both economic and social cohesion, particularly among the poorer regions.

The notion of “environment” has been expanded in EU research activities to include elements of the urban infrastructure, such as housing stocks and public spaces. In some cases, development in these areas is seen as contributing to social exclusion:

The changing urban environment reflects the changing nature of national and international labour markets, changing fiscal priorities and changing life-styles. For some groups, this will enhance both living and working conditions. But for others, notably lower income, elderly and young single adults, single parent families and ethnic minorities, opportunities are likely to be more constrained. A shrinking job market, the physical decay of the residential stock in many countries, public expenditure restraint and increased recourse to market solutions, promise a more hostile urban environment for lower income households ...⁸⁴

Exclusion from the Information Society

In 1996, the European Community produced a Green Paper entitled Living and Working in the Information Society: People First which proposed for discussion a set of common principles on which to base public policies on the Information Society. With regard to social cohesion, the Green Paper observed that:

... the transition to the Information Society also poses challenges to social cohesion. People living in isolated rural communities or in deprived inner city areas, people who are not in work or in education are unlikely to encounter, or have access to new technologies. This brings the danger of creating a two-tier Information Society. It must therefore be accompanied by a strategy designed to enhance active participation within our communities. Revitalising local communities and promoting a sense of proactivity in the Information Society is important because:

- revitalised communities are better able to generate employment opportunities and wealth in the global marketplace,
- ICTs (Information and communication technologies) have an important potential to support more cohesive and integrated communities and to reduce the exclusion facing disadvantaged groups,

⁸³ First Report on Economic and Social Cohesion 1996, p. 46.

⁸⁴ Extract from Living conditions in urban areas, published by the European Foundation for the Improvement of Living and Working Conditions in 1986, quoted in Bridging the Gulf, p. 11.

- for those who are unemployed on a long-term basis, new ways of playing an active role in society need to be found.⁸⁵

An Information Society Forum, established in conjunction with the Green Paper, also noted that it was “aware of anxieties about the emergence of a dominant global culture (usually a reference to the US) at the expense of national and minority cultures.” The Forum did not necessarily share these anxieties, but indicated that an appropriate legal framework would be needed to ensure that Europe’s culture and linguistic diversity was strengthened, not threatened.⁸⁶

Major factors promoting social cohesion

Major factors promoting social cohesion within the European Union are not often explicitly discussed. However, a review of the literature suggests that the following are important elements in sustaining social cohesion within the Union:

- C solidarity - “the European model”
- C culture and belonging

Both are discussed in more detail below.

Solidarity - “the European model”

One of the principal factors promoting social cohesion within the EU is Europe’s strong commitment to a European social model “built both on competition between enterprises and solidarity between citizens and member states”.⁸⁷ The principal feature of this model is the commitment to combat poverty and to correct large income inequalities through taxes and social transfers. This balanced approach was summarized by former Commissioner Pádraig Flynn in the following terms:

We have steered a unique course in the world between excessive liberalism, which risks social fragmentation, and excessive paternalism, which stifles initiative and innovation. That balance has equipped us to embrace continuous structural economic change -- at work, in the home, and in society at large. It has proved the oil of change at important moments in our history, at times of great upheaval. This combination, of supportive social policies and positive economic policies, has enabled the Union to establish Europe’s place in the world; driving enlargements, past and pending.⁸⁸

Globalization and competition, as well as deficit reduction by member states in preparation for the EMU, have put this model under pressure. Nevertheless, the time and resources being put into addressing threats to social cohesion (see below) would suggest a continuing commitment to social solidarity and to the promotion of social cohesion. This commitment is perhaps best summarized by the Comité des sages that was convened by the European Commission in 1995-96 to examine the question of social rights when it declared that “competitiveness cannot be improved by dismantling the welfare state or by reducing minimum social standards. What

⁸⁵ Paragraph 109, Chapter 5.5, Living and Working in the Information Society: People First, (EU COM (96) 389, 1996) at: <http://www.peoplefirst.agenda-comm.ie:80/english/themed1/extracts.htm>

⁸⁶ Paragraph 9, Information Society Forum Report, extracted at: <http://www.peoplefirst.agenda-comm.ie:80/english/themed1/forum.htm>

⁸⁷ Living and Working in the Information Society: People First, paragraph 124.

⁸⁸ Speech by Pádraig Flynn, “Social Policy and Economic Performance”, Presidency Conference, (Amsterdam, January 23, 1997), on EU Web page at: <http://europa.eu.int/en/comm/dg05/speeches/970123pf.htm>

we have to do is change and overhaul our social system”.⁸⁹

Culture and belonging

Article 128 of the *Treaty on European Union* (1993) states that “The Community shall contribute to the flowering of the cultures of the Member States, while respecting their national and regional diversity and at the same time bringing the common cultural heritage to the fore”.⁹⁰ This is a somewhat unfamiliar role for the Union, which had in previous years left cultural development to the member states. In the context of social cohesion, the EU has identified two areas where culture could have a potentially positive impact:

Citizenship and belonging - The “deepening” of European union requires increased citizen involvement and a reinforcement of the a sense of belonging to the EU. Cultural action is seen as having a major role to play.⁹¹

In a free and democratic society like our own, lifelong access to knowledge and culture, the right to express an opinion, emotions or sentiments, the right to participate in contemporary creativity are inalienable values, inextricably linked to the very notion of citizenship which we should preserve and guarantee within the European Union.⁹²

Employment - Culture is also seen as a major creator of employment, both directly (through the creation of jobs in the culture and heritage field) and indirectly (due to the effects of cultural tourism).⁹³ Far from being a minor contributor, the potential impact of cultural employment is seen to be significant:

There is therefore a need to develop and refine the tools for evaluating the cultural dimension in Community social policies based on the fact that the sector of leisure activities, art and culture in general nowadays probably employs as many people as the automobile industry and more than the clothing and footwear production sector.⁹⁴

EU measures to address threats

The EU is responding to threats to social cohesion in myriad ways, many of which have complex interconnections. To bring a somewhat artificial order to this section, the description of measures will follow the same framework used to outline threats:

- C unemployment
- C poverty and regional disparities
- C social exclusion
- C rural deprivation
- C urban distress

⁸⁹ For a Europe of civic and social rights, p. 14.

⁹⁰ Article 128, *Treaty on European Union*, extract quoted on EU Web page at: <http://europa.eu.int/en/comm/dg10/culture/en/general.html>

⁹¹ European Union, “Introduction”, First Report on the Consideration of Cultural Aspects in European Community Action, (1996,) on EU Web page at: <http://europa.eu.int/en/comm/dg10/culture/cult-asp/en/index.html>.

⁹² “Citizens’ access to culture”, EU Web page at: <http://europa.eu.int/en/comm/dg10/culture/en/action/citizens.html>

⁹³ DG X, “Action by the European Union regarding Preservation of Cultural Heritage”, on EU Web page at: <http://europa.eu.int/comm/dg10/culture/en/heritage/raphael.html>

⁹⁴ Chapter II, “Culture, Social Policy and Human Resources”, First Report on the Consideration of Cultural Aspects in European Community Action (from EU Web page cited above).

- C lack of a sense of European citizenship
- C deterioration of the environment and quality of life
- C exclusion from the Information Society

It should be noted that huge areas of social policy will be summarized in this section and that, since the intention is to focus on measures related to social cohesion, the descriptions of policies and programs are not comprehensive, particularly with regard to human resource and employment initiatives.

Measures to combat unemployment

The Structural Funds

There are four Structural Funds, which together with the Cohesion Fund (described in the next section), account for around one-third of the budget for EU policies.⁹⁵ They are summarized in Table 7.

Table 7 - European Union Structural Funds 1994 - 1999			
Fund	Year Created	Objectives	Resources
European Regional Development Fund (ERDF)	1975	<ul style="list-style-type: none"> - Strengthening economic potential of regions - Supporting structural adjustment - Promoting growth and lasting employment 	80.5 billion ECU (C\$128.8 billion)
European Social Fund (ESF)	1957 Reformed 1988	<ul style="list-style-type: none"> - Combatting long-term unemployment - Improving the employability of young people - Promoting adaptation to industrial change - Financing vocational training and employment support measures - Improving educational systems - Developing certification systems and training trainers 	47.0 billion ECU (C\$75.2 billion)
European Agricultural Guidance and Guarantee Fund	1962, as part of the Common Agricultural Policy	<ul style="list-style-type: none"> - Modernizing production and developing rural areas 	23.7 billion ECU (C\$37.92 billion)
Financial Instrument for Fisheries Guidance	1994 (replacing a number of separate funds operating since 1976)	<ul style="list-style-type: none"> - Modernizing and developing fishing industry 	2.9 billion ECU (C\$4.64 billion)

⁹⁵ First Report on Economic and Social Cohesion 1996, p.89.

Support under the Structural Funds, totalled about 208 billion euros (C\$292.6 billion)⁹⁶ over the five years of the 1994-1999 program, and was allocated according to seven overall objectives, only three of which were Community-wide. These latter three Objectives absorbed about 15% of total resources in the Structural Funds:

- Objective 3 Facilitated the integration of young people and the long-term unemployed into the labour market - 9.4% of total resources
- Objective 4 A preventive measure to assist the adaptation of workers to industrial change - 1.6% of total resources
- Objective 5a Promoted the adjustment of the agricultural and fisheries sectors - 4.4% of total resources

However, it should be noted that even the four regional Objectives, which accounted for 85% of expenditures under the Structural Funds, made substantial investments in employment. When examined in terms of functional investment, Fund allocations were as follows:

- Infrastructure Investment in transport, telecommunications, energy networks, water supply and environmental protection - 30% of total resources
- Human resources Investment in strengthening education and training systems and supporting labour market policies - 30% of total resources
- Productive environment Investment in industry, particularly internationally-competitive small and medium-sized enterprises, promotion of research and technological development, tourism development, reclamation of derelict industrial sites - 40% of total resources⁹⁷

Despite the significant expenditures on Objective 3 (improving labour market access) over the 1989-93 program period, the EU concluded that “the policy was not successful in reaching the most vulnerable groups”, and in 1993 Objective 3 guidelines were adjusted to diversify the types of action financed and to widen the target groups to ensure that the needs of the most seriously excluded were addressed.⁹⁸

In July 1997, the European Commission proposed in its **Agenda 2000**, that the Structural Funds and Cohesion Fund for the period 2000-2006 be expanded to 213 billion euros (C\$300 billion) and that the seven priority Objectives be reduced to three: two regional Objectives and a horizontal Objective for human resources:

- Objective 1 Aid to regions whose per capita GDP is less than 75% of the Union average. Additional support will be granted to regions with very high unemployment.
- Objective 2 Aid to areas affected by change in the industrial, services or fisheries sectors, rural areas in serious decline and urban districts in difficulty. This will include all forms of structural support, including measures linked to human resources.

⁹⁶ The conversion factor used for the ECU is the exchange rate in December 1997, when 1 ECU = 1.6 Canadian dollars (approximately - subject to daily fluctuations). For figures quoted after conversion to the common currency – the euro – the conversion rate used in this paper is the exchange rate in June 2000 - 1 euro = 1.4 Canadian dollars (also approximate and subject to daily fluctuations).

⁹⁷ First Report on Economic and Social Cohesion 1996, pp. 89-93.

⁹⁸ First Report on Economic and Social Cohesion 1996, p. 105.

- Objective 3 In regions not covered by Objectives 1 and 2, aid to adapt and modernize systems of education, training and employment and to:
- address economic and social change
 - establish lifelong education and training systems
 - develop active labour market policies to fight unemployment
 - combat social exclusion.⁹⁹

White Paper on Growth, Competitiveness and Employment

Published in December 1993, this White Paper set out a medium-term strategy for creating more jobs within the EU. The White Paper identified local development and employment initiatives as a potentially dynamic sources of jobs, which had been hampered in the past by “an inappropriate national environment”.¹⁰⁰ Subsequently, the European Commission pinpointed 17 fields which offered good prospects for employment at the local level:

- | | |
|--|--|
| C home help services | C local shopstourism |
| C child care | C audiovisual services |
| C new information and communication technologies | C cultural heritage |
| C assistance to young people facing difficulties | C local cultural development |
| C better housing | C waste management |
| C security | C water services |
| C local public transport services | C protection and conservation of natural areas |
| C revitalization of urban areas | C control of pollution |

Local jobs in these sectors were at least indirectly viewed as instruments of social cohesion inasmuch as they offered “enthusiasts the opportunity, whether in town or country, to put their creativity and dynamism to a good use in a broader local development project”.¹⁰¹

EMPLOYMENT and ADAPT

Two major Community employment initiatives arose from the 1993 White Paper, and both were major elements of the EU’s response to pressures on social cohesion;

EMPLOYMENT

The EMPLOYMENT initiative initially consisted of three interrelated programs (with a fourth, the INTEGRA program added in 1997):

- | | |
|------------|--|
| NOW | A program which promoted equal opportunities for women in the labour force |
| HORIZON | A program which provided labour market opportunities for the disabled and (until 1997) the disadvantaged |
| YOUTHSTART | A program which promoted the labour market integration of young people under 20 |
| INTEGRA | A program added in 1997 to address issues of social exclusion (and |

⁹⁹ “The Structural Funds and the Cohesion Fund from 2000 to 2006”, DGVI Newsletter, (July 1997) on EU Web page at: <http://europa.eu.int/en/comm/dg16/news/ennews/en0797.htm>

¹⁰⁰ “New sources for jobs”, Communication of the Commission com (95) 273 on EU Web page at: <http://europa.eu.int/en/comm/dg16/art10/job4.htm>

¹⁰¹ “New sources for jobs” at Web page cited above.

therefore taking over half of the mandate of the HORIZON program)¹⁰²

ADAPT

This is a program initiated in 1995 which helped the workforce to adjust to structural change. In 1997, another element was added, ADAPT-bis, concerned with the social aspects of the Information Society.

Over the period 1995-99, the EU estimated that over 1.1 million people received training or other forms of employment support under the EMPLOYMENT and ADAPT umbrellas. They were considered instruments of social cohesion because they “foster cooperation and the formation of new partnerships, generate a spirit of experimentation and innovation and encourage the involvement of the grassroots”.¹⁰³ Nevertheless, as a result of EU attempts in its Agenda 2000 (see below) to simplify program administration, these initiatives were dropped in the 2000-2006 period.¹⁰⁴

European Employment Strategy

In 1996, Jacques Santer, then President of the European Commission, issued a memorandum entitled “European Pact of Confidence for Employment” which called upon the EU, among other things, to “incorporate the fight against unemployment in a medium and long-term view of society” through “a collective enterprise involving the public authorities and the social partners alike”.¹⁰⁵

This policy statement coincided with an extensive European consultation on social protection that resulted in a formal Communication by the Commission in March 1997. Among the major themes of this Communication was the need to make social protection in the EU more employment-friendly and to understand better the linkages between social policy and economic performance. A key action arising from this Communication was a Commission study during 1997 of the overall costs and benefits of social protection systems -- in particular their impact on social cohesion, political stability and economic progress.¹⁰⁶

Guidelines for Member States' Employment Policies

In November 1997, an Extraordinary European Council on Employment (Jobs Summit) took place in Luxembourg to discuss the implementation of an integrated European employment strategy agreed to at the European Council in Amsterdam in June 1997. At the Amsterdam meeting, member states also agreed to develop an annual set of employment Guidelines that set out “a number of specific targets for Member States to achieve in order to increase employment levels on a lasting basis”. Implementation of these guidelines was to be regularly monitored by the European Commission under the authority of a new Employment Title incorporated into the new *Treaty*.

¹⁰² [First Report on Economic and Social Cohesion 1996](#), p. 111.

¹⁰³ [First Report on Economic and Social Cohesion 1996](#), p. 111.

¹⁰⁴ European Union, “Agenda 2000 – For a stronger and wider Union” at <http://europa.eu.int/scadplus/leg/en/lvb/160001.htm>

¹⁰⁵ Jacques Santer, “European Pact of Confidence for Employment”, (Memorandum from the President, 1996) on EU Web page at: <http://europa.eu.int/en/record/europact/en/index.html>

¹⁰⁶ European Commission, [Modernising and Improving Social Protection in the European Union](#), (EU COM(97) 102, March 12, 1997) on EU Web page at: <http://europa.eu.int/en/comm/dg05/soc-prot/social/commu/commuen.htm>

The Guidelines for 1998, which were adopted by the Social Affairs Council in December 1997, placed particular emphasis on measures to tackle youth and long-term unemployment and to strengthen policies promoting equal opportunities for women and persons with disabilities.¹⁰⁷

The latest Commission report on *Employment in Europe* suggests that some progress is being made on these issues. In 1998, the employment rate for women in the EU rose to 42% and the gender gap in employment rates shrunk to less than 20%. Youth unemployment fell sharply in 1998 at a rate three times faster than that for adults. However, little progress was made on long-term unemployment, which fell only a third of a percentage point and remained at 4.9% of the workforce.¹⁰⁸

¹⁰⁷ European Commission News Release, "Commission adopts Guidelines for Member States Employment Policies for 1998", (Brussels, 3 December 1997) on EU Web page at: <http://europa.eu.int/en/comm/dg05/elm/summit/en/papers/guide2.htm>

¹⁰⁸ European Commission News Release, "Commission publishes *Employment in Europe 1999*", (Brussels, 25 October 1999) at: http://europa.eu.int/comm/employe.../empl&esf/news/emploeurope_en.htm

Measures to combat poverty and regional disparities

The Structural Funds and the Cohesion Fund

As was indicated in the previous section, between 1994 and 1999, about 85% of the *Structural Funds* were allocated under four regional objectives:

Objective 1 Development and structural adjustment for less prosperous regions

Objective 2 Conversion of areas affected by the decline of traditional industries

Objective 5b Development and structural adjustment of rural areas

Objective 6 Aid for very sparsely populated areas.

In addition, the *Cohesion Fund* was established in 1993 to help the less prosperous member states (as opposed to regions) -- Greece, Spain, Ireland and Portugal. Over the period 1994-1999, an additional 14.5 billion ECU (C\$23.2 billion) over and above the amounts allocated under the Structural Funds was dispersed for infrastructure projects linked to trans-European networks (such as roads, pipelines and telecommunications systems) and for environmental projects (such as improving water treatment facilities).¹⁰⁹

The mechanism used by the EU to intervene financially through these Funds in member states is the Community Support Framework (CSF), under which priorities are defined at the national level and EU funding is directed toward strategic solutions to these problems. According to an input-output model developed by the EU to evaluate the success of these interventions, in the absence of Structural and Cohesion Fund support, growth in the four poorest countries would have been almost 1/2% a year lower during the 1989-93 program period than it actually was (1.7% as compared to the 2.2% growth rate achieved).¹¹⁰ Employment due to EU investment, according to this model, was boosted by about 600,000 jobs over the same period or about 2.5% of the combined labour force in Greece, Portugal, Ireland and Spain.

Measures to combat social exclusion

While the main thrust of EU programming tends to view labour force participation as the principal route to social cohesion, there is a growing recognition that a socially excluded individual also suffers serious disadvantages in other areas of life, ranging from housing to health care. At a Social Policy Forum with non-governmental organizations, convened by European Commission in March 1996, the threats inherent in exclusion were described as follows:

Equality of opportunity is about power, and reflects societal diversity. ... Those suffering from or fighting discrimination include the disabled, migrants, children and young people, the elderly and women excluded from the decision-making process. Often individuals must contend with an accumulation of more than one form of discrimination.¹¹¹

Research

Since the mid-1980s, the European Foundation for the Improvement of Living and Working Conditions has made social cohesion a major theme of its research. This research focuses mainly on:

¹⁰⁹ First Report on Economic and Social Cohesion 1996, pp. 90-91.

¹¹⁰ First Report on Economic and Social Cohesion 1996, p. 98.

¹¹¹ European Union - Commission, Working on European Social Policy - A Report on the Forum, (Luxembourg, 1996), p. 12.

- C social cohesion and disadvantaged groups
- C social cohesion and urban areas
- C changes and issues relevant to social cohesion.

The aims of this research have been to identify ways of:

- C reducing inequality generated by social and economic imbalances;
- C increasing the involvement of all those concerned with social cohesion (including the people and communities affected by disadvantage and marginalization)
- C improving integration and coordination among governments (EU, national and local) and among relevant services concerned with employment, social welfare, housing, health and environment.¹¹²

The Foundation's workplan for 1997-2000 is concerned with six challenges facing European society: employment, equal opportunities, health and well-being, sustainable development, social cohesion and participation. The "social cohesion" portion of its workplan is clearly oriented toward issues of social exclusion:

The dangers of a divided or dual society are clear and already visible. In addition to distress and suffering at the individual and family level, these include social unrest, crime, substance abuse, xenophobia and racial conflict, and greater demands on public resources for income maintenance and social services of all kinds. In contrast, a cohesive society, built on values of solidarity, individual and collective rights and responsibilities and active citizenship, lies at the heart of what is known as the European model and is a key component of economic progress. ... Issues of basic human and democratic rights, social protection and equal opportunities form crucial foci of attention in this area together with questions of participation, citizenship and self-sufficiency.¹¹³

In this context, the Foundation sees as its main challenge in 1997-2000 "to transfer what has been learned by the study of good practice and innovation at the local level to the rethinking of social welfare and social protection systems".¹¹⁴

Reform of social protection schemes

As indicated in the section on "**Measures to combat unemployment**", part of the funding under the EU's Structural Programs and the NOW, HORIZON, YOUTHSTART and INTEGRA programs was directed toward combatting social exclusion. However, it should be remembered that most social protection for EU citizens is provided by the member states of the EU through national expenditures for social support, health care and pensions. These social protection systems account for about 28% of total GDP in the EU. At a Presidency Conference on "Social Policy and Economic Performance" held in January 1997, it was agreed that these systems "play a fundamental role in income redistribution and social cohesion, political stability and economic progress". But, while they have been successful in alleviating poverty, they have been "a failure, in terms of promoting full integration within society."¹¹⁵

Adaptation of social protection systems to address growing problems of social exclusion is seen as an urgent priority within the EU, although there appears to be no consensus on the means to

¹¹² Bridging the Gulf, p. 3.

¹¹³ European Foundation for the Improvement of Living and Working Conditions, Facing up to the challenges of European society: A programme for 1997-2000, (Luxembourg, 1996), p. 25.

¹¹⁴ Facing up to the challenges of European society, p. 27.

¹¹⁵ European Commission, Modernising and improving social protection in the European Union, Section 1.2 (COM (97) 102, March 12, 1997) on EU Web page at: <http://europa.eu.int/en/comm/dg05/soc-prot/social/commu/commuen.htm>

accomplish this. According to a EU Communication, “As the number of beneficiaries has grown, the schemes run the risk of becoming a kind of exclusion compensation that confirms social breakdown rapidly if the schemes are not associated with active integration policies”. In 1997, the EU pledged to produce Communications on the promotion of social inclusion and on guaranteed minimum income schemes that incorporated “integration contracts” for beneficiaries.¹¹⁶

In May 1999, the Commission held a Round Table Conference entitled *Towards a Europe for all: how should the Community support Member States to (sic) promoting social inclusion?* The interveners from Member States reiterated that while employment is crucial for inclusion, people can be excluded by factors unrelated to employment. They therefore recognized that more coordinated policy action would be required in areas such as housing, health, education and training, transport and communication, social assistance and social protection. The Conference participants recommended “mainstreaming” social inclusion in all Community instruments, particularly within the European Employment Strategy and Guidelines, the European Social Fund and the new Community Initiative EQUAL.¹¹⁷ The Conference also noted that “the downward spiral goes from low income due to unemployment or insecure and low-paid work, to poor diet and unhealthy living styles, to housing problems and homelessness, to poor health and education, to lack of mobility and communication, to family breakdown. The result is a loss of the rights associated with being a citizen”.¹¹⁸ Accordingly, it recommended linking the combatting of poverty and social exclusion to the promotion of fundamental rights.

This and other advice was reflected in a June 2000 Communiqué from the Commission to the Council outlining a more focussed approach to the EU’s Social Agenda. The Agenda’s objective on “Quality of Social Policy” included a section on social inclusion and pledged to:

- combat social exclusion by adopting a specific action program;
- agree on objectives and targets, develop indicators, strengthen statistics and develop studies to support coordination;
- launch a consultation with all relevant actors on the best way to promote the integration of people excluded from the labour market;
- evaluate the impact of the European Social Fund, including the Community Initiative EQUAL, in promoting social inclusion;
- promote more and better job opportunities for vulnerable groups, including those with disabilities, ethnic groups and new immigrants;
- issue an annual report on inclusion policy.¹¹⁹

In June 2000, the Commission also announced a new program to address social exclusion. The budget of the five-year program was set at 70 million euros (C\$99 million). Its objectives were to analyze, develop and disseminate comparable statistics on social exclusion within the EU, to

¹¹⁶ Modernising and improving social protection in the European Union, Section 2.2.5 at Web page cited above.

¹¹⁷ European Commission, Report on the Round Table Conference *Towards a Europe for all: how should the Community support Member States to (sic) promoting social inclusion?*, (Brussels, 6 and 7 May 1999), p. 22.

¹¹⁸ Report on the Round Table Conference *Towards a Europe for all: how should the Community support Member States to (sic) promoting social inclusion?*, p. 3.

¹¹⁹ Communication from the Commission to the Council, the European Parliament, the Economic and Social Committee and the Committee of the Regions, Social Policy Agenda, (Brussels, 28.6.2000), COM (2000) 379 final, sub-section 4.2.2.2., p. 21.

exchange best practices on combatting social exclusion and to support and develop the capacity of non-government organizations (NGOs) to address social exclusion.¹²⁰

Measures to combat rural deprivation

Structural Funds

Between 1994 and 1999, Objectives 5a (Improving structures in traditional industries) and 5b (Restoring the rural economy) of the Structural Funds were specifically aimed at improving cohesion in rural areas, although this funding was primarily intended to develop the economic base.

Under Objective 5a, direct compensation for farmers was focussed in areas “where the decline in agriculture threatens serious depopulation and desertification and where agricultural income is less than half that elsewhere”.¹²¹ Structural intervention in the fisheries sector included payments to reduce and modernize the fishing fleet, and invest in aquaculture and processing plants.

Under Objective 5b, most of the funding went toward restoring the economic potential of agriculture and forestry in deprived rural areas through creation of small businesses, encouragement of rural tourism and improving labour force skills. The primary aim was to promote employment, and in the period 1989-99, it is estimated that more than 500,000 jobs were created or preserved.¹²²

LEADER Initiative

Over the period 1989-1993, the LEADER program distributed over 454 million ECU (C\$726 million) for rural development projects. The aim of the LEADER initiative is to encourage local action groups to adopt a “bottom up”, integrated approach to rural development and to share best practices transnationally within the EU. In the period 1994-99, about 700 local groups participated.¹²³ In the program administrative streamlining announced in the EU’s “Agenda 2000”, LEADER was one of only four Community Initiatives retained for the 2000-2006 period.¹²⁴

Common Agricultural Policy

In expenditure terms, the Common Agricultural Policy (CAP) is the largest EU program, accounting for almost half of the total EU budget in 1994.¹²⁵ There is no doubt that this policy has had a major impact on the agricultural sector in several EU countries, both rich and poor. As an income-support measure, there is some evidence to suggest that “80% of transfers went to the 20% most profitable farms whose income was often higher than average non-farm incomes, while small farmers benefited less”. Since the 1992 reforms of CAP, which attempted to deal with growing surpluses of farm products by directing support to farm income, rather than

¹²⁰ European Commission News Release, “Social exclusion: Commission follows up Lisbon summit accord to get tough on poverty and the causes of poverty”, (Brussels, 16 June 2000), at http://europa.eu.int/comm/employment_social/general/news/000630_2_en.htm

¹²¹ [First Report on Economic and Social Cohesion 1996](#), p. 107.

¹²² [First Report on Economic and Social Cohesion 1996](#), p. 108.

¹²³ [First Report on Economic and Social Cohesion 1996](#), p. 110.

¹²⁴ European Union, “Agenda 2000 – For a stronger and wider Union” at <http://europa.eu.int/scadplus/leg/en/lvb/160001.htm>

¹²⁵ [First Report on Economic and Social Cohesion 1996](#), p. 59.

to commodity production, this gap has persisted.¹²⁶ Economic cohesion in already prosperous rural areas has therefore been reinforced, but the impact on social cohesion is less clear.

Measures to combat urban distress

Research

Since 1984, the European Foundation for the Improvement of Living and Working Conditions has been documenting the effects of social, economic and environmental problems faced by disadvantaged and marginalized people living in urban areas. It has concluded that “economic restructuring and change in Europe will have significant consequences for urban living conditions”, particularly in the areas of transport, housing and crime.¹²⁷ The Foundation’s workplan for 1997-2000 focuses on the urban environment and seeks to identify “new concepts and practices regarding urban eco-audits, transport, public spaces and economic revitalization” that contribute to the “sustainable city”.¹²⁸

URBAN Initiative

In 1994, the European Commission launched the URBAN program, aimed at social, economic and environmental regeneration of cities. It has encouraged local communities to determine priorities under this program and, as of 1996, had received 133 applications for assistance.¹²⁹ Despite the existence of this program, the EU has registered a growing concern about urban problems:

There is a very real danger of further fragmentation within European cities, rising unemployment and social exclusion being accompanied by a deepening of the social divide between haves and have-nots. In some Member States, the urban problem is already regarded as the major challenge to national cohesion and they (*sic*) new integrated urban policies have been designed and implemented.¹³⁰

The EU has concluded that it may also have to adopt a more focussed approach in this area, but it has retained URBAN as one of only four Community Initiatives in its “Agenda 2000” for the 2000-2006 period.¹³¹

Measures to promote European citizenship

The idea of European citizenship has grown as the EU has moved inexorably toward monetary union. Official documents are now quite clear on this point:

The only true foundation for integration in Europe is a sense of common purpose and solidarity on the part of its people. Any notion of European cohesion is inevitably intertwined with that of citizenship, democracy and solidarity.¹³²

¹²⁶ First Report on Economic and Social Cohesion 1996, p. 63.

¹²⁷ Bridging the Gulf, p. 24.

¹²⁸ Facing up to the challenges of European society, p. 23.

¹²⁹ First Report on Economic and Social Cohesion 1996, p. 110.

¹³⁰ First Report on Economic and Social Cohesion 1996, p. 125.

¹³¹ European Union, “Agenda 2000 – For a stronger and wider Union” at <http://europa.eu.int/scadplus/leg/en/lvb/160001.htm>

¹³² First Report on Economic and Social Cohesion 1996, p. 47.

However, this element of cohesion implies a much closer relationship of the EU with Europeans, a relationship based on social as well as economic obligations.

European citizenship ... places obligations on the Union to work to eliminate major disparities in standards of living between citizens in one part of the Union and those in another and to promote freedom from poverty and equal access to employment opportunities. ... Again, it is not just the aims which are important to cohesiveness: the way in which they are implemented is perhaps as important because it provides opportunities for people to come together.¹³³

As a result, in recent years, an accelerated program of consultations on social cohesion issues has taken place within the EU. Some of the major milestones include the following.

Report by the Comité des Sages - The issue of social rights

Convened by the European Commission, the Comité des Sages was formed in October 1995 to address the issue of fundamental social rights in view of the revision of the EU *Treaty*. In February 1996, it issued a report which concluded that:

Citizenship of the Union, as defined at present by Articles 8 to 8e of the *Treaty* is lacking in substance, being limited to the right to move freely, to vote and stand as a candidate in elections to the European Parliament and municipal elections, to petition the European Parliament, to apply to the ombudsman and to diplomatic and consular protection. It is somehow incidental, restricted to specific times and situations. It does not create any great feeling of participation or attachment to the Union, whereas, given the current circumstances, that is what is needed.

Inclusion of civic and social rights in the Treaties would help to nurture that citizenship and prevent Europe from being perceived as a bureaucracy assembled by technocratic elites far removed from daily concerns. That objective could not be attained, however, by incorporating into the *Treaty* a few vague principles without any real significance. On the contrary, it calls for a plain, clear, comprehensible expression of fundamental social and civil rights at EU level, with practical application being ensured by the Court of Justice.¹³⁴

Lest there be any ambiguity about what it was advocating, the Comité provided in its report a list of rights to strengthen social cohesion:

- C Right to lifelong education and training.
- C Right to work, or barring that, right to a minimum level of income.
- C Right to equitable working conditions and to protection from arbitrary dismissal.
- C Right to health and safety at work.
- C Workers' right to be informed regularly of the economic and financial situation of their firm and to be consulted on any decisions which might affect their interests, and to participate in taking decisions which concern them.
- C Right of disabled people to measures designed to facilitate their occupational and social integration.
- C Right to health care.
- C Right to housing.
- C Right to social security and social protection, including the right to a minimum level of income.
- C Right to protection for the family.¹³⁵

In keeping with the sentiment expressed above that the process of cohesion is as important as the outcome, the Comité recommended an extensive consultation process with European citizens, the social partners (employers and unions) and non-governmental organizations over a period of several years to arrive collectively at an acceptable list of rights. At the conclusion of

¹³³ First Report on Economic and Social Cohesion 1996, p. 47.

¹³⁴ For a Europe of civic and social rights, p. 26.

¹³⁵ For a Europe of civic and social rights, p. 51.

the consultations, an amendment to the *Treaty* would be drafted and put to a referendum throughout the Union.¹³⁶

Social Policy Forum - March 1996

In March 1996, a Social Policy Forum was convened by the European Commission as part of its response to Declaration 23 of the *Maastricht Treaty* which stressed the importance of cooperation between the EU and charitable associations, foundations and institutions responsible for social welfare services. The Forum was meant to increase interaction between these organizations, the EU and the social partners and to promote a “civil dialogue” on social issues.

The Forum sent the Intergovernmental Conference (IGC), the body convened in March 1996 to amend the EU treaties, a clear message that “a single currency and economic convergence are merely the means, whereas social well-being is an end”.¹³⁷ It also endorsed the recommendation of the Comité des Sages that the IGC include specific chapters on employment, social policy and social and human rights in the *Treaty*, and recommended that the Social Policy Forum be repeated on a regular basis.¹³⁸ The Commission later indicated that “it intends to put social protection reform at the top of the agenda for the civil dialogue at the 1998 European Social Policy Forum”.¹³⁹

Intergovernmental Conference 1996

In March 1996, all 15 member states of the EU met to review the *Maastricht Treaty*, signed in 1992, in the light of momentous events such as the fall of Berlin Wall, the liberation of Eastern Europe and the flood of applications for EU membership. As well, questions of social cohesion and citizen participation loomed large on the agenda:

There has been a growing awareness over the last few years of the need to bridge the worrying gap between decision-makers and the electorate throughout the EU and its Member States. It is now generally recognized that in the future, the EU’s institutions have to be more responsive to the needs of its citizens and to be more open, transparent and democratically accountable.¹⁴⁰

Proposals on the table for discussion included:

- C provisions in the *Treaty* banning discrimination of any kind, particularly on the basis of sex, and condemning racism and xenophobia
- C the integration of the Social Protocol (to which the UK currently has an opt-out) into the *Treaty*
- C specific provisions in the *Treaty* on employment
- C reinforcing the provisions in the *Treaty* directed at sustainable development.

A key objective was “to simplify the *Treaty* so that it and the workings of the EU are more accessible and transparent to EU citizens”.¹⁴¹ A new awareness of the power of the engaged

¹³⁶ For a Europe of civic and social rights, pp. 53-4.

¹³⁷ Working on European Social Policy: A report on the Forum, pp. 3-4.

¹³⁸ Working on European Social Policy: A report on the Forum, p. 26.

¹³⁹ Modernising and Improving Social Protection in the European Union, Executive Summary, on EU Web page at: <http://europa.eu.int/en/comm/dg05/soc-prot/social/commu/commuen.htm>

¹⁴⁰ “The Intergovernmental Conference 1996”, EU Web page at: <http://europa.eu.int/en/comm/dg10/build/en/igc.htm>

¹⁴¹ “The Intergovernmental Conference 1996” at EU Web page cited above.

citizen emerged in the late 1990s in speeches by Commissioners -- for example, by former Commissioner Pádraig Flynn, responsible for Employment, Industrial Relations and Social Affairs:

The citizens of Europe are not party to the political negotiations now unfolding. But they will soon be presented with the opportunity to judge how well we have defined the future of social policy on their behalf. They will tell us then how well we have understood the equation of interdependence between social policy and economic performance, and whether we have found the balance they require.¹⁴²

Consultations with civil society

As part of the growing commitment to involve citizens in discussions of social policy issues, in 1999 the Commission embarked on a series of consultations with NGOs on how to use the provisions of the *Amsterdam Treaty* to combat social exclusion. This process culminated in the Economic and Social Committee's first Convention on Civil Society, held on October 15 and 16, 1999, which concluded that "it would be useful to examine the possibility of redrawing the membership of the Committee to better reflect the present role of non-governmental organisations" on such issues as the EU's social policy agenda. The meeting also recommended that the Commission hold regular hearings with representatives of European NGOs to encourage greater civil dialogue on social issues.¹⁴³

Culture and participation

As part of the *Maastricht Treaty's* provisions for closer European integration, several new areas were brought within the jurisdiction of the EU in 1992, including culture. This deepening of the EU was thought to "contribute to a reduction of disparities between levels of development of the various regions, greater economic and social cohesion, improvement of employment opportunities for workers in the internal market, elimination of exclusion and enrichment of the quality of life of its citizens".¹⁴⁴

In 1994, the Commission issued a Communication on European Community Action to promote Culture which served as a framework for the adoption of three EU programs:

<i>Kaleidoscope</i>	Support for artistic and cultural activities with a European dimension
<i>Ariane</i>	Support for books and reading
<i>Raphael</i>	Support for the preservation of cultural heritage ¹⁴⁵

¹⁴² Pádraig Flynn, "Social Policy and Economic Performance", Opening Speech to the Presidency Conference, 23 January 1997 on EU Web page at: <http://europa.eu.int/en/comm/dg05/speeches/970123pf.htm>

¹⁴³ European Commission News Release, "Economic and Social Committee's Convention on Civil Society", (Brussels, 16 October 1999) at: http://www.europa.eu.int/comm/dg05/soc-prot/civilsoc/news/civil_en.htm

¹⁴⁴ Council of Ministers, *Council Resolution of 20 January 1997 on the integration of cultural aspects into community actions (97/C35/04)*. *Official Journal* C036, 05/02/1997, p. 0004-0005 at: http://europa.eu.int/eur-lex/en/lif/dat/1997/en_397Y0205_01.html

¹⁴⁵ First Report on the Consideration of Cultural Aspects in European Community Action, Introduction, cited at: http://europa.eu.int/eur-lex/en/lif/dat/1997/en_397Y0205_01.html

All three programs are intended to “permit the support of cultural projects which are open to all citizens”.¹⁴⁶

At a meeting of EU cultural ministers on December 16, 1996, ministers reaffirmed the linkages between culture, citizenship and participation by adopting the following principles on which cultural aspects of EU actions were to be based:

- C Culture forms an integral part of Community action and contributes to the objectives of the Community through enhancement of citizenship and human development.
- C Culture must be accorded recognition in its own right.
- C Access to culture and affirmation and expression of cultural identity are essential conditions for the full participation of citizens in society.¹⁴⁷

In EU documents, it is possible to detect a certain hesitation about “treading on the turf” of member states, which have the primary responsibility for cultural policies. Europeans themselves are ambivalent about roles in these areas: about 57% of Europeans believe that decisions on cultural affairs should be taken by national governments, but over 50% also consider the defence of European culture to be a priority area for European activity.¹⁴⁸

Despite these sentiments, the EU on January 1, 2000 adopted **Culture 2000**, a new five-year program intended to foster transnational cooperation between creative artists, cultural players and cultural institutions within the Union to:

- promote dialogue and mutual knowledge of culture and history;
- improve the transnational dissemination of culture;
- highlight creativity and the development of new forms of cultural expression;
- highlight the common cultural heritage of Europe;
- take into account the role of culture in socio-economic development;
- foster intercultural dialogue and the recognition of culture as an economic factor and a factor in social integration and citizenship.¹⁴⁹

In introducing this program, the EU noted that “If citizens give their full support to, and participate fully in European integration, greater emphasis should be placed on their common cultural values and roots as a key element of their identity and their membership in a society founded on freedom, democracy, tolerance and solidarity”.¹⁵⁰

The new framework established a single financial and programming instrument for cultural cooperation among the EU member states, replacing the Kaleidoscope, Ariane and Raphael programs with the Culture 2000 program. The new program has a budget of 167 million euros

¹⁴⁶ “Citizens’ access to culture”, EU Web page at:
<http://europa.eu.int/en/comm/dg10/culture/en/action/citizens.html>

¹⁴⁷ “EU Cultural Ministers agree on resolution on cultural action in the community”, News Release, Department of Arts, Culture and the Gaeltacht, on Government of Ireland Web page at:
<http://www.irlgov.ie/ealga/21be.htm>

¹⁴⁸ Mega-Eurobarometer 1/1996, quoted in “Building Europe Together” at:
<http://europa.eu.int/en/comm/dg10/build/en/main.htm>

¹⁴⁹ Directorate-General for Education and Culture, Education and Culture: Guide to programmes and actions at: http://europa.eu.int/comm/dgs/education_culture/guide_en.pdf

¹⁵⁰ Decision No. 508/2000/EC of the European Parliament and of the Council of 14 February 2000 establishing the Culture 2000 programme, Official Journal of the European Communities, L 63/1, 10.3.2000.

(C\$236M) over five years (2000-2004), and its priorities for 2000 were to fund projects proposing cultural production, such as publications, festivals, exhibitions and restoration projects. In all cases, projects were to target a broad a public as possible, especially young people and the socially disadvantaged.¹⁵¹

Measures to promote sustainable development and improved quality of life

ENVIREG initiative

The major horizontal program within the EU that is specifically targeted to environmental problems is ENVIREG, which has funded about 800 projects across Europe aimed at protecting the environment. Between 1989 and 1993, close to 577 million ECU (C\$923 million) was expended.¹⁵² In the administrative streamlining announced in the EU's "Agenda 2000", the ENVIREG initiative was dropped.

The Structural and Cohesion Funds

The Structural Funds support environmental projects on the grounds that the environment is a major factor in regional development. Particularly in the four "cohesion" countries (Spain, Portugal, Greece and Ireland) and in the former East Germany, considerable resources under both the Structural Funds and the Cohesion Fund have been targeted to improving the environment.

Between 1994 and 1999, under Objective 2 of the Structural Funds, which was aimed at promoting the business culture, considerable support went toward transforming derelict industrial sites into more attractive places for business or converting them for leisure use. On average, about 18% of Objective 2 expenditures under the Structural Funds were allocated for these types of projects.¹⁵³ In rural regions, under Objective 5b, between 1989-93 about 12% of total resources was spent on environmental projects, but dropped to about 10% in the 1994-1999 period.¹⁵⁴ Guidelines for Objective 2 support in 1997-99 emphasized the need to give greater priority to environmental projects.¹⁵⁵

Under the Cohesion Fund, about 39% or 606 million ECU (C\$969.6 million) of total resources was spent in 1993 on environmental projects in Spain, Portugal, Greece and Ireland. Between 1994 and 1999, about 7.2 billion ECU (C\$11.5 billion) for environmental purposes was expended, and in response to new guidelines issued by the Commission, the proportion of the Cohesion Fund spent on the environment was to rise to nearly 50%.¹⁵⁶

The Commission's Agenda 2000 Communication, issued in July 1997, announced a simplification and concentration of both the Structural and Cohesion Funds. Under the new Objective 2 of the Structural Funds for 2000-2006, increased support will go (among other things) toward "the protection of the environment and combatting social exclusion, particularly in urban areas in difficulties".¹⁵⁷ Support under the Cohesion Fund will continue to be aimed

¹⁵¹ "General Overview" at http://europa.eu.int/comm/culture/overview_en.html

¹⁵² First Report on Economic and Social Cohesion 1996, p. 111.

¹⁵³ First Report on Economic and Social Cohesion 1996, p. 105.

¹⁵⁴ First Report on Economic and Social Cohesion 1996, p. 149.

¹⁵⁵ First Report on Economic and Social Cohesion 1996, p. 123.

¹⁵⁶ First Report on Economic and Social Cohesion 1996, p. 147.

¹⁵⁷ "The Structural Funds and the Cohesion Fund from 2000 to 2006", DGXVI Newsletter (July 1997) on EU Web page at: <http://europa.eu.int/en/comm/dg16/news/enews/en0797.htm>

exclusively at projects concerned with the environment and transportation in member states whose per capita GDP is less than 90% of the Community average.¹⁵⁸

Research

While environmental deterioration is viewed by the EU primarily as a threat to economic cohesion, the negative consequences for social cohesion have been explored by the European Foundation for the Improvement of Living and Working Conditions, which has taken as its primary goal in this area the identification of how changes required to promote sustainable development will affect the quality of life of European citizens. For example, in 1991, the Foundation held a workshop in Berlin to “shed light on the related phenomenon of environmental deterioration and social exclusion and to draw attention to the plight of particularly vulnerable groups”. The objective was to “contribute to the development of policies favouring both social integration and environmental improvements”.¹⁵⁹ The Foundation also carried out projects during the late 1980s and early 1990s to identify indicators and good practices for sustainable urban development and to investigate how the implementation of sustainable development policies and measures has affected employment.¹⁶⁰

Sustainable development continued to be one of the six major areas of Foundation research in the period 1997-2000. During this period, its focus was on how industry could balance competitiveness and employment goals with sustainable production and consumption policies.¹⁶¹

Measures to promote inclusion in the Information Society

Research

“Social and Economic Cohesion and the Information Society”

In January 1996, this study, funded by the European Commission and carried out by NEXUS Europe, assessed the impact of the IS in the “cohesion regions” -- Greece, Portugal, Ireland, Italy and Spain. Among the questions it attempted to answer was whether universal telecommunications services had a role to play in providing access to the IS. After answering this question positively, the study report proposed that four levels of universal service were needed to ensure equitable access:

- C Ubiquitous Affordable Access - all users, domestic and business, should have guaranteed affordable access to reliable, quality services such as e-mail and Internet service providers
- C SME Access - small and medium-sized enterprises should have access to a set of relatively advanced services such as EDI (electronic data interchange), e-mail, call-forwarding/switching and intelligent services
- C Institutional Community Access - health, educational and other social service institutions should have access to relatively advanced services, as described above, at subsidized tariffs, if necessary

¹⁵⁸ European Commission, *Agenda 2000: For a Stronger and Wider Union*, (DOC 97/6), (Strasbourg, July 15, 1997) on EU Web page at: <http://europa.eu.int/comm/dg1a/agenda2000/en/strong/12.htm>

¹⁵⁹ *Social Cohesion Publications*, p. 17.

¹⁶⁰ *Facing up to the challenges of European society: A programme for 1997-2000*, p. 23.

¹⁶¹ *Facing up to the challenges of European society: A programme for 1997-2000*, p. 24.

- c Public Community Access - all members of the public should have affordable, low-cost or free, access to basic and advanced IS services in public places, such as libraries, centres for local development and schools.

In measuring performance against these proposed norms, the study concluded that neither the EU nor its member states had adequate policies “to ensure that the benefits of liberalisation and the Information Society will reach all regions and all social groups”. It recommended more effective regulation to ensure affordable access and more strategic development and investment to upgrade services in regions beyond the reach of competitive supply.¹⁶²

Policy Documents and Consultations

Europe’s Way to the Information Society - Action Plan

In 1994, the European Commission adopted an Action Plan for construction of the Information Society (IS). This Plan concentrated on four areas:

- c Developing a regulatory and legal framework for the IS promoting interoperability across all member states;
- c Stimulating applications of information and communications technologies, such as distance learning, teleworking and multimedia, which provide benefits to specific groups of users;
- c Monitoring and analyzing the societal, social and cultural impacts of the Information Society, with the aim of ensuring that all citizens enjoy its expected benefits;
- c Promoting the Information Society to stimulate public awareness and debate of IS issues.¹⁶³

As part of the strategy of promoting the IS, the Commission established the Information Society Project Office (ISPO) in December 1994 to act as a broker of information and ideas for both industry and users and to create and increase awareness of the potential impact of the IS in Europe.¹⁶⁴

Culture and information technologies

In April 1995, the Ministers of Culture of the member states of the European Union passed a resolution emphasizing the importance of multimedia in the development of a content industry and in improving citizens’ access to cultural heritage. The Ministers called for the establishment of networks of cultural institutions to exchange information, to support electronic publishing and to encourage access of a larger number of citizens. By the summer of 1995, European museums had begun work to create a network fostering multimedia access to European museums’ collections.¹⁶⁵

Green Paper on Living and Working in the Information Society: People First

The European Commission’s Green Paper, published in 1996, was intended to promote a Europe-wide discussion of the social issues arising from the adoption of information technologies. Chief among these social issues were unemployment and social cohesion.

¹⁶² NEXUS Europe: Centre for Urban and Regional Development Studies, University of Newcastle Culture and Communications Studies, *Social and Economic Cohesion and the Information Society*, Volume 5: Synthesis and Recommendations, at <http://ireland.iol.ie/nexus/cs.htm>

¹⁶³ IP/94/683, outlined in “The Union’s Policies - Information society, telecommunications” on the EU Web site at: <http://europa.eu.int/pol/infso/en/info.htm>

¹⁶⁴ “The Information Society Project Office: A new marketplace for ideas”, December 14, 1994 on EU Web site at: <http://www.ispo.cec.be/ispo/ispois.html>

¹⁶⁵ European Union, “Culture and new technologies” on EU Web site at: <http://europa.eu.int/en/comm/dg10/culture/en/action/new-tech.html>

On the subject of unemployment, the Green Paper proposed “a substantial overhaul of education and training that can match the ICT revolution”. It particularly noted that the “unemployed must be offered retraining instead of long-term unemployment and de-skilling”.¹⁶⁶

On the question of cohesion, the Green Paper described the challenges as follows:

- C A first challenge is to ensure that the liberalisation of telecommunications proceeds fully and rapidly across the Union and that the new regulatory framework supports cohesion objectives.
- C A second challenge is to integrate more closely the Structural Funds and Information Society policies, so as to stimulate the access and use of (sic) modern ICTs.
- C A third challenge is to ensure that the Information Society becomes a tool to create an inclusive society. The Information Society should be about people and it should be used for people and by people to unlock the power of information, not to create inequalities between the information rich and the information poor.¹⁶⁷

The Green Paper concluded that the IS in Europe must be founded on the “European way” -- a social model “built on both competition between enterprises and solidarity between citizens and Member States”. It suggested that the European Information Society “draw strongly from this economic, social and cultural strength, linking technological, economic and social aspects together in the creation of opportunities for all its citizens”.¹⁶⁸

Consultations

In parallel with the discussion of the Green Paper, the EU also launched a series of consultations with various groups in 1996-1997 to help develop policies on the Information Society.

The *High Level Experts Group* (HLEG) was formed in May 1995 and issued a preliminary report in February 1996. The HLEG viewed social cohesion as an important dimension of the IS, which could either improve quality of life by leading to stronger social networks and a sense of place or introduce new risks of social exclusion among those lacking the money or skills to access information. According to the HLEG, democracy could be enriched by the IS through horizontal information exchange among citizens, or it could lead to information overload in the political system. The HLEG also highlighted the critical importance of culture in the Information Society, particularly the need to ensure access to the linguistic diversity of Europe and to maintain the market position of European producers of information.¹⁶⁹

The Commission also created a parallel *Information Society Forum*, a broadly-based group of 128 members with a three-year mandate, which issued its first annual report in June 1996. That report highlighted many of the same concerns as the High Level Experts Group, but focussed its

¹⁶⁶ Executive Summary, Paragraph 6, Living and Working in the Information Society: People First (COM(96) 389) on ISPO Web page at: http://europa.eu.int/comm/employment_social/social/info_soc/green/green_en.pdf

¹⁶⁷ Executive Summary, Paragraph 7, Living and Working in the Information Society: People First at EU Web page cited above.

¹⁶⁸ Section 6, Paragraph 124, Living and Working in the Information Society: People First at EU Web page cited above.

¹⁶⁹ High Level Experts Group, Building the Information Society for us all, extracts were published on People First Web page at: <http://www.peoplefirst.agenda-comm.../english/themed1/report.htm#hleg2>

recommendations on the need for a policy and legal framework to protect European democratic values and cultural expression.¹⁷⁰

At the EU's *Social Policy Forum* with non-governmental groups, held in March 1996, the future of working life in the Information Society was one of the four issues for discussion. This discussion centered around access questions, with many participants worried that "new marginalized groups will arise: those who have neither the skills for, nor access to, new technology". It concluded that "an important debate about rights of universal access to information technology, especially for disadvantaged groups and rural areas must be launched".¹⁷¹

The Social and Labour Market Dimension of the Information Society: People First - The Next Steps

In July 1997 the EU published a Communication, entitled *The Social and Labour Market Dimension of the Information Society: People First - The Next Steps*, outlining its response to the Green Paper. The response formed part of a rolling action plan, *Europe at the Forefront of the Global Information Society*, and was intended to summarize progress on integrating the social dimension into policies for the Information Society. The three objectives of the Communication were to:

- C increase awareness of the social implications of the Information Society
- C build an Information Society dimension, where appropriate, into social policies and actions
- C identify specific actions designed to maximise the contribution of the Information Society to promoting employment and inclusion.¹⁷²

In responding to the concerns voiced in the various documents and consultations described above, the Communication first proposed a set of common principles to guide public policies on the information Society. The basic aims would be to:

- C improve access to information
- C enhance democracy and social justice
- C promote employability and lifelong learning
- C strengthen the capacity of the EU economy to achieve high and sustainable growth and employment
- C achieve and enhance equal opportunity between men and women
- C promote inclusion and support people with special needs and those lacking opportunities to improve their position
- C improve the quality and efficiency of public administration.¹⁷³

It viewed problems of access to information technologies as a fundamental determinant of social cohesion and recommended specific action to address this issue:

Access to the tools of the Information Society is of fundamental importance for achieving the goals of equity and efficiency set out above. Access has different dimensions: availability, continuity, affordability, accessibility and awareness. How well these dimensions are dealt with will tilt the

¹⁷⁰ These recommendations were printed in full on People First Web page at:
<http://www.peoplefirst.agenda-comm.ie:80/english/themed1/forum.htm>

¹⁷¹ Working on European Social Policy: A Report on the Forum, pp. 24-5.

¹⁷² European Commission, The Social and Labour Market Dimension of the Information Society: People First - The Next Steps (COM (97) 397, July 23, 1997) at:
http://europa.eu.int/en/comm/dg05/info_soc/com397/97397i.htm

¹⁷³ The Social and Labour Market Dimension of the Information Society: People First - The Next Steps, Executive Summary at EU Web page cited above.

balance towards an inclusive or exclusive society. Public policies can make a difference. The Commission therefore urges that the Member States make access a main objective in the development of national information strategies. The Commission will address this issue in its forthcoming review of the scope, quality, level and affordability of universal service.¹⁷⁴

Addressing questions of skill adjustment in the Information Society, the Communication called for “a new culture of life-long education, training and learning ... supported by selective restructuring of public expenditures in favour of investment in human resources”. Finally, it pledged action at all levels to strengthen the social dimension of IS policies:

- C National and regional levels - the Commission will provide support to member states to integrate a strong social dimension in their IS strategies
- C Community level - the Commission will mainstream the social dimension in all relevant Community policies and exploit the potential of information and communication technologies as a tool in employment policies
- C International level - the Commission will promote the development and use of technologies which can help improve social cohesion and the improvement of living, learning and working conditions for all groups in society.¹⁷⁵

The Communication outlined extensive action plans to fulfil each of these pledges, as well as the seven basic aims cited above.

Programs

Trans-European Network for Telecommunications (TEN-Telecoms)

The *Treaty on European Union*, which came into force in November 1993, aimed at putting in place “a common information area” in Europe through actions under TEN-Telecoms. Unlike older TENs, which supported trans-European energy and transport infrastructure development, TEN-Telecoms has invested in advanced applications and services of public interest, such as tele-medicine, education, access to cultural heritage, telework and networks of city information highways. Development of TEN-Telecoms projects is demand-driven, with projects funded on the basis of their contribution to the strengthening of economic and social cohesion.¹⁷⁶

Structural Funds and the Information Society

An analysis done in 1997 of the European Regional Development Fund (ERDF) and the European Social Fund (ESF) indicated that only about 2% of their overall expenditure went toward investment in the telecommunications sector and, of that 2%, about 1.5% was used to upgrade the telecom infrastructure, while only about .3% went toward demand-side measures such as training and applications in health and education.¹⁷⁷ As a result, the Commission undertook in the period 1997 to 1999 to “monitor all ESF programming to ensure that the Information Society dimension is fully mainstreamed”, especially with regard to “the integration of those at special disadvantage on the labour market” and to “increasing ICT skills training of

¹⁷⁴ The Social and Labour Market Dimension of the Information Society: People First - The Next Steps, Executive Summary at EU Web page cited above.

¹⁷⁵ The Social and Labour Market Dimension of the Information Society: People First - The Next Steps, Executive Summary.

¹⁷⁶ First Report on Economic and Social Cohesion 1996, p. 81.

¹⁷⁷ European Commission, Cohesion and the Information Society, (COM(97) 7/3), Paragraph 7 on ISPO Web page at: <http://www.ispo.cec.be/infosoc/legreg/docs/cohes.1.html>

women and support structures for teleworkers”.¹⁷⁸

Information Society Technologies Programme (IST)

The IST is an integrated research program within the EU Fifth Framework Programme on Information Technologies with a budget of 3.6 billion euros (C\$5.1 billion) over the 1998-2002 period.

Among its four objectives, two are relevant to the issues of social cohesion: the provision of systems and services for citizens and the development of multimedia content and tools. With regard to the former, the program literature asserts that it places “the needs of the user, i.e. the citizen, at home, at work in leisure or commuting, at the centre of future development of IST”. With regard to multimedia content and tools, the program “concentrates on promoting creativity in the content industries through new forms of content combining highly visual and interactive media, on improving natural and user-friendly interaction between humans and the universe of digital services and on empowering the citizen through better access to culture and science, and the development of an Information Society base of knowledge and skills.” In doing so, the program is intended to “support EU policies, notably in employment, social cohesion and competitiveness”.¹⁷⁹

The eEurope Initiative

In December 1999, the European Commission launched the eEurope Initiative, aimed at accelerating the uptake of digital technologies across Europe. Endorsed by the European Council in Feira, Portugal in June 2000, eEurope is intended to achieve three objectives:

- Bringing every citizen, home, school and business and administration on-line
- Creating a digitally literate and entrepreneurial Europe
- Ensuring a socially inclusive Information Society.

Among the priority areas relevant to social cohesion are the intentions to make digital literacy a basic competency of European youth, to develop better digital access to people with disabilities and to make EU information more accessible to the public by extending and simplifying Internet access.¹⁸⁰

Conclusions

The EU faces huge challenges in completing the Single Market and the monetary union, while establishing an over-arching order of government in the European Community. Due to a convergence of exogenous factors, such as globalization and the advent of the Information Society, the “economic project” of the EU has become intertwined with the social restructuring of European society. As a result, the EU has had no choice but to focus ever-increasing attention and resources on social cohesion in its member states, within the context of an emerging federal-type governing structure that bears some resemblance, in substance if not in scale, with the Canadian situation.

Many of the social cohesion concerns preoccupying EU decision makers are familiar to Canadians: unemployment, poverty and regional disparities, social exclusion, sustainable development. Others are emerging as public policy concerns in our own country: rural

¹⁷⁸ The Social and Labour Market Dimension of the Information Society: People First - The Next Steps, Paragraph 48 and following at EU Web page cited above.

¹⁷⁹ “IST Overview” at <http://www.cordis.lu/ist/overv-1.htm>

¹⁸⁰ “eEurope - An Information Society for All”, at http://europa.eu.int/comm/information_society/eeurope/background/index_en.htm

deprivation, urban distress, citizenship and participation, inclusion in the Information Society. However, the EU has invested considerably more resources than Canada in analyzing and dealing with these issues.

First, the European Union has, in one form or another, been studying the issue for over a decade and has developed a comprehensive analytical framework for understanding the complex interactions between economic, social and cultural policies that promote or erode social cohesion. Most recently, the Forward Studies Unit, which reports directly to the President of the European Union, developed five social cohesion scenarios that explore alternative futures to the year 2010. These scenarios were analyzed in conjunction with parallel work on institutions and governance, economic adaptability, enlargement of the Union and the external environment. The resulting five “global scenarios” were published in July 1999. In imagining alternative directions for the EU in the early years of the millennium, the working group saw five possible outcomes:

- **Triumphant markets** - characterized by world prosperity, but a scaling down of social and environmental concerns and fragmented societies
- **The hundred flowers** - characterized by regional divergence, economic instability, political fragmentation and greater social and geographical inequalities
- **Shared responsibilities** - characterized by development of a common political vision for the EU, major reform of EU institutions and the rise of a minority of “active citizens” who revitalize civil society
- **Creative societies** - characterized by rising public pressure on governments to focus on social questions, reform of national accounts to include human capital and the environment, contraction of the industrial sector and expansion of the knowledge and creativity industries
- **Turbulent neighbourhoods** - characterized by increasing global political instability, increasing illegal immigration, rising social exclusion and erosion of fundamental rights and freedoms as governments are pressed to maintain public order.¹⁸¹

All scenarios were based on a rigorous analysis of the major social, economic, political, technological and cultural trends already evident in the EU and were designed to take a horizontal and integrated view of possible outcomes.

Second, the EU and its member states have agreed to tackle the issue of social cohesion within the parameters of a “European model” of society that strives toward a balance between market and social welfare interventions. The scenarios referred to above will be used as self-assessment tools by member states to improve policies in an anticipatory, rather than a reactive, manner.¹⁸²

Third, the EU has committed significant resources to tackling threats to social cohesion. This commitment is on the scale of billions, rather than millions, of Canadian dollars, and is not confined to social policy, but extends as well to the economic, cultural, informatics and environmental policy fields.

¹⁸¹ Gilles Bertrand, Anna Michalski and Lucio R. Pench, Scenarios Europe 2010: Five Possible Futures for Europe, (Brussels, July 1999), pp. 13-73.

¹⁸² Meeting with Gilles Bertrand and Marjorie Jouen, Forward Studies Unit, European Commission, Brussels, March 20, 1998.

Fourth, the citizens of the EU are being engaged at every turn in a dialogue about social cohesion issues, on the premise that the *process* of participating in such a dialogue is as useful in promoting social cohesion as the *substance* that eventually emerges.

In view of the multiple and extensive interventions that the EU has already made in support of European social cohesion, it is worth noting that such a consultation process has been integrated into the EU's most recent effort to underpin cohesion at the European level. At its meeting on October 15 and 16, 1999 in Tampere, the European Council of Ministers agreed to draft a Charter of Fundamental Rights for the EU. A working group, consisting of 62 members, was formed to draw up a draft Charter for consideration by the European Council, European Parliament and European Commission before the end of 2000. The group was specifically charged to look not only at political and civil rights, but also economic and social rights and to undertake public hearings on this subject. A special e-mail address and web site has been set up by the Council of Ministers to encourage input from civil society.¹⁸³

Based on Canada's own experience with a Charter of Rights and Freedoms, an explicit focus on the rights of individual citizens could engender more litigation, but also more action to alleviate the stresses and strains on Europe's social fabric. Should a European Charter of Fundamental Rights include specific reference to social and economic rights, it will represent a further step toward a European identity and a European sense of cohesion, particularly if the Charter is integrated into the Union's treaties.

¹⁸³ "Draft Charter of fundamental rights of the European Union – Introduction to the Internet site" at <http://db.consilium.eu.int/DF/intro.asp?lang=en>

4.2 Organisation for Economic Cooperation and Development (OECD)

Relevant History

The OECD is a Paris-based intergovernmental organization which provides a forum for 29 countries from Europe, North and South America and the Pacific region to consult and cooperate on horizontal economic and social issues. Established in 1961 as a successor to the Organization for European Economic Co-operation, which had been created in 1948 to coordinate the rebuilding of Europe under the Marshall Plan, Article 1 of the OECD Convention, signed December 4, 1960, sets out the following mandate for OECD policies:

- C to achieve the highest sustainable economic growth and employment and a rising standard of living in Member countries, while maintaining financial stability, and thus contribute to the development of the world economy;
- C to contribute to sound economic expansion in Member as well as non-member countries in the process of economic development; and
- C to contribute to the expansion of world trade on a multilateral, non-discriminatory basis in accordance with international obligations.¹⁸⁴

Over the years, the OECD has evolved beyond its almost purely economic mandate to examine a wide array of policies in areas such as agriculture, fisheries, labour, social affairs, education, science and technology and the environment.

The governing and administrative structure of the OECD consists of:

The Council - The supreme authority of the OECD, the Council is composed of a representative from each member country, as well as from the European Commission. Once a year, the Council meets at the Ministerial level. At this gathering, ministers of foreign affairs, economics, finance and trade address problems and set workplan priorities for the coming year. Decisions are almost always taken by consensus.

The Committees - Over 30 committees with over 200 working groups, composed of specialist representatives from each country, meet regularly on particular subject areas, such as education, environment, trade and investment, to provide data and recommendations for policy making.

The Secretariat - The Secretariat, with a staff of about 1500, provides research, analysis and statistics in support of the OECD's work.

The Secretary-General - The Secretary-General presides over the Council and manages the Secretariat. The current Secretary-General, Donald J. Johnston, is a Canadian.¹⁸⁵

With the appointment of Donald Johnston as Secretary-General in 1996, a pronounced shift in the OECD's orientation toward social issues became evident. One of the earliest statements of this change came in an editorial by the Secretary-General in the October/November 1996 issue of The OECD Observer:

¹⁸⁴ Quoted in Note by the Secretary-General, The OECD -- Challenges and Strategic Objectives: 1997, OECD Publication C(97)180, (September 11, 1997), p. 4.

¹⁸⁵ "How the OECD is Organised", OECD Web page at: <http://www.oecd.org/about/organise.htm>

If the shift in policy has been towards increasing the efficiency of firms by liberalising competition and improving incentives for business to produce and invest at home and abroad, there remains the problem of how to maintain equity, social cohesion and a reasonably fair distribution of income. As governments move away from being the “provident state”, other institutional mechanisms become necessary to provide the benefits that voters are used to, but appear politically unwilling or unable to pay for.¹⁸⁶

In an address to the Parliamentary Assembly of the Council of Europe in Strasbourg in 1996, Mr. Johnston provided another signal of this shift in orientation, reminding the audience of the first article of the OECD Convention, which focussed not only on growth but also on the social well-being of populations. He suggested that the role of the OECD would have to change so that “the triangular paradigm consisting of economic growth, social stability and political stability ... be kept in harmony and balance to ensure social progress”.¹⁸⁷

Definition of social cohesion

The OECD has no single, formally agreed-upon definition of social cohesion and, indeed, in much of its recent documentation on this subject has often used the term as if it required no further elaboration. Frequently, it appears as if the professional background of the writer influences the direction of the analysis, with consequential implications for the implied definition. In general, those writing for the OECD on this subject have tended to have a background in economics. Therefore, the definition of social cohesion implied is usually weighted toward economic issues.

The OECD’s earliest writings on this subject, emanating from the Advisory Unit to the Secretary-General, took an oblique approach to the definition of social cohesion, enumerating the pressures on social cohesion but never explicitly describing the “steady state” that was being eroded. For example, an article in the August/September 1994 issue of *The OECD Observer* stated that “unemployment and the rapidly changing requirements of the labour market are set to put increasing pressure on social cohesion” and that “the institutions which hitherto knitted together the social fabric have been undergoing important transformations”.¹⁸⁸ In an essay in the publication, *OECD Societies in Transition: The Future of Work and Leisure*, the *diagnostique* of the problem was expanded, but again, no explicit definition of social cohesion was proposed, except for whatever oblique inferences might be drawn from statements such as the following:

There is a fairly widespread perception that social cohesion in OECD societies is under threat from numerous sources. Many of these are external and relate mostly to the impacts of growing international economic and cultural interdependence. Some, however, are largely internal to OECD societies. First among these, perhaps, are the high and persistent levels of (especially long-term) unemployment and underemployment.¹⁸⁹

More recent writings from the Advisory Unit to the Secretary-General have begun to use the term *societal* cohesion, rather than social cohesion, as a synonym for the absence of turbulence:

¹⁸⁶ Donald J. Johnston, “Equity and Efficiency: Towards a New Paradigm”, *OECD Observer*, Number 202, (October/November 1996), p. 5.

¹⁸⁷ Quoted in “OECD Role: Help in Seeking Economic Growth, Social and Political Stability”, *OECD Letter*, Volume 5/10 (December 1996), p. 1.

¹⁸⁸ Barrie Stevens, “The Social Fabric under Pressure”, *The OECD Observer*, Number 189 (August/September 1994), p. 21.

¹⁸⁹ Barrie Stevens and Wolfgang Michalski, “Long-term Prospects for Work and Social Cohesion in OECD Countries: An Overview of the Issues”, *OECD Societies in Transition: The Future of Work and Leisure*, (Paris, 1994), pp. 17-18.

... profound and unanticipated transformations are not a virtue *per se*. Nor are tests of human adaptability. Rather, it is safe to assume that most people prefer a world where life is characterised by stability, continuity, predictability, and secure access to material well-being.

Societies with these attributes garner more easily the commitment and adherence that sustain societal cohesion over time. Yet, many of the economic policies pursued for some years now by OECD member countries encourage the productive turmoil of relentlessly competitive markets -- a constant process of creation and destruction that politicians and electorates seem to have almost universally embraced, showing a strong willingness to forgo tranquillity for the sake of greater prosperity. At the same time, there are signs of growing strains on the fabric of OECD societies, in the form of stubbornly high levels of unemployment, widening income disparities, persistent poverty and social exclusion.¹⁹⁰

The OECD's Secretary General, in a speech to a 1998 meeting of the Employment, Labour and Social Affairs Committee, admitted that there was a lack of agreement among members about the concept of social cohesion, but he also suggested that, "We do however share, I think, the understanding that our aim should be to ensure that our societies and economies are inclusive."¹⁹¹

In the absence of a clear-cut definition, the OECD has tended to focus on a series of threats to societal cohesion, clustered under the umbrella of its mandate to promote sustainable economic growth and employment.

Major threats to social cohesion

The OECD tends to view the major threats to social cohesion in its member countries under two broad categories:

Socio-economic pressures

- C changing conditions of employment
- C poverty, income inequality and social exclusion
- C skills deficits in a knowledge-based economy

Socio-political pressures

- C political disenchantment and changes in governance
- C diversity and demographic change
- C changing values regarding work and society

These factors are elaborated upon in the pages below.

Socio-economic pressures

Changing conditions of employment

Unemployment in OECD countries currently stands at approximately 6.6%, which represents about 31 million people, although this is down from the mid-1990s when close to 8% of the workforce was unemployed.¹⁹² The OECD has undertaken extensive analyses of the labour

¹⁹⁰ Wolfgang Michalski, Riel Miller and Barrie Stevens, "Economic Flexibility and Societal Cohesion in the Twenty-First Century: An Overview of the Issues and Key Points of the Discussion", *Societal Cohesion and the Globalising Economy - What Does the Future Hold?*, (Paris, 1997), p. 7.

¹⁹¹ "Introductory Statement by the Honourable Donald J. Johnston, Secretary-General of the OECD", Meeting of the Employment, Labour and Social Affairs Committee at Ministerial Level on Social Policy, (Paris, 23 June 1998) at http://www.oecd.org/news_and_events/release/nw98-69a.htm

¹⁹² *OECD Employment Outlook*, June 2000.

market in its member countries and sees a number of social cohesion pressures arising from structurally induced unemployment and demographic change:

Poverty and income inequality

- C labour market exclusion, leading to poverty and dependency;
- C growing income inequality;
- C lack of upward mobility for those in low-paying jobs;
- C poor access to jobs for youth, particularly young men, whose employment rates have trended downward over the past 15 to 20 years.¹⁹³ (In 1997, the unemployment rate for men under the age of 25 within the OECD stood at 14.4%, as compared to a rate of 6.3% among men overall.)¹⁹⁴

Skill deficits in a Knowledge-based Economy

- C chronic underemployment among a sizeable segment of the population (In 1997, 35% of the unemployed in OECD countries had been without work for more than 12 months)¹⁹⁵;
- C a “hollowing out” of traditional middle-income blue collar and white collar jobs due to economic restructuring;
- C human capital and skill deficits in the knowledge-based economy, leading to a deterioration in the labour market prospects of the unskilled;¹⁹⁶
- C danger of a new duality in society between “info-connected haves and info-excluded have-nots” leading to increased problems of social exclusion.¹⁹⁷

Diversity and demographic change

- C aging workforces in most OECD countries over the next 10 to 15 years;
- C increasing vulnerability of ethnic minorities with low skill levels, particularly Blacks and Hispanics in the United States.¹⁹⁸

Changing values regarding work and society

- C diminishing commitment to work among large segments of the population, particularly youth;
- C unevenly distributed access to leisure activities, both in terms of time and money.¹⁹⁹

As is evident from the above list of issues, the OECD's analytic framework on social cohesion issues is very much tied to employment concerns, with most other identified pressures linked back to labour market participation. Nevertheless, it is worthwhile to examine several of these sub-issues on their own to understand the OECD perspective on social cohesion.

Poverty, income inequality and social exclusion

The OECD has published a number of studies on income distribution and has concluded that “poverty has been an enduring feature of recent decades in all Member countries” that has “proved ... to be remarkably resilient to improved economic performance”.²⁰⁰ In general, it has found that the incidence of poverty is lower in Europe than in North America, where persistent

¹⁹³ First four bullets from “The OECD Employment Outlook - Countering the Risks of Labour-Market Exclusion”, *The OECD Observer*, Number 202, (October/November 1996), pp. 49-51.

¹⁹⁴ *Labour Force Statistics: 1977-1997*, (Paris, 1999) and *OECD Employment Outlook*, June 1998.

¹⁹⁵ *Ibid.*

¹⁹⁶ OECD, *Technology, Productivity and Job Creation, Volume 1, Highlights*, (Paris, 1996), p. 9.

¹⁹⁷ *Technology, Productivity and Job Creation, Volume 1 - Highlights*, p. 25.

¹⁹⁸ Barrie Stevens and Wolfgang Michalski in *OECD Societies in Transition: The Future of Work and Leisure*, pp. 9-12.

¹⁹⁹ Stevens and Michalski in *OECD Societies in Transition: The Future of Work and Leisure*, pp. 16-17.

²⁰⁰ Stevens and Michalski in *OECD Societies in Transition: The Future of Work and Leisure*, p. 18.

exclusion is a problem. However, ethnic minorities in various parts of Europe tend to have higher poverty rates than average, as do the retired, youth, single-parent families and farmers. Overall, the OECD has concluded that “households with no or only a weak attachment to the labour market ... face a higher-than-average risk of poverty”.²⁰¹

Using figures from the late 1980s, the OECD measured relative income inequality between the rich and the poor in member countries in Income Distribution in OECD Countries: Evidence from the Luxembourg Income Study. Table 8 shows the proportion of the population with disposable incomes below half the median income, as well as the income ratio of the top 10% and the bottom 10% of the population in selected OECD countries.

Table 8 Disposable Income per Equivalent Adult Selected OECD Countries			
Country	Year	Percentage of population below 50% of median disposable income	Income Ratio (top 10% / bottom 10% of population)
Australia	1985	12.3	4.01
Belgium	1988	4.7	2.79
Canada	1987	12.2	4.02
France	1984	7.5	3.48
Germany	1984	6.5	3
Ireland	1987	10.7	4.23
Italy	1986	10.5	4.05
Luxembourg	1985	5.4	3.15
Norway	1986	7.3	2.93
Sweden	1987	7.6	2.72
Switzerland	1982	8	3.43
United Kingdom	1986	9.1	3.79
United States	1986	18.9	5.94

Source: Anthony B. Atkinson, Lee Rainwater and Timothy Smeeding, Income Distribution in OECD Countries: Evidence from the Luxembourg Income Study, (Paris, 1995), Tables 4.1 and 4.2.

The income distribution study cited above also analyzed the size of the middle-income group in these 13 countries, defined as those with incomes that were 80% to 120% of the median. In the United States, the United Kingdom, Italy, Ireland and Australia, about one-quarter of the population are within this middle range, while in Canada, France and Switzerland, the proportion is around one-third. In Germany, Luxembourg and the Scandinavian countries, the proportion is

²⁰¹ Stevens and Michalski in OECD Societies in Transition: The Future of Work and Leisure, p. 18.

around 40%.²⁰²

The dilemma for public policy makers in the OECD is perceived as twofold:

First, there are a number of people who are unable to support themselves and their families through work. Second, an increasing number of families may perceive that they will receive less out of the state than they contribute to it. The divergence of interests between gainers and losers has always been there, but in the past it was blurred by trying to ensure that all citizens shared in the benefits conferred by the system. The middle classes supported welfare to get health, education, better pensions, family support; the working classes mainly for greater economic security in times of sickness, unemployment and old age. Now there is a greater divide between those in regular employment (of any “class”) and those in casual or non-employment.²⁰³

Although the word “solidarity” is not used, it is clear that growing income disparities are viewed by the OECD as eroding public support for income security measures. As stated in an issue paper prepared for a high-level OECD social policy conference in November 1996, “Geographic or social concentration of receipt of benefits, particularly when it is associated with a feeling on the part of the recipients that they have to manipulate the system in order to make ends meet, can also jeopardise their legitimacy: the fact that the very word “welfare” has become “politically incorrect” in the US illustrates this sharply”.²⁰⁴

Social exclusion has more recently emerged within the OECD as a social cohesion concern. The organization’s social policy web site states that “Social exclusion is arguably the most pressing social policy issue which emerged during the 1990s. Many countries now stress the importance of maintaining and strengthening social cohesion and inclusiveness.”²⁰⁵ The introduction to its policy research on the subject (a series of social assistance reviews) notes that in all countries, a tension exists between the adequacy of social protection and disincentives to paid employment. Clearly, the OECD’s definition of social exclusion continues to be primarily based upon integration within the labour market and the primary threat posed to social cohesion lies in the inability of the socially excluded to obtain paid employment.

Skill deficits in a Knowledge-based Economy

A large body of OECD research deals with the transition to a knowledge-based economy and the investments in human capital required to equip the workforce for this transition. In general, the issue is viewed primarily in terms of productivity and growth, as emphasized in the OECD publication Technology, Productivity and Job Creation:

The present report ... strongly emphasises the need to put technology and productivity at the heart of the employment debate. Technology and productivity growth are central to OECD economies; in the long run, knowledge, especially technological knowledge, is the main source of economic growth and improvement in the quality of life.²⁰⁶

The report also notes that “rising unemployment and/or increasing wage inequalities are correlated with declining productivity growth” and that “technical change is less biased against certain types of skills than against the inability to learn”.²⁰⁷

²⁰² Income Distribution in OECD Countries: Evidence from the Luxembourg Income Study, p. 41.

²⁰³ OECD, Beyond 2000: The New Social Policy Agenda, (Paris, 1996), p. 15.

²⁰⁴ Beyond 2000: The New Social Policy Agenda, p. 20.

²⁰⁵ “Social Assistance Policies” at <http://www.oecd.org/els/spd/about.htm>

²⁰⁶ Technology, Productivity and Job Creation, Volume 1 - Highlights, p. 11.

²⁰⁷ Technology, Productivity and Job Creation, Volume 1 - Highlights, p. 9.

The problem of declining productivity in OECD countries despite the widespread diffusion of information technologies is clearly perplexing for OECD analysts. Its research suggests that “high performance firms, characterised by more innovative behaviour or use of more advanced technologies, have had above-average productivity and employment growth”.²⁰⁸ On the other hand, “while the overall effect on social wealth is unambiguously positive, it is unevenly distributed among sectors, firms and skill categories”.²⁰⁹

To maintain growth (but only incidentally social cohesion), the OECD concludes that governments may be forced to act on behalf of “those caught in poverty owing to insufficient skills or poor learning ability”.²¹⁰ For example, an OECD recommendation that countries focus on improving early childhood development to prevent educational failure is considered “not only a question of social equity but also a key factor in improving the health of OECD economies”. Investment in “life-long learning” is viewed as a means to “enhance future productivity, thereby leading to higher growth and employment”.²¹¹

One of the few references in OECD literature to education and skills development as an instrument of personal and community development occurs in the report OECD Societies in Transition: The Future of Work and Leisure:

- a) There needs to be a profound shift in the content of learning -- away from the knowledge items usually taught to the general capacity to learn, to a combination of orientation knowledge and special knowledge developed in individual projects, together with personal and social competences, noncognitive dimensions of learning, and learning by doing.
- b) This profoundly reshaped learning package should, in principle, be available to everyone, since the only way out of the two-thirds society is a population able to cope with an increasingly complex and dynamic environment. This means that a special effort will be necessary in poor neighbourhoods and with respect to those with low educational levels and those from distant cultures.²¹²

However, most other OECD documentation on skills development focuses on the threats and opportunities of technical change, particularly the use of information technologies in the workplace and the marketplace.

In the workplace, the OECD has concluded that “mismatches between the skills required and the skills available can be an obstacle to the full realisation of the potential of new technologies, and a main source of labour force inequalities”.²¹³

In the marketplace, the OECD believes that new information technologies can stimulate demand for new services and spur job creation, but only “when entry barriers to markets are lowered, costs of infrastructure use are reduced through competition, and public and private interests are

²⁰⁸ Technology, Productivity and Job Creation, Volume 1 - Highlights, p. 16.

²⁰⁹ Technology, Productivity and Job Creation, Volume 1 - Highlights, p. 18.

²¹⁰ Technology, Productivity and Job Creation, Volume 1 - Highlights, p. 25.

²¹¹ “Countering the Risks of Labour-Market Exclusion”, The OECD Observer, Number 202, (October/November 1996), p. 52.

²¹² Christian Lutz, “Prospects of Social Cohesion in OECD Countries” in OECD Societies in Transition: The Future of Work and Leisure, p. 114. The “two-thirds society” is a term coined by British academic Ralf Dahrendorf to describe a society divided into a shrinking majority that is able to cope with the new global economy and a growing minority that is marginalized with few prospects.

²¹³ Technology, Productivity and Job Creation, Volume 1 - Highlights, p. 19.

adequately represented in regulatory deliberations”.²¹⁴ The fact that deregulation of ownership restrictions and other barriers to entry in telecommunications and broadcasting markets has often resulted in job shedding rather than job creation (for example, within AT&T in the United States or within Bell Canada in Ontario and Quebec) is not mentioned.

Socio-political pressures

Political disenchantment and changes in governance

Part of the OECD’s heightened interest in societal cohesion appears to be driven by the prospect of restive populations reacting negatively to structural changes in the global economy over the past two decades. The Secretary-General’s determination to reach a better balance between economic growth, social stability and political stability in future OECD policies is reflected in an article that appeared in the OECD Observer in 1997:

Beyond the already serious social stresses arising from more marked polarisation of income, persistently high volumes of unemployment and widespread social exclusion, there are the broader societal challenges posed by profound technology- and competition-driven changes in the organisation of the workplace and everyday life. The result is a growing political disenchantment that threatens to undermine both the drive toward improved economic flexibility and the policies that encourage strong competition, open markets and technological evolution.²¹⁵

The OECD sees this disenchantment being translated into dissatisfaction with current governance structures such as trade unions, professional organizations, income support and educational systems, which are now “hard-pressed -- in current forms -- to dampen the inherent turbulence of ... decentralised, spontaneous markets and methods of production”.²¹⁶ Improving systems of governance through such mechanisms as voter education, referenda, and decentralization is considered necessary by the OECD to:

- C enable and sustain a respect for people’s differences (e.g. wealth, cultural endowment) in an economic environment characterized by free markets;
- C encourage social responsibility and personal engagement, which are essential in a decentralized, flexible and innovation-driven society;
- C share responsibility at work and in the community to achieve win-win outcomes from the turbulence of the flexible economy.²¹⁷

Diversity and demographic change

In 1991 and 1992 alone, OECD countries in North America and Europe received over two million immigrants, and this inward flow is expected to continue well into the 21st century. Recent surveys in several countries (Canada, the United States and Germany) have indicated growing wage inequality among the immigrant population, likely due to skill deficits among workers coming from poorer countries.²¹⁸ In addition, many immigrants live in ghettos or “in

²¹⁴ Technology, Productivity and Job Creation, Volume 1 - Highlights, p. 20.

²¹⁵ Riel Miller, “Economic Flexibility and Societal Cohesion”, The OECD Observer, Number 207, (August/September 1997), p. 24.

²¹⁶ Michalski, Miller and Stevens in Societal Cohesion and the Globalising Economy: What Does the Future Hold?, p. 12.

²¹⁷ “Economic Flexibility and Societal Cohesion”, The OECD Observer, pp. 25-6.

²¹⁸ Barry Stevens and Wolfgang Michalski, “Long-term Prospects for Work and Social Cohesion in OECD Countries: An Overview of the Issues”, OECD Societies in Transition: The Future of Work and Leisure, pp. 19-20.

neighbourhoods dominated by the new poor, the unemployed, the disoriented, the lower-class fundamentalists -- i.e. by those who regard them as competitors and enemies".²¹⁹ As a result, while this immigration is seen by the OECD to be a source of economic prosperity and regeneration of aging populations, "there is concern in some quarters that Member countries' capacity to integrate growing migratory flows may be weakening" with a potential for "disrupting social cohesion".²²⁰

The OECD's perception of the impact of diversity took an uncharacteristic turn in the mid-1990s, focussing on the implications for societal cohesion of greater interaction among different cultures:

The reclaiming of local or historical cultural identities along with the vital voices of immigrants, all within a more tolerant legal framework (granting human rights to many formerly denied the privilege), could make cleavages previously papered over or suppressed much more apparent. The reality -- in certain cases, semblance -- of a homogeneous national identity once so central to societal cohesion may give way to a fragmentation of cultural aspirations and values.²²¹

Another main element of diversity prominent in OECD analysis is the impact of aging populations on the workforce and the economy. It has been estimated that by 2030, the working age population in the OECD area could be 4.5% smaller than at its peak level in 2010, but that in several countries the fall could be much more pronounced (for example, 24% in Germany, 18% in Italy and 17% in Japan). The current ratio of older people to people of traditional working age is about 19%, but is expected to rise to about 37% by 2030.²²² Aging populations are expected to change consumption patterns in the economy toward services in health, leisure and tourism and to reduce the level of national savings, particularly government savings, due to higher pension pay-outs.²²³

While social cohesion concerns do not figure prominently in documents on this subject, several reports have speculated on the societal implications of growing numbers of people over the age of 65. For example, *OECD Societies in Transition* opined that "The fact that ever fewer active people have to support more and more retired persons produces an increasing strain on social systems and, hence, on solidarity between age groups."²²⁴ One of the OECD's reports has even suggested that "the large elderly contingents of the next century, better organised and more prone to participate in political processes, will attempt to impose their values and interests on younger generations".²²⁵

Changing values regarding work and society

Another pressure on social cohesion that is discussed occasionally in OECD literature is the impact of eroding commitments to the role of work in personal life and the sense of solidarity with others in one's community and society. This trend is attributed to the growth of individualism and the crumbling of group solidarity:

²¹⁹ Christian Lutz in *OECD Societies in Transition: The Future of Work and Leisure*, p. 105.

²²⁰ Stevens and Michalski in *OECD Societies in Transition: The Future of Work and Leisure*, p. 19.

²²¹ Stevens and Michalski in *OECD Societies in Transition: The Future of Work and Leisure*, pp. 12-13.

²²² OECD, "Policy Implications of Ageing Population" (Note by the Secretariat), (Paris, May 9, 1996), p. 6.

²²³ "Policy Implications of Ageing Population" (Note by the Secretariat), p. 9.

²²⁴ Christian Lutz in *OECD Societies in Transition: The Future of Work and Leisure*, p. 103.

²²⁵ Wolfgang Michalski, Riel Miller and Barrie Stevens, "Economic Flexibility and Societal Cohesion in the Twenty-First Century: An Overview of the Issues and Key Points of the Discussion" in *Societal Cohesion and the Globalising Economy: What Does the Future Hold?*, p. 12.

... many young people seem to have experienced a loss of traditional value orientation. More extreme manifestations of this can be seen in the mounting body of evidence in the United States and the United Kingdom that relates long-term youth unemployment with property crime. In parallel, the institutions which hitherto knitted together the social fabric have been undergoing important transformations. The role of families has changed, the influence of traditional structures of solidarity and consensus-building such as the Church and trade unions has declined, and the welfare state itself is being called into question. Thus traditional symbols of personal identification seem to be fading, leaving people with a strong sense of needing to “belong” and to participate, but with fewer means of expressing collective sovereignty, defining general interest and structuring solidarity.²²⁶

Extrapolating from evidence showing a decline in the average yearly numbers of hours worked in many OECD countries (for example, Japan and Norway) and the findings of a number of cross-national opinion polls, the OECD foresees “a generally diminishing commitment to work among large -- but by no means all -- segments of the population”, with a “declining attachment to work as a value ... particularly pronounced among young people”.²²⁷

A population focussed on post-materialist values such as self-development, self-fulfilment, self-organization and aesthetics may lessen demands for full-time employment and fit in well with workplace transformations, such as down-sizing, flexible work, telework and non-traditional employment. However, the OECD acknowledges that only those with education and skills may have the resources (if not the time) to exercise such options:

... those in the population who, because of unemployment, underemployment, disability or early retirement, find themselves with a lot of free time but not necessarily the means to translate that into self-development and self-fulfilment.²²⁸

In general, the OECD’s philosophical stance with regard to market liberalization favours individualism as a value, but it has observed that “the combination of unlimited accumulation of wealth (market power) and weak collective institutions could usher in the worst of both worlds: uncompetitive monopoly or collusive behaviour in the marketplace and risk-averse defensive behaviour among individuals”.²²⁹

Major factors promoting social cohesion

OECD documentation tends to focus on pressures, rather than factors promoting social cohesion. Nevertheless, it is possible to infer from various reports the strengths within OECD societies that are viewed as positive (or, at least, neutral) forces in maintaining social cohesion. These include:

- C the capacity to balance competitive markets with a strong social fabric
- C the capacity for dialogue and cooperation
- C openness to diversity
- C dematerialization and the “culturization” of the economy.

²²⁶ Barrie Stevens and Wolfgang Michalski in OECD Societies in Transition: The Future of Work and Leisure, p. 20.

²²⁷ Barrie Stevens and Wolfgang Michalski in OECD Societies in Transition: The Future of Work and Leisure, p. 15.

²²⁸ Barrie Stevens and Wolfgang Michalski in OECD Societies in Transition: The Future of Work and Leisure, p. 17.

²²⁹ Wolfgang Michalski, Riel Miller and Barrie Stevens in Societal Cohesion and the Globalising Economy: What Does the Future Hold?, p. 17.

Capacity to balance competitive markets with a strong social fabric

It is an article of faith, given the OECD mandate, that competitive markets are positive factors in the promotion of prosperity. However, the organization has acknowledged that “the turmoil of relentlessly competitive markets” may be straining the fabric of OECD societies by causing “stubbornly high levels of unemployment, widening income disparities, persistent poverty and social exclusion”.²³⁰ As a result, OECD literature now emphasizes the need for a “balance between dynamism and security”. According to this view, “The capacity to find the appropriate balance, thereby avoiding both stagnation and social fragmentation, is one of the key strengths of OECD democracies -- a strength that will probably be put to the test over the next two decades”.²³¹

Capacity for dialogue and cooperation

At its May 1997 meeting, the OECD Council at the ministerial level considered a number of issues of concern to member countries, including sustainable growth and social cohesion. In their communiqué of this meeting, Ministers called on the OECD “to use its unique strength to analyse important national and international problems in a multidisciplinary and forward-looking way”, noting that the “OECD’s dialogue and cooperation must be a mutually beneficial process which enables OECD and non-OECD countries to share their own policy experiences”.²³² Ministers expressed the belief that “a well-focussed and effective OECD, working to improve policies in both the national and international context, is an especially potent instrument of global change and reform”.²³³

Societal flexibility and demographic change

Operating on the assumption that social systems are much more resilient than often given credit for, the OECD has pointed to several trends that might serve to lessen the strains on social cohesion within its member countries:

- C relative scarcity of young people in the labour market of some countries may push up their earnings and lessen income disparities;
- C average education levels are rising, even among minorities;
- C many older people in the future will have accumulated considerable assets on retiring;
- C workers are adopting “survival strategies”, such as multiple part-time work and participation in the informal economy, to move out of poverty (OECD research has found that the fraction of families that move out of the bottom income decile annually is around 25% in North America, France, Germany, Ireland and the Netherlands);
- C family structures are diversifying, especially among the young, to include groups of people living together and supporting each other without marital or blood ties;
- C in Europe, the corporate sector may take more responsibility for welfare functions on behalf of employees and their families.²³⁴

²³⁰ Michalski, Miller and Stevens in Societal Cohesion and the Globalising Economy: What Does the Future Hold?, p. 7.

²³¹ Michalski, Miller and Stevens in Societal Cohesion and the Globalising Economy: What Does the Future Hold?, pp. 7-8.

²³² “Ministerial Communiqué”, The OECD Observer, Number 206, (June/July 1997), p. 47 and p. 50.

²³³ “Ministerial Communiqué”, The OECD Observer, p. 50.

²³⁴ Stevens and Michalski, “Long-term Prospects for Work and Social Cohesion in OECD Countries: An Overview of the Issues” in OECD Societies in Transition: The Future of Work and Leisure, pp. 22-3.

Openness to diversity

While increases in immigration and the globalization of communications and commerce are making OECD countries more open to diversity, this may not, in the end, be a problem, but an opportunity. The OECD has suggested that these trends may be “increasing the capacity for intercultural dialogue within OECD countries -- i.e. between different regions and social groups - and on a global level, where such dialogue is becoming a necessary and extremely helpful approach to solving political and economic problems”.²³⁵

Dematerialization and “culturization” of the economy

The fairly familiar concept of the knowledge-based economy is expanded in some OECD literature to examine the logical outcome of an advanced economy: the dematerialization of production through the widespread application of information and bioengineering technologies. According to this line of analysis, such dematerialization will eventually result in a “quantum leap in the productivity of natural resources and routinised labour” once the correct valuations for such products are assigned by the marketplace.²³⁶ However, the benefits of dematerialization will only be reaped when the economy is “culturized”, which is defined to mean that:

- C quality of life is enhanced through tailor-made production, rather than by increasing the quantity of goods and services consumed;
- C flexible networks of small units engage in the core activities along the value-added chain -- communicating, innovating, creating and conceptualizing;
- C the cultural sector becomes a growth industry, since it consists of the key factors of production in a dematerialized economy: languages, media, knowledge, design;
- C the cultures of regions may determine their core competencies or comparative advantages, with intercultural dialogue becoming the main instrument of a rational division of labour.²³⁷

According to this analysis, the OECD countries are already well along the route to dematerializing their economies and have taken some steps toward culturization. While this point of view is rather unconventional, if it is correct, it would imply that OECD countries are ahead of other societies in adapting to the knowledge-based economy and, by extension, in addressing the pressures on social cohesion that such a transformation entails.

OECD measures to address threats

The OECD has no jurisdictional power and operates mainly through moral suasion, relying on the quality of its analyses and collective deliberations to persuade the governments of member countries to adopt economic, social and environmental policies that it considers progressive. Beginning in about 1994, it has published a series of documents and held a number of discussions relevant to the issue of social cohesion. The principal documents and consultations are outlined below.

²³⁵ Christian Lutz, “Prospects of Social Cohesion in OECD Countries” in OECD Societies in Transition: The Future of Work and Leisure, p. 97.

²³⁶ Christian Lutz, “Prospects for Social Cohesion in OECD Countries” in OECD Countries in Transition: The Future of Work and Leisure, p. 112.

²³⁷ Christian Lutz in OECD Countries in Transition: The Future of Work and Leisure, p. 112-113.

Socio-economic measures

OECD Jobs Study - 1994

This study made a wide-ranging set of policy recommendations to reduce unemployment, increase employment and increase prosperity in OECD countries. The main elements of the OECD Jobs Strategy are outlined in the following box.

OECD Jobs Strategy

1. Set macroeconomic policy such that it will both encourage growth and, in conjunction with good structural policies, make it sustainable, i.e. non-inflationary.
2. Enhance the creation and diffusion of technological know-how by improving frameworks for its development.
3. Increase flexibility of working-time (both short-term and lifetime) voluntarily sought by workers and employers.
4. Nurture an entrepreneurial climate by eliminating impediments to, and restrictions on, the creation and expansion of enterprises.
5. Make wage and labour costs more flexible by removing restrictions that prevent wages from reflecting local conditions and individual skill levels, in particular of younger workers.
6. Reform employment security provisions that inhibit the expansion of employment in the private sector.
7. Strengthen the emphasis on active labour market policies and reinforce their effectiveness.
8. Improve labour force skills and competences through wide-ranging changes in education and training systems.
9. Reform unemployment and related benefit systems -- and their interactions with the tax system -- such that societies' fundamental equity goals are achieved in ways that impinge far less on the efficient functioning of labour markets.
10. Enhance product market competition so as to reduce monopolistic tendencies and weaken insider-outsider mechanisms while also contributing to a more innovative and dynamic economy.

Adoption of this strategy by OECD countries has been sporadic and uneven, primarily because of concern that proposed changes to social transfer systems would "be at odds with the policy objectives of ensuring some degree of equity across members of the labour force or the population at large".²³⁸ The OECD itself takes the position that "increased employment as a result of policy reform will tend to offset at least partly the impact of increased wage-rate dispersion and restricted social transfers on income distribution".²³⁹

There has also been concern in some quarters about the degree to which increased public investment in education, in the absence of the other elements of the Job Strategy, is cost-

²³⁸ OECD Council at Ministerial Level, Implementing the OECD Jobs Strategy: Lessons from Member Countries' Experience (Paris, 13 May, 1997), p. 14.

²³⁹ Implementing the OECD Jobs Strategy: Lessons from Member Countries' Experience, p. 14.

effective “in a world of rapid structural change where shifts in demand for particular skills are likely to exceed the pace at which skill supplies can be adjusted through education and training”. This, in turn, is countered by those who dispute “the effectiveness of relative wage signals in influencing human capital investment, not least because increased inequality of income, in a context of imperfect capital markets, may prevent those at the bottom of the income distribution from investing in their own or their children’s education”.²⁴⁰

France, Austria and Belgium, while acknowledging the stress placed on social cohesion by high and persistent unemployment, have cited “negative repercussions on social cohesion as a reason for adopting a measured and incremental approach to reform.” On the other hand, the Netherlands and Ireland are given credit for “introducing these policies through a consensual process, involving the social partners and clearly not threatening social cohesion”. In the OECD’s opinion, Job Strategy reforms that are seen as “possessing an element of fairness” are the least likely to meet with public resistance and jeopardize social cohesion. This was seen to be the case in the United Kingdom and New Zealand, as well as in the Netherlands and Ireland.²⁴¹

Beyond 2000: The New Social Policy Agenda - November 1996

In November 1996, the OECD sponsored a high-level conference of Ministers, senior policy makers, analysts and academics to discuss social policy concerns such as the widening gap between the top and bottom of the household income distribution scale, high unemployment and the changing nature of work, the social policy implications of aging populations and the growing number of children in low income households. In a by now familiar vein, an issues paper prepared for the conference cited a litany of factors that were putting strains on the social policy systems of member countries:

... a number of factors -- education, employment, race, housing, family structure and benefit rules -- are acting together to marginalise some groups. The policy objective is to break the cycle of dependency by “making work pay”. The strategy must be to move from passive income support to active support of those in, or attempting to enter, work.²⁴²

The conclusions drawn from the conference were as follows:

- C view social expenditures as social investments and focus on areas where returns are maximized in the form of social cohesion and active participation in society and the labour market;
- C invest more in children and young adults, as well as the maintenance of human capital over the life course;
- C ensure that social insurance systems support, rather than hinder, job mobility;
- C set a goal of “zero tolerance” of long-term exclusion from the labour market;
- C increase the effective age of retirement, link pension entitlements to future economic growth, include an increased role for private pensions and redirect social expenditure away from affluent retirees towards families with children.²⁴³

²⁴⁰ Implementing the OECD Jobs Strategy: Lessons from Member Countries’ Experience, p. 14.

²⁴¹ Implementing the OECD Jobs Strategy: Lessons from Member Countries’ Experience, p. 16.

²⁴² OECD, Beyond 2000: The New Social Policy Agenda - Conference Issues Paper, (Paris, 1996), p. 2.

²⁴³ “Social investment approach to future welfare state”, OECD Letter, Vol. 6/1, (January 1997) on OECD Web page at: <http://www.oecd.org>.

Societal Cohesion and the Globalising Economy: What Does the Future Hold? - December 1996

In December 1996, the OECD hosted a Forum for the Future on social cohesion “to stimulate innovative thinking about ways to maintain future societal cohesion in the face of a dynamic economy that thrives on a high degree of flexibility”.²⁴⁴ Participants at the conference drew a number of conclusions from their discussions:

- C OECD economies will have to learn to adapt to positive but low rates of economic growth over the next two decades. While stronger growth rates might improve social cohesion by increasing employment, the participants did not think this would be likely and therefore suggested “a fairly urgent need to develop mechanisms of economic and social risk management that correspond to conditions of greater flexibility and turbulence”.²⁴⁵
- Within the OECD, at least four distinct groups of responses will need to be made to meet 21st century challenges to social cohesion:
 - changes to the systems used to insure citizens against the risks of unemployment, disease, disability and poverty;
 - reforms to state-dominated education systems to recognize and support different types of learning throughout life;
 - innovations in corporate and community governance to spur commitment, innovation and long-term thinking;
 - introduction of a universal citizens’ income that would put greater value on human activities that extend beyond paid work.²⁴⁶

OECD Ministerial Council Meeting - May 1997

At its May 1997 meeting, the OECD’s ministers of finance, trade and industry discussed the issues of sustainable growth and social cohesion, multilateral trade and investment liberalization and the role of the OECD in a globalizing economy. The Ministers recognized that “the challenge for governments is to pursue policies whereby the benefits of globalisation are fully realised and widely shared by all groups of society”.²⁴⁷ Their prescriptions for realizing the twin goals of sustainable growth and social cohesion were to:

- C pursue sound monetary and fiscal policies, combined with continued cooperation on exchange rates, sound financial systems and structural reforms;
- C implement the OECD Jobs Strategy in all OECD countries to deal with the problems of marginalization by improving access to work;
- C support “active aging” (which includes participation in the labour force and other “socially useful” activities) and change pension and health care systems to arrest escalating costs and ensure their viability;
- C pursue regulatory reform to improve economic efficiency, enhance competition, and provide a more cost-effective means of attaining social and environmental goals;
- C promote improvements in corporate governance;

²⁴⁴ Foreword, *Societal Cohesion and the Globalising Economy: What Does the Future Hold?*, p. 3.

²⁴⁵ *Societal Cohesion and the Globalising Economy: What Does the Future Hold?*, p. 21.

²⁴⁶ *Societal Cohesion and the Globalising Economy: What Does the Future Hold?*, p. 24.

²⁴⁷ “Ministerial Communiqué”, *The OECD Observer*, Number 206, (June/July 1997), p. 47.

- c) examine the implications of electronic commerce for areas such as taxation, commercial transactions, consumer protection, privacy and security.²⁴⁸

The pronouncements of the Ministers, with their heavily economic slant, reflect the primary objectives of the OECD mandate but are not entirely consonant with the conclusions and recommended actions of previous studies and consultations on social cohesion. This may reflect some tension or disagreement within the organization and among member countries about the appropriate “balance” (to use the Secretary-General’s term) between economic growth and social stability.

OECD Ministerial Council Meeting - 1998

This continuing tension was evident again in 1998, at a time when the OECD was in the midst of its unsuccessful attempt to develop a Multilateral Agreement on Investment. The final communiqué from the 1998 meeting stated that “Ministers are convinced that globalisation offers great opportunities to enhance economic growth and improve welfare”. However, they also recognized that “these benefits will be fully realised and widely shared only if structural reforms are adopted which encourage and facilitate governments, firms, and citizens to successfully adjust and innovate, taking into account the needs of the most vulnerable and the need to prevent people from drifting into long-term unemployment and social exclusion.”²⁴⁹

OECD Ministerial Council Meeting - 1999

At the 1999 meeting, OECD ministers expressed their concern about continuing high levels of unemployment, especially among young people, women, older workers and unskilled immigrants. While they underlined their determination to implement the macro-economic and structural reforms of the *Jobs Strategy*, they also noted that:

Policy must promote flexible labour markets in tandem with effective social safety nets that deliver assistance to the most vulnerable members of society. Attention should also be given to policies to improve the employment prospects of groups at the margin of the labour market, to address regional disparities in employment performance, to reforms of the tax and benefit systems to make work pay, and to making life-long learning a reality for all. Fostering a climate of “active ageing” also remains a priority. Progress across the board is needed to improve social cohesion.²⁵⁰

Perhaps in response to their experience with the MAI in the previous year, the Ministers also pledged to improve communication and consultation with civil society.

Socio-political measures

OECD Societies in Transition: The Future of Work and Leisure - January 1994

As part of its International Futures Program, the OECD periodically holds Forums for the Future -- informal, high-level meetings which test new ideas and develop fresh perspectives on problems or strategic economic and social issues. In January 1994, a meeting was held on the long-term prospects for growth and employment, the changing nature of work and emerging problems facing social cohesion. The meeting concluded that “the changes sweeping the

²⁴⁸ “Ministerial Communiqué”, *The OECD Observer*, pp. 47-48.

²⁴⁹ “Communiqué - OECD Council Meeting at Ministerial Level”, (Paris, 27-28 April 1998) at http://www.oecd.org/news_and_events/release/nw98-51a.htm

²⁵⁰ “Communiqué - OECD Council Meeting at Ministerial Level”, (Paris, 27 May 1999) at http://www.oecd.org/news_and_events/release/nw99-52a.htm

international economy and transformations taking place within OECD countries will prove a severe challenge to the effectiveness of governance, revealing the state as we know it to be inherently unsuited to its new tasks". To cope with these pressures, the meeting suggested that "Governments will consequently be obliged to find new and more flexible organisational forms and mechanisms for preserving social cohesion and solidarity as the globalisation process unfolds".²⁵¹

Societal Cohesion and the Globalising Economy: What Does the Future Hold? - December 1996

As well as commenting on the socio-economic changes that would be required to cope with pressures on social cohesion in the OECD countries (see above), this conference also made a number of recommendations about the needed socio-political and governance changes in member countries:

- C Governance systems in the OECD countries will have to change, "not only in the democratic fora of the political sphere, but also in enterprises and communities where many of the crucial decisions will be made on a daily basis". Better governance systems will have a three-fold benefit:
 - enabling and sustaining respect for people's differences within a globalizing economy;
 - encouraging the social responsibility and trust needed for success in a decentralized, innovative economy and in a more flexible social order;
 - encouraging greater sharing of responsibility in the workplace and the community, thereby promoting social inclusion.²⁵²
- C The welfare state will have to be reoriented, although there were two schools of thought on how this should occur. Advocates of radical change felt that "societal cohesion was likely to be menaced by the perverse tendency of certain social programmes to incite dependency, while fiscal retrenchment undermines the available resources". Others called for incremental changes to existing welfare, social security, health and education systems to ensure that "the public sector would ... continue in its role as primary direct provider of social services without the danger of excessive inflexibility or uniformity".²⁵³
- C OECD governments' role in securing social cohesion should shift over time towards "the extension of universal rights and the pursuit of policies that offer individuals greater choice and self-determination". This change would recognize that "households, workplaces and voluntary associations will maintain a central role in providing citizens with a sense of security, belonging and identity". With greater diversity of service providers, "governments will likely be called upon to move towards creating frameworks and basic standards, and away from the direct provision of uniform services".²⁵⁴

Local Economic and Employment Development (LEED) Program

In recent years, the OECD has become much more active in the areas of governance and civil society. This has been particularly evident in the Local Economic and Employment Development (LEED) Program, the objectives of which are to:

²⁵¹ Stevens and Michalski in *OECD Societies in Transition: The Future of Work and Leisure*, p. 23.

²⁵² *Societal Cohesion and the Globalising Economy: What Does the Future Hold?*, p. 22.

²⁵³ *Societal Cohesion and the Globalising Economy: What Does the Future Hold?*, pp. 22-23.

²⁵⁴ *Societal Cohesion and the Globalising Economy: What Does the Future Hold?*, p. 23.

- improve the coherence and efficiency of public policy through local measures;
- foster a culture of self-reliance, self-employment and entrepreneurship for local economic employment and development;
- provide an essential link between national and sub-national government as well as between the OECD and sub-national authorities;
- encourage a range of local partnerships between the private, public and non-profit sectors with the goal of reconciling economy and society.²⁵⁵

The LEED Program has been the major vehicle by which cities, the private sector and non-profit organizations have become involved in the work of the OECD. For example, the LEED Program has undertaken work in such areas as entrepreneurship among women, youth and indigenous groups and on the economic importance of the non-profit sector.

One of the priorities of the LEED Program is to facilitate at the local level an active response to unemployment and social exclusion. As part of its work to “find new formulae that will reconcile economic success with social cohesion”, the Program has produced studies on “active labour market policies” which emphasize help for the unemployed to find jobs, rather than passive income support. It has also been a strong advocate of local management of active labour market policies on the grounds that local authorities have a clearer idea of local labour demand and supply than distant central authorities.²⁵⁶

In 1998, the LEED Program sponsored a conference in Venice on *The Decentralisation of Employment Services and Local Management* which examined the effectiveness of local partnerships in reducing unemployment. The conference found that “Activities to combat unemployment, social exclusion and poverty are increasingly being set up by enterprises in the voluntary sector, helping with the start-up of enterprises, providing social services to the local community and reaching the long-term unemployed”. It noted that the institutional changes brought about by such partnerships can have important consequences for governance. For example, central governments appear to be moving from the role of decision maker to the role of mediator and have had to develop an array of new instruments (such as sub-contracting, funding by results, performance measurement) to accommodate the dynamics of local partnering. While there may be gains in effectiveness in dealing with unemployment, the Venice conference also found some evidence that decentralization of employment services may also lead to unequal treatment across regions or to duplication of services, the effects of which on social cohesion are difficult to assess.²⁵⁷

Despite the possible inequities arising from decentralization of employment services to local partners, Sergio Arzeni, the Head of the LEED Program, in an address to a conference of European mayors, chose to highlight the positive effects for social cohesion:

Partnerships channel the concerns, the needs, the wishes, the ideas of the local community. In short, local partnerships reinforce democracy at the local level, and this is a key to social cohesion. Help people to get work experience, to be re-inserted in working and social life, give them the opportunity to express their opinion and let them participate in decision making, and you improve social well-being significantly. Local partnerships help reconcile the goals of competitiveness and social cohesion.²⁵⁸

²⁵⁵ From Territorial Development Service web site at <http://www.oecd.org/tds/use/leed1999.htm>

²⁵⁶ “Programme of Work” at <http://www.oecd.org/tds/use/leed1999.htm>

²⁵⁷ “International Conference – The Decentralisation of the Public Employment Service and Local Management”, (Venice, 23-24 April 1998) at <http://www.oecd.org/tds/bis/venice.htm>

²⁵⁸ Sergio Arzeni, “Local Partnerships in a Competing Environment”, Speech given at *Mayors for Employment, European Conference*, (Helsinki, 9-10 September 1999) at

This positive assessment was no doubt the motivation for the establishment by the LEED Program of a Forum on Social Innovation in 2000. Social innovations are defined as new mechanisms and norms to improve the well-being of individuals, communities and places in terms of social inclusion or the creation of employment. This initiative was intended to identify, analyze and disseminate information on such social innovations. Participants at the two seminars and conferences planned for 2000 were to be drawn from governments at all levels, social partners, journalists, academics, the private sector and civil society.²⁵⁹

OECD Ministerial Council Meeting - 2000

After several years of focussing primarily on the economic aspects of social cohesion, in 2000 the OECD Ministers took a broader approach by pledging to work on other issues that also have an impact on social cohesion. In the section on social cohesion in their final *News Release*, the Ministers noted that:

OECD economies are adjusting to a wide range of changes with profound effects on work and society. *Enhanced social cohesion*, bolstered by full employment, will facilitate this adjustment. Policies to enrich human and social capital are needed to enhance the ability of economies and individuals to adapt to these changes, and to ensure that the benefits extend to all groups in society, particularly the disadvantaged.²⁶⁰

In this vein, the Ministers indicated that they would be:

- making recommendations on strategies for investment in education and training
- promoting the maintenance of social cohesion through strengthened family and community support strategies
- encouraging member countries to create an environment where older people can play an active role in society (although this was primarily through phasing out incentives to early retirement)
- adopting an enhanced strategic focus on health issues
- examining policies to facilitate the better integration of migrants in receiving countries.²⁶¹

Governance issues also received increased attention from Ministers at the 2000 meeting. The final news release asserted that “Good, effective public governance helps to strengthen democracy and human rights, promote economic prosperity and social cohesion, reduce poverty, enhance environmental protection and the sustainable use of natural resources, and deepen confidence in government and public administration.”

Possibly in reaction to the public outcry against the OECD’s MAI negotiations, the Ministers also picked up on their pledge from the previous year to improve consultations with civil society and to build understanding and trust (fundamental elements of social cohesion) through greater accountability and transparency. This took the form of a special event called the **OECD Forum 2000 - Partnerships in the New Economy**, held simultaneously with the Ministers meeting in June 2000, to which representatives of non-governmental organizations, unions, businesses and universities were invited. Conference workshops were intended to focus on key issues that confront the knowledge-based economy and to explore how this economy could best function for

<http://www.oecd.org.tds/speeches/mayorssa.htm>

²⁵⁹ “Forum for Social Innovation” web site at: <http://www.oecd.org.tds/leed/Forum2/socinnovation.htm>

²⁶⁰ News Release, “Shaping Globalisation”, (Paris, 27 June 2000) at <http://www.oecd.org/media/release/nw00-70a.htm>

²⁶¹ News Release, “Shaping Globalisation”, (Paris, 27 June 2000) at <http://www.oecd.org/media/release/nw00-70a.htm>

the betterment of all.²⁶²

Conclusions

The OECD is currently struggling with the challenge, expressed by its Secretary-General, to achieve a better balance between economic growth, social stability and political stability in its policy advice. Two schools of thought are clearly competing to gain the high ground in its public pronouncements: those who believe that deregulation, free markets, and structural adjustment will create enough employment to relieve pressures on social cohesion and those who believe that changes in social and political institutions will be necessary to address social cohesion problems not related solely to labour market participation.

This internal competition may be academic, in the sense that the OECD itself has no jurisdictional power to effect change in national policies. In the end, the third element of Secretary-General Johnston's three-sided paradigm comes into play, because it will be in the political sphere where critical decisions on human resource, social and cultural policies will be made. Adjustments in these policy areas, just as much as in the economic domain, will dictate whether a given society fragments into ungovernable factions or works together to ensure a better future for all. It is obvious, from the report card on implementation of the OECD Jobs Strategy, that countries are proceeding at different speeds and in different ways to address unemployment and are only beginning to grapple with some of the other policy areas that have an impact on social cohesion.

In a sense, unemployment is one of the more straightforward and transparent policy areas having an impact on social cohesion. OECD analysis over the past four years or so has touched on problems in a number of other policy domains -- education, pensions, childhood development, immigration, cultural identity, the Information Society -- that are even more complex and less amenable to short-term solutions. Increasingly, OECD officials have realized that decision makers in member countries lack effective measures in policy areas critical to social cohesion. In a speech at a 1998 meeting of the Employment, Labour and Social Affairs Committee on social policy, the Secretary-General observed that:

When your Finance colleagues ask you about one of your programmes: "Is it cost-effective?", you often do not have the information to answer convincingly in the affirmative. As a result, those of us who believe that well-designed social and health policies are essential for continued economic and social development are put onto the defensive. It is vital to develop better measures of outcomes. ... I see this as an essential step in providing a better basis for policies that promote social cohesion. I recognise that social cohesion is a complex and somewhat difficult concept and that in using it we may not all necessarily have the same idea in our minds. We do however share, I think, the understanding that our aim should be to ensure that our societies and economies are inclusive.²⁶³

As a result of this meeting, the OECD was asked to develop set of social indicators which would not only "summarise the social status of OECD Member countries, but also give guidance on the cost-effectiveness of measures taken to pursue social objectives". The underlying social objectives chosen to frame the indicators are "self-sufficiency, equity, healthy living and social

²⁶² "OECD Forum 2000 - The Conference" at <http://www.oecd.org/Forum2000/conference/index.htm>

²⁶³ "Introductory Statement by the Honourable Donald J. Johnston, Secretary-General of the OECD", Meeting of the Employment, Labour and Social Affairs Committee at Ministerial Level on Social Policy, (Paris, 23 June 1998) at http://www.oecd.org/news_and_events/release/nw98-69a.htm

cohesion”.²⁶⁴ The aim was to produce information for a publication on social indicators in 2000.

The OECD’s preoccupation with measuring outcomes was also apparent in an international symposium on *The Contribution of Human and Social Capital to Sustained Economic Growth and Well-being*, which was organized in partnership with Human Resources Development Canada and held in Quebec City on March 19-21, 2000. Among the goals of the symposium were to:

- bring together a number of different perspectives and disciplines in the analysis of the contribution of human and social capital to economic growth, productivity, social cohesion and human well-being;
- situate the important discussion of economic growth in a wider social context highlighting the various social antecedents of growth with which human and social capital play an important role as well as the broad “market” and “non-market” social returns to investment in life-long learning.²⁶⁵

The background paper prepared for the Quebec City conference asked the question, “which social initiatives can best lead to the high-quality human capital investment necessary for growth?”²⁶⁶ and the OECD’s investigation of social capital is clearly linked to this long-standing concern. At the same time, the Organisation seems to have recognized that “social capital is to some extent a given which is the result of a complex interaction of historical and cultural factors and not one in which investment or cost analogies can be easily applied.”²⁶⁷

The OECD is not alone in facing this “nature” or “nurture” conundrum. Most public policy makers at the dawn of the 21st century are grappling with the issues of social solidarity, and few have proceeded as far as the OECD in describing and analyzing the pressures on social cohesion within its member countries. However, the Organisation appears far from understanding, let alone reaching a consensus, on how such pressures are interrelated or on the policy adjustments required to lessen them. On the other hand, while there are empirical limits to its efforts (as those groups attempting to develop social indicators or study social capital point out in their literature), the OECD appears to be as well or better placed than the other two organizations profiled in this report to tackle the measurement issues surrounding social cohesion. Despite its preoccupation with creating the conditions for growth, it may discover that stability is not the only, or even the most important, outcome of social cohesion and that measurement of these outcomes will be even more challenging than first imagined.

²⁶⁴ Directorate for Education, Employment, Labour and Social Affairs, Social Indicators: A Proposed Framework and Structure, (Paris, 22 September 1999), p. 4.

²⁶⁵ OECD Centre for Educational Research and Innovation web site at:
<http://www.oecd.org/els/conferences/quebecity.htm>

²⁶⁶ OECD Centre for Educational Research and Innovation web site at:
<http://www.oecd.org/els/conferences/quebecity.htm>

²⁶⁷ OECD Centre for Educational Research and Innovation web site at:
<http://www.oecd.org/els/conferences/quebecity.htm>

4.3 Council of Europe

Relevant History

The Council of Europe was founded in 1949 “to achieve greater unity between its members for the purpose of safeguarding and realizing the ideals and principles which are their common heritage and facilitating their economic and social progress”.²⁶⁸ It functions as a forum for dialogue and the development of common standards and agreements on social, economic, cultural, scientific, legal and administrative matters. Its major priority is the fostering of human rights and fundamental freedoms within the European community of nations.

Currently, there are 40 member nations in the Council, comprising most of the major states in Europe and including a couple -- the Russian Federation and Turkey -- with a significant presence in Asia. Five other states are being considered for membership -- Belarus, Bosnia and Herzegovina, Armenia, Azerbaijan and Georgia. As well, Canada, the United States and Japan have been granted observer status.

The Council of Europe has three administrative components:

- C the Committee of Ministers - a decision making body made up of the ministers of foreign affairs for the 40 member states, which meets twice a year in formal sessions;
- C the Parliamentary Assembly - a deliberative body made up of 286 representatives of the parliaments of the member states, which meets four times a year and makes recommendations to the Committee of Ministers;
- C the Congress of Local and Regional Authorities of Europe - a deliberative body made up of 286 representatives of local authorities and regions, which works to strengthen democratic institutions at the local level, particularly in the new democracies of middle and eastern Europe.²⁶⁹

These bodies are supported by a 1500 person Secretariat, located in Strasbourg, France and headed by a Secretary General, who is elected by the Parliamentary Assembly for a five-year term. The current Secretary General is Mr. Walter Schimmer.

To encourage member states to harmonize policies in various areas, the Council of Europe has drafted more than 160 conventions covering such diverse topics as the protection of computerized data, cultural cooperation and protection of minorities. Notable among these are:

- C the *European Convention on Human Rights* supported by a permanent European Court of Human Rights;
- C the *European Social Charter* which specifies 23 fundamental social rights such as protection of workers, family rights and trade union rights;
- C the *European Cultural Convention* which supports intergovernmental cooperation in the fields of education, culture, heritage, sport and youth.

In addition, the Council can adopt agreements involving only some member states that are more flexible than conventions. One such agreement established the Social Development Fund which

²⁶⁸ “The Council of Europe” on Manhattan Publishing Company Web site at: <http://www.manhattanpublishing.com/primary/aboutcoe.htm>

²⁶⁹ “About the Council of Europe”, Council of Europe Web site at: <http://coe.fr/eng/present/about.htm>

grants loans to member states for such purposes as low rent housing, health, education and heritage protection.²⁷⁰

Definition of social cohesion

Like the European Union and the OECD, the Council of Europe has no official definition of social cohesion. It has, however, a large body of official literature on the subject, and it is possible to piece together the major elements of a definition from these sources.

A brainstorming session held in November 1999 to examine the Council's *Education for Democratic Citizenship* project and its role in promoting social cohesion reviewed various definitions of social cohesion, providing a useful introduction to the breadth of thinking on this subject that has taken place within the Council of Europe over the past decade. The brainstorming session characterized "social cohesion" as:

- a multidimensional concept, linked to exclusion from housing, health, social protection and education
- a concept linked to employment but not exclusively dependent upon it because work does not guarantee social integration
- a concept concerned with the well-being of individuals and communities built upon social ties and social justice
- a concept aimed at moulding society into a coherent, but not homogenous, whole by seeking an answer to the question: what is it that binds people together?
- a concept which encourages multiple identities and senses of belonging – to family, social group, neighbourhood, workplace, country and Europe
- a concept that promotes active citizens who participate in a process of membership in and contribution to a blueprint for society.²⁷¹

The Council of Europe, as this description implies, takes a broad approach to the notion of cohesion and recognizes **three closely inter-related** types of cohesion that are key to the well-being of European societies:

- C democratic cohesion
- C social cohesion
- C cultural cohesion

Democratic cohesion, while not strictly defined, is focussed on:

- C **the promotion of pluralist democracy**, including full participation by all citizens in local and regional life, freedom of expression, the free flow of information, the right of access of the public to information and the combatting of threats to democracy, such as crime, corruption and intolerance;
- C **the protection of human rights**, including the rights of national minorities; and
- C **the application of the rule of law.**²⁷²

²⁷⁰ "About the Council of Europe" Web site at: <http://www.coe.fr/eng/present/about.htm>

²⁷¹ Council of Europe, "Education for democratic citizenship and social cohesion", (Strasbourg, 1999), section 1, "Understanding social cohesion", at http://culture.coe.fr/postsummit/citizenship/concepts/erap99_60.htm

²⁷² Council of Europe, Objective 1997 - The intergovernmental programme of activities of the Council of Europe, (Strasbourg, 1997), pp. 18-28.

Social cohesion is viewed primarily as a means of addressing “phenomena such as unemployment and social exclusion, ageing and dependency, major migratory flows and difficulties of integration, over-exploitation of environmental resources and under-exploitation of human ones and deterioration of the natural environment”.²⁷³ Fundamental to an understanding of the Council’s approach to social cohesion is its concept of **social exclusion**, which goes “well beyond participation in consumer society and includes inadequacy, inequality or total lack of participation in social, economical (*sic*), political and cultural life”.²⁷⁴

The Council of Europe’s implicit definition of social cohesion is contained within its **policy objectives** in this area, as outlined in a paper on the subject produced by the Social, Health and Family Affairs Committee:

... social cohesion does far more than fight against poverty: it not only implies specific social policies to combat unemployment and poverty while improving access to housing, healthcare and education, but it aims above all to restore the social link between the individual and the community, and the political link between citizens and the State.²⁷⁵

Clearly, social cohesion is seen as part of the **solution** to social exclusion problems, although the outcome or end **state** of social cohesion is never made explicit in the Council’s official documents. Reading between the lines, one can surmise that it is related both to democratic stability and social well-being:

Because it makes respect for human dignity and personal integrity paramount and enables the social link between the individual and society to be restored, the best response to the tragedy of exclusion that has struck tens of millions of Europeans is to strengthen social cohesion. Given the upheaval in our societies and the risk of social explosion, confidence and social tolerance must be restored if social equilibrium, an essential element of democratic security in Europe, is to be maintained.²⁷⁶

Related to both democratic cohesion and social cohesion is the concept of **cultural cohesion**, which Council literature suggests is based on “fostering democratic values and human rights; building confidence and mutual respect; and promoting awareness of the cultural community of the new Europe and its diversity”.²⁷⁷ Once again, the definition is implicit within the Council’s policy objectives, which view cultural measures as a means of:

- C promoting a positive attitude to cultural diversity within our societies (thereby recognizing the role of culture as an antidote to intolerance);
- C strengthening the sense of European identity (which transcends national and regional identities without threatening them) and the feeling of belonging to a common culture;

²⁷³ Objective 1997 - The intergovernmental programme of activities of the Council of Europe, p. 29.

²⁷⁴ “Fighting social exclusion and strengthening social cohesion in Europe”, Recommendation 1355 (1998) of the Parliamentary Assembly of the Council of Europe, paragraph 5 on the COE Web site at: <http://stars.coe.fr/ta/ta98/erec1355.htm>

²⁷⁵ Social, Health and Family Affairs Committee, Fighting social exclusion and strengthening social cohesion in Europe, (Parliamentary Assembly of the Council of Europe, January 12, 1998), paragraph 23 on COE Web site at: <http://stars.coe.fr/doc98/edoc7981.htm>

²⁷⁶ “Fighting social exclusion and strengthening social cohesion in Europe”, Recommendation 1355 (1998) of the Parliamentary Assembly of the Council of Europe, paragraph 15.

²⁷⁷ The European Task Force on Culture and Development, In from the margins - A contribution to the debate on Culture and Development in Europe, (Strasbourg, 1997), p. 287.

- ⊆ reaffirming the ethical and human dimension of a democratic society and a changing Europe.²⁷⁸

The recursive nature of the Council's policy objectives for democratic, social and cultural cohesion suggests that they form a definitional "package". Rather than engaging in the somewhat academic exercise of disentangling the interlinked elements of the three "cohesions", it may be more enlightening to proceed to an examination of the threats to social cohesion, as viewed by the Council, and the measures that it is taking to address the policy issues at the heart of these definitions.

Major threats to social cohesion

The Council of Europe's literature tends to identify four major threats to social cohesion:

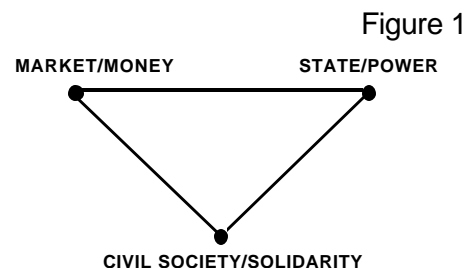
- social exclusion
- the rights deficit
- the influence of American culture
- the divide between the information-rich and the information-poor.

Each is described in more detail below.

Social exclusion

Like the European Union and the OECD, the Council of Europe sees multiple threats to social cohesion. Principal among these threats is the risk of social exclusion which, as defined above, is a multi-faceted phenomenon resulting from several negative developments in post-industrial European society.

The concept of social exclusion used by the Council of Europe is based on the idea of the "welfare triangle", (depicted in Figure 1) which suggests that an individual is integrated into social life through the **state**, through **economic markets** (particularly the labour market) and through **civil society** (particularly families, personal networks, communities and voluntary associations).²⁷⁹



According to this model, individuals at risk of social exclusion are those with a weak relationship to at least one of the dimensions of integration. Those at severe risk are weakly integrated in two or all three of these areas.

Social exclusion in Europe takes a number of forms, roughly corresponding to the definitional parameters of democratic, social and cultural cohesion described above:

- ⊆ exclusion from the rights of citizenship and the political process
 ⊆ economic exclusion due to poverty, long-term unemployment, lack of job security
 ⊆ exclusion from educational and cultural opportunities

²⁷⁸ Objective 1997 - The intergovernmental programme of activities of the Council of Europe, p. 39.

²⁷⁹ This concept is discussed briefly in Katherine Duffy, "Initiative on Human Dignity and Social Exclusion (HDSE) - Opportunity and Risk: Broad Perspectives Arising from the Result of HDSE Phase I (1996-1997)", a paper presented at the Colloquy on *Towards a better social cohesion in Europe: today and tomorrow*, (Bratislava, September 16-17, 1997), p. 4, but is based on a model developed by A. Evers and H. Wintersberger, (eds.), Shifts in the Welfare Mix: Their Impact on Work, Social Services and Welfare Policies, (Vienna, 1988).

C exclusion from social safety nets²⁸⁰

Exclusion in all its forms is on the rise because of a “retreat from intervention by the state, and from its role as guarantor of the condition of life”, leading most European governments to “anticipate that in the future, social integration will rely more on markets, and on the responsibilities of persons and their local networks”.²⁸¹ The shift from a “culture of collective security” to a “culture of individual opportunity” has disadvantaged growing numbers of Europeans, particularly those who lack the resources to grasp opportunity. The Council has identified the following as among those most at risk of social exclusion:

- C children and young adults
- C single-parents (particularly women)
- C old persons
- C disabled people
- C refugees and asylum seekers
- C ethnic minorities, such as the Roma (gypsies)
- C drug users and alcoholics
- C former prisoners²⁸²

The principal life events that trigger social exclusion are:

- C unemployment, particularly youth and long-term employment
- C economic and labour market restructuring
- C housing problems, which have put 15 million Europeans in sub-standard housing and another 3 million out in the streets
- C decreased access to social security and health care due to government cutbacks and privatization of coverage.²⁸³

The rights deficit

Another major threat to social cohesion, as viewed by the Council of Europe, can be termed “the rights deficit”. Council of Europe documents, beginning in the early 1990s, make repeated reference to the need to expand the concept of human rights to include more than fundamental human liberties -- to, in fact, formalize both **social and cultural rights** within the legal frameworks of member countries.

For example, the *Charleroi Declaration on Citizenship and Extreme Poverty*, adopted by the Council of Europe’s Standing Conference of Local and Regional Authorities of Europe in 1993 states:

The living conditions of severely disadvantaged persons and groups constitute a flagrant breach of human rights, thus undermining the fundamental right of citizenship, ie. the right of each person or group to join together with others in the construction and management of a shared world.

²⁸⁰ Social, Health and Family Affairs Committee, Fighting social exclusion and strengthening social cohesion in Europe, (Parliamentary Assembly of the Council of Europe, January 12, 1998), paragraph 22 on COE Web site at: <http://stars.coe.fr/doc98/edoc7981.htm>

²⁸¹ Katherine Duffy, pp. 4-5.

²⁸² Social, Health and Family Affairs Committee, Fighting social exclusion and strengthening social cohesion in Europe, (Parliamentary Assembly of the Council of Europe, January 12, 1998), paragraph 26 on COE Web site at: <http://stars.coe.fr/doc98/edoc7981.htm>

²⁸³ Social, Health and Family Affairs Committee, Fighting social exclusion and strengthening social cohesion in Europe, (Parliamentary Assembly of the Council of Europe, January 12, 1998), paragraphs 29-35 on COE Web site at: <http://stars.coe.fr/doc98/edoc7981.htm>

Fundamental civil, political, economic, social and cultural rights are interdependent because they are derived from common roots: there is no freedom without justice and no justice without freedom. Their application is thus one and indivisible.²⁸⁴

Related to the issues of social justice and social rights is the concept of **cultural rights**. In response to the increasingly multicultural demographics of Europe and to “a disturbing rise in racism, anti-semitism, xenophobia, ethnocentrism, religious fundamentalism and, more generally of intolerance and exclusion”,²⁸⁵ the Council of Europe has devoted a considerable amount of time and resources over the past few years to exploring this subject. Cultural rights fall into five general areas:

- C the right to identity
- C the right to language
- C the right to participate in cultural life
- C the right to cultural heritage
- C the right to education.²⁸⁶

Cultural rights are problematic for some because of fears they will lead to conflicts between individual civil rights and collective rights. Council of Europe documents repeatedly emphasize that cultural rights should be founded upon the principles of **interculturalism** and **cultural democracy** -- defined as “a regime which continuously respects and tries to feed the life of its cultural communities without breaking up the social fabric but rather, on the contrary, binding it closer together through the interaction of differences and with reciprocal checks”.²⁸⁷ The right to identity is seen as the most fundamental of cultural rights, but the Council of Europe has a very post-modern perspective on this subject, seeing the construction of identity as one of reconciling a series of **multiple identities**:

Cultural identity is neither fixed nor monolithic [...] it is multiple in that it is determined on the basis of membership of sometimes distinct and sometimes overlapping communities and brings into play contrasting elements, namely cultural roots and participation in an enterprise mobilising all the diverse elements in society.²⁸⁸

Until this post-modern vision is accepted and operationalized by all European governments through a strengthened social and cultural rights regime, the Council of Europe foresees more marginalized groups withdrawing into themselves and rejecting the notion of diversity, with serious negative consequences for social cohesion and, possibly, democratic stability.

The influence of American culture

One Council of Europe document has come to the uncomfortable conclusion that “it is American

²⁸⁴ Standing Conference of Local and Regional Authorities of Europe, Preamble, *Citizenship and Extreme Poverty: The Charleroi Declaration*, Resolution 243 (1993), paragraphs 3 and 5.

²⁸⁵ In from the margins - A contribution to the debate on Culture and Development in Europe, para. 8.4.1, p. 164.

²⁸⁶ In from the margins - A contribution to the debate on Culture and Development in Europe, para. 8.4.4., p. 165.

²⁸⁷ Patrice Meyer-Bisch, “The Political Subjectivity of a Cultural Community” in Council for Cultural Co-operation, Council of Europe, Workshop on “Cultural Rights and Social Cohesion” - General Report, (ed. Etienne Grosjean), (Strasbourg 1997), p. 36.

²⁸⁸ Etienne Grosjean quoted in In from the margins - A contribution to the debate on Culture and Development in Europe, para. 8.4.4., p. 165.

culture that unites Europe -- or, to put it more accurately, American-style culture".²⁸⁹ While such cultural hegemony is not necessarily destabilizing, it is nevertheless viewed by the Council as a threat to cohesion in Europe for a number of reasons:

- C The dominance of American culture has been accompanied by the growing popularity of English, which is displacing local and national languages as the vehicle of both commercial and intercultural exchange.
- C American dominance of advanced modes of cultural expression and communication (film, television, sound recording, the Internet and the information industries founded on telecommunications) may be having a negative impact on European values, economy and employment, as well as on cultural and linguistic diversity.
- C Many East European countries, newly emerged from Soviet cultural dominance, are now being inundated by American culture. In some cases, they are being pushed toward a "revival of irredentist nationalism", a reassertion of identity which "could threaten the cause of European integration and co-operation".²⁹⁰

There is a complex linkage between the economic, social and cultural aspects of American cultural dominance, which Council of Europe documents acknowledge. If it were simply a question of "entertainment", as American interests insist, this would not be of major concern. But, when considered in the context of social values, national identities, democratic stability and knowledge-based employment, the overwhelming global presence of American culture is assumed to have an impact on social cohesion. The question which lies unanswered at the heart of most of the Council of Europe documentation is to what extent its increasing openness to the American way of life is enriching or undermining European identity and society.

The divide between the information-rich and information-poor

One aspect of exclusion that is not treated extensively in Council discussions of social cohesion, but which is very prominent in analyses of democratic and cultural cohesion, is the impact of the "information revolution" on the ability of Europeans to increase their social and economic well-being through the use of new communications technologies.

One Council document suggests that "the most important question of all is whether a schism is being created between low income groups, exiled in the old TV-based entertainment system, and wealthier, "information-oriented" classes". It speculates that in the Information Society there will be only two social classes, the "cognitive middle-class and the rest. The former will establish their identity and assess the significance of their lives through a continuous search for knowledge. The latter will do so through submersion into imaginary collectives, mediated by the audiovisual media".²⁹¹

While information technologies have the potential to reinforce democratic participation, the Council of Europe does not appear convinced that this will happen automatically. In this vein, it poses a number of questions:

²⁸⁹ In from the margins - A contribution to the debate on Culture and Development in Europe, paragraph 5.2.7, p. 74.

²⁹⁰ In from the margins - A contribution to the debate on Culture and Development in Europe, paragraph 5.2.42, pp. 84-5. This report notes that Hollywood movies now make up 93% of all films imported into Estonia.

²⁹¹ In from the margins - A contribution to the debate on Culture and Development in Europe, paragraph 6.1.17, p. 109.

- C Which lanes of the [information] superhighway can be allocated to political and public interaction?
- C Will it be feasible to draw a distinction between administrative and political issues?
- C How can responsible communication practices at a supranational level be guaranteed?²⁹²

It concludes that “Optimists may be right to argue that in the long run the new technology will ‘... promote equal opportunity to the citizens of new democracies and ‘diversity of contents, including cultural and linguistic diversity’ -- but, it seems, not yet”.²⁹³

Major factors promoting social cohesion

Like most of the other multilateral organizations examined in this study, the Council of Europe tends to focus on threats to social cohesion, rather than on factors that might promote it. To the extent that these are present, they must usually be inferred from broad statements made in Council literature. They include:

- European solidarity
- the potential of information technologies
- the renewal of civil society.

European solidarity

The extensive Council of Europe activity in the areas of social, democratic and cultural cohesion is perhaps the major factor ensuring progress in these areas. The very fact that the Council is devoting significant intellectual and monetary resources to solving problems related to social exclusion, democratic deficits and cultural encroachment would suggest that it is, at the very least, aware of the threats it faces and, more to the point, prepared to do something about them.

There are few direct references in the Council’s “cohesion” literature to this solidarity, but a brochure describing the operation of the Intergovernmental Programme of Activities of the Council of Europe does imply that some successes are being achieved:

Year after year, such cooperation gives tangible results, sometimes in the form of legal instruments, such as Conventions and recommendations, sometimes in that of publications and practical training activities, and also in the form of technical assistance or mediation, advancing the gradual process of bringing national policies closer together and fostering mobility for the people of Europe and the solving of problems on the ground. It is thus at the Council of Europe that European solidarity is being forged, now more necessary than ever in a continent racked by anxiety and threatened by many problems.²⁹⁴

The potential of information technologies

While the Council of Europe expresses concern about inequality of access to the Information Highway, it also sees many potential benefits for those who manage to get on it. Among the positive aspects of information technology for social cohesion, the Council has noted the following:

²⁹² In from the margins - A contribution to the debate on Culture and Development in Europe, paragraph 6.1.22, pp. 110-11.

²⁹³ In from the margins - A contribution to the debate on Culture and Development in Europe, paragraph 6.1.23, p. 111.

²⁹⁴ Objective 1997 - The intergovernmental programme of activities of the Council of Europe, p. 13.

- C The development of the Internet has enabled individuals to converse with each other on any topic without hindrance and can, at least potentially, increase social and cultural participation.
- C The “back catalogues” of European audiovisual products could be made digitally accessible to consumers, thereby diversifying supply and creating more opportunities for dissemination of a diversity of cultural materials in all European languages.
- C The electronic media can be used to enhance political communication between governments and citizens through improved access to public information and services. Exercises in direct democracy, such as electronic referenda, may also become feasible.²⁹⁵

The renewal of civil society

The Council of Europe recognizes the importance of a vigorous civil society, founded on an active bond between the citizen and government. While most of its attention is focussed on intergovernmental cooperation and agreements, it has noted in certain policy documents the need for “active, well-functioning civil societies which defend individual freedoms and support the democratic process”.²⁹⁶

It notes approvingly that in some of the former Communist countries, the numbers of voluntary associations appear to be rising. For example, in Estonia in 1994, there were about 3,500 non-profit organizations, 2000 of which had been established since 1988.²⁹⁷ The Council, while acknowledging that member states have given little support to the health of the third sector, has observed that voluntary, non-profit associations in Europe are coming together on their own in new pan-European voluntary associations and networks of associations to deal better with the increasingly transborder nature of issues and of government interventions.²⁹⁸

Council of Europe measures to address threats

The Council of Europe has developed strategies in all three areas of cohesion -- **social, democratic and cultural**. Some of these interventions stretch back several years and involve many interlinked program initiatives. To keep this section as brief as possible, the text will highlight only major initiatives and will assign them (sometimes arbitrarily) to each area of cohesion. The reader should also keep in mind that these highlights may gloss over subsidiary activities within the overall strategy or program framework.

Intergovernmental Programme of Activities of the Council of Europe

The expenditures under this programme are allocated under three broad headings, corresponding to the three-pronged definition of cohesion outlined above:

- social cohesion and quality of life
- democratic cohesion
- cultural cohesion and cultural pluralism.

²⁹⁵ In from the margins - A contribution to the debate on Culture and Development in Europe, pp. 108-110.

²⁹⁶ In from the margins - A contribution to the debate on Culture and Development in Europe, paragraph 8.3.6, p. 162.

²⁹⁷ In from the margins - A contribution to the debate on Culture and Development in Europe, paragraph 8.3.8, p. 163.

²⁹⁸ In from the margins - A contribution to the debate on Culture and Development in Europe, paragraph 8.3.9, p. 163.

The program budget in 1999 was approximately 87.5 million French francs or about C\$18.5 million.²⁹⁹

In 1999, in the area of **social cohesion and quality of life**, the programme supported a wide variety of activities, including the promotion of legal instruments in the field of social protection, further work on the social cohesion strategy, initiatives to fight against the social exclusion of young people, studies on migration and demographics and equity in access to health care, and several projects on sustainable development. The budget for social cohesion initiatives in 1999 was nearly 14,000,000 French francs or about C\$3,000,000.

In the area of **democratic cohesion**, just over 24,000,000 French francs or about C\$5,000,000 was expended in 1999 on a program of activities intended:

- C to maintain the principles and fundamental values characterising the Council of Europe at their present high standard and to ensure their observance;
- C to further and share with the new democracies the aforementioned principles and values, together with the policies required for their application;
- C to assist actively in seeking political and legal solutions in order to improve safeguards for national minorities and effectively oppose racism, xenophobia, anti-Semitism and intolerance;
- C to reinforce democratic structures at the local level and thereby ensure citizens' participation in civic affairs;
- C to set up a wide range of contacts and partnerships with civil society, particularly with international non-governmental organisations;
- C to continue with the formation of a European legal area by amplifying its system of conventions and recommendations.³⁰⁰

A wide range of projects was supported in 1999 to address issues of **pluralist democracy** (such as strategies for dealing with anti-democratic movements and promotion of active citizenship among youth), **human rights** (such as the protection of personal data and the protection of national minorities) and **the rule of law and security of the citizen** (such as combatting corruption and strengthening the legal protection of children).

The Council's Intergovernmental Programme supports its strategy for **cultural cohesion and cultural pluralism** through an extensive array of activities intended to:

- C promote a positive attitude to cultural diversity ... (thereby recognising the role of culture as an antidote to intolerance)
- C strengthen the sense of a European identity (which transcends national and regional identities without threatening them) and the feeling of belonging to a common culture
- C clearly affirm the ethical and human dimension of a democratic society and a changing Europe.³⁰¹

²⁹⁹ Financial and project information in this section is taken from the Council's "Budget of Expenditure - Financial Year 1999" at <http://www.coe.fr/cm/ta/res/1999/99x7a1.htm> unless otherwise noted.

³⁰⁰ Objective 1997 - The intergovernmental programme of activities of the Council of Europe, p. 16.

³⁰¹ Objective 1997 - The intergovernmental programme of activities of the Council of Europe, p. 39.

In the area of **education**, the Programme has supported projects on teaching and learning about the history of Europe and on education for democratic citizenship. In the area of **culture**, funding has been provided for a five-volume study of culture and neighbourhoods and for artistic and cultural training for young people. Initiatives in support of **cultural heritage** have included projects analyzing the contribution of heritage to European cohesion and promoting European Heritage Days. **Sport-related activities** include projects to promote healthy, civic-minded sport as a means of contributing to social and democratic cohesion. The intergovernmental program for **youth** includes activities to encourage the participation of young people in civil society and to combat social exclusion by integrating marginalized young people.³⁰²

In 1999, just over 49,000.000 French francs were expended on cultural cohesion projects or about C\$10.4 million.

Measures to address social cohesion

As indicated above, the principal social cohesion issue identified by the Council of Europe is social exclusion. This concern grew out of a series of meetings held throughout the 1990s, which resulted in recommendations and research initiatives by all administrative components of the Council -- the Committee of Ministers, the Parliamentary Assembly and the Congress of Local and Regional Authorities of Europe.

Conferences

The following is a partial listing of the major gatherings during the decade that have focussed on social cohesion and the problems surrounding social exclusion:

- C a Colloquy "Towards Future Social Justice in Europe: the Challenge of Marginalisation and Poverty" - Strasbourg, December 3-5, 1991
- C an international conference "Europe 1992-2000: European Municipalities and Democracy - The Exclusion of Poverty Through Citizenship" - Charleroi, February 5-7, 1992
- C a roundtable on "Combating Exclusion, Promoting Integration" - Brussels, April 2-3, 1992
- C a hearing of the Social, Health and Family Affairs Committee of the Parliamentary Assembly on "A New Social Policy" - Paris, March 5-6, 1996
- C a Colloquy by the Parliamentary Assembly entitled "Towards a better social cohesion in Europe: today and tomorrow" - Bratislava, September 16-17, 1997
- C a conference on "Human Dignity and Social Exclusion" - Helsinki, May 18-20, 1998.

Emerging from these meetings were a number of recommendations and initiatives that gradually moved the Council toward a deeper understanding of the major threats to social cohesion and the policy changes needed to address these threats.

Resolutions and recommendations

Resolution 243 (1993) - Citizenship and Extreme Poverty: The Charleroi Declaration

This resolution, which emerged from an international conference sponsored by the Congress of Local and Regional Authorities of Europe in February 1992, declared that:

³⁰² Objective 1997 - The intergovernmental programme of activities of the Council of Europe, pp. 43-49.

... the main thrust of the fight against poverty should be directed at the community life of the poorest sections of the population rather than at the reinforcement of social aid arrangements, which alleviate the effects of poverty but do not tackle the causes of precariousness.

... the fight entails first and foremost and at all levels, including the European level, the consolidation and reinforcement of solidarity systems, principally through the furthering of economic and social rights, social security, dynamic housing and employment policies, democratisation of knowledge and culture and investment in training and skills development.³⁰³

The resolution was adopted as a guide to developing local policies in combating social exclusion and also contained recommendations that were forwarded for action to the Committee of Ministers and Parliamentary Assembly of the Council of Europe.

Recommendation 1304 (1996) on the future of social policy

This recommendation asserted that “the continuing increase in unemployment is threatening social cohesion and that an agreement is necessary on the need for a new social contract aimed at a higher level of employment, both for the sake of individuals who are employed and for the sake of society”.³⁰⁴

It made a number of recommendations for job creation at the local level, for improving cooperation between schools, local authorities and NGOs to ensure that youth get proper training opportunities, for supporting families with children and encouraging people in deprived neighbourhoods to improve their environment. At a more macro level, it also proposed that social and environmental clauses be included in international trade agreements and that work should begin to lay the foundation “for a convergence of standards of labour and social security law in the labour markets of the member states of the European Union and their neighbouring countries which are members of the Council of Europe”.³⁰⁵

The Parliamentary Assembly also used this recommendation as a vehicle to urge the Committee of Ministers to:

- C adopt an additional protocol to the European Convention on Human Rights, safeguarding the fundamental right to equality between men and women
- C ensure that member states ratify the Council of Europe conventions on the *Revised European Social Charter* and the *European Code of Social Security*.³⁰⁶

Recommendation 1355 (1998) on Fighting social exclusion and strengthening social cohesion in Europe

In this recommendation, the Parliamentary Assembly of the Council of Europe noted “that persistent unemployment, poverty and all the manifestations of social exclusion affecting a

³⁰³ Standing Conference of Local and Regional Authorities of Europe, Resolution 243 (1993) - *Citizenship and Extreme Poverty: The Charleroi Declaration*, (28th Session - 16-18 March 1993), paragraphs G.1 and G.2.

³⁰⁴ Recommendation 1304 (1996) on the future of social policy, Parliamentary Assembly debate, (September 24, 1996), paragraph 10.

³⁰⁵ Recommendation 1304 (1996) on the future of social policy, Parliamentary Assembly debate, paragraph 14(iv).

³⁰⁶ Recommendation 1304 (1996) on the future of social policy, Parliamentary Assembly debate, paragraph 15 (i) and (ii).

growing number of individuals and families pose a threat to the social cohesion of European states".³⁰⁷ The recommendation also endorsed the wording of the final communiqué adopted by participants of the Colloquy on Social Cohesion, held in Bratislava on September 16-17, 1997 (see above), which concluded that "both at national and European levels social cohesion is the key to strengthening democratic rights and building a more solid union". The Bratislava Colloquy urged the Heads of State and Government of the member states of Council of Europe to:

- C give as high a priority to social rights as human rights
- C ratify the *European Social Charter*
- C improve the participatory process and civil dialogue between state and community authorities
- C create a new tool in the framework of the Council of Europe to develop strategies, standards and policies on social cohesion.³⁰⁸

The Parliamentary Assembly used this occasion to make a number of recommendations urging the Committee of Ministers to undertake actions to improve housing, education, training, health care and legal aid for the poor and excluded. It also endorsed the Human Dignity and Social Exclusion Project (described below) and invited the Committee of Ministers to create an Observatory of Social Cohesion that would:

- C collect information and statistics on poverty and exclusion
- C produce expert reports on questions related to social cohesion and on national and European policies to promote it.³⁰⁹

Research and legislative initiatives

Initiative on Human Dignity and Social Exclusion (HDSE)

This research initiative grew out of the Colloquy "Towards Future Social Justice in Europe: the Challenge of Marginalisation and Poverty", held in Strasbourg in December 1991. In 1994, the Frazer Report on the feasibility of conducting a pan-European research project on human dignity and social exclusion proposed that such a project focus on trends in poverty and social exclusion and the relationship between social exclusion and social rights. A series of seminars were held with academics and non-government organizations in 1995 to discuss the project design, where it was confirmed that the project should not collect new data, but use existing information to identify and analyze the problem, and should ensure that socially excluded people be involved in the development and analytical phases of the project.

The research proceeded in three phases:

Phase 1: 1996-1997 Analysis of the problem of poverty and exclusion and identification of major policy issues

Phase 2: 1997-1998 Evaluation of solutions under four themes:
- the implementation of legal rights of vulnerable groups

³⁰⁷ Recommendation 1355 (1998) on Fighting social exclusion and strengthening social cohesion in Europe (Provisional edition) at: <http://stars.coe.fr/ta/ta98/erec1355.htm>

³⁰⁸ Parliamentary Assembly, Parliamentary Assembly contribution to the 2nd Summit of Heads of State and Government of the Council of Europe, Report Doc. 7921, (Strasbourg, 23 September 1997), paragraph 5 (ix).

³⁰⁹ Recommendation 1355 (1998) on Fighting social exclusion and strengthening social cohesion in Europe (Provisional edition), paragraphs 21 and 22.

- self-help and social work intervention to support the family and personal networks of severely disadvantaged individuals and families
- the role of the voluntary sector and the social responsibilities of businesses
- the role of local communities and public-private partnerships at the local level.

Phase 3: 1998 Conference and development of recommendations for action³¹⁰

The final Phase 3 conference was held in Helsinki on May 18-20, 1998. The conference concluded that “social exclusion was on the rise Europe-wide as the “opportunity” culture exposed more and more people to risk”. The action plan proposed future Council of Europe action in the following areas:

- C Health - stressing prevention and ensuring universal coverage
- C Housing - building more homes, setting up better emergency responses, taking alternative lifestyles into account
- C Jobs - ensuring equal opportunities, workable job creation schemes and a fair share-out of existing work
- C Social protection - changing social security systems to fit the times and turning social workers into “human rights mediators”
- C Education - combatting school failure by acknowledging psychological and social hurdles and promoting life long civic education³¹¹

Like the Parliamentary Assembly, the HDSE project also recommended that all member states ratify the *European Social Charter* and adopt the *European Code of Social Security* as a benchmark for national policies.

Second Summit of the Council of Europe

On October 10 and 11, 1997, the heads of state and government for all 40 countries of the Council of Europe met, for only the second time in the Council's 48 year history, to adopt an action plan for the 21st century.

The Summit's *Action Plan* for social cohesion contained the following elements:

- 1. Promotion of social rights:** the Heads of State and Government undertake to promote social standards as embodied in the *Social Charter* and other Council of Europe instruments and call for the widest possible adherence to these instruments; they resolve to improve the exchange of good practice and information between member States and to intensify their co-operation in this field.
- 2. New strategy for social cohesion:** the Heads of State and Government instruct the Committee of Ministers to define a social strategy to respond to the challenges in society and to carry out the appropriate structural reforms within the Council of Europe, including the setting up of a specialised unit for monitoring, comparing and handling issues linked to social cohesion.

³¹⁰ The information in this section is taken from Katherine Duffy, “Initiative on Human Dignity and Social Exclusion (HDSE) - Opportunity and Risk: Broad Perspectives Arising from the Results of HDSE Phase I (1996-1997)”, Paper presented at the Colloquy on *Towards a better social cohesion in Europe: today and tomorrow* (Bratislava, September 16-17, 1997), pp. 17-20.

³¹¹ Council of Europe Press Release, “Conference draws up blueprint for action against social exclusion”, May 20, 1998, at: <http://www.coe.fr/cp/98/365a%2898%29.htm>

3. **Programme for children:** the Heads of State and Government encourage the adoption of a programme to promote the interests of children, in partnership with the international and non-governmental organisations concerned.
4. **Social Development Fund:** the Heads of State and Government decide to reinforce the activities of the Social Development Fund, invite it to participate actively in the Council of Europe's action for social cohesion, and urge it to increase its investment effort in the social field and job creation.³¹²

Committee of Ministers

At the 101st Session of the Committee of Ministers of the Council of Europe on November 5 and 6, 1997, Ministers gave policy guidelines to their Deputies on each of the Summit's main themes, including the theme of social cohesion.³¹³

By the time the Committee held its 102nd Session on May 4 and 5, 1998, it was able to note with satisfaction that much progress had been made in following-up on the Summit and implementing its *Action Plan* for social cohesion.

Promotion of social rights - Three actions had been taken:

- increased distribution of information concerning the Council of Europe's social standards to target publics
- renewed effort to secure new ratifications of the *European Social Charter*
- improved exchange of good practice and information by ensuring that conclusions of the *Charter's* control mechanism are used by member states.

New strategy for social cohesion - A new European Committee for Social Cohesion was formed to take over the work of the Council of Europe steering committees on social security, employment and social policy. The new Committee held its first meeting in fall 1998, submitting a strategy for social cohesion and a program of work to the Committee of Ministers in 1999.

Programme for children - A program for children was implemented in summer 1998 in collaboration with UNESCO and the European Union, to advance the interests of children, promote their participation in society and protect them from all forms of exploitation.

Social Development Fund - The Fund broadened its eligibility criteria in the areas of job creation, health and education, increasing its funding of employment by 1 billion ECUs (C\$1.6 billion) over three years. The Fund also developed specific proposals in support of the Council of Europe's work in the area of social cohesion.³¹⁴

European Committee for Social Cohesion

The terms of reference for this Committee are to:

- prepare proposals with a view to the adoption by the Committee of Ministers of a strategy for social cohesion;

³¹² Summit of the Council of Europe, *Final Declaration*, (Strasbourg, October 11, 1997) at: <http://www.coe.fr/summit/edecplan.htm#ActionPlan>

³¹³ Council of Europe, *Final Communiqué - 101st Session of the Committee of Ministers*, (Strasbourg, 5-6 November, 1997) at: <http://www.coe.fr/cp/97/648a%2897%29.htm>

³¹⁴ Follow-up Committee of the Second Summit, Report to the 102nd Session of the Committee of Ministers on the Implementation of the Action Plan and the Follow-up to the Final Declaration, (Strasbourg, 4-5 May 1998), Section II (1-4).

- co-ordinate, guide and stimulate co-operation between the member States with a view to promoting social cohesion in Europe;
- have a regular exchange of views, information and good practice on issues relating to social cohesion;
- co-ordinate, guide and stimulate co-operation between the member States with a view to their promotion of the social standards embodied in the *Social Charter*, the *Revised European Social Charter* and other Council of Europe instruments;
- execute the terms of reference derived from a number of treaties (including the *European Code of Social Security* and its Protocol) and adapt and improve the application of a number of other treaties (including the *European Interim Agreement on Social Security Schemes relating to Old Age, Invalidity and Survivors*);
- supervise the activities of the Specialized Unit on social cohesion.³¹⁵

In November 1998, the European Committee for Social Cohesion considered a programme of activities aimed at combatting social exclusion. The Committee adopted the five indicators of social exclusion identified by the research project on Human Dignity and Social Exclusion – namely, employment, social protection, housing, health and education. Activity proposals were grouped under five main headings:

- social standards
- promoting access to social rights
- social policies and the city
- strengthening support for families
- organizing a meeting with NGOs in preparation for the United Nations High-Level session on social development in June 2000.

The total cost for these activities (which were to be funded by the Intergovernmental Program of Activities -- see above) was estimated to be about 4,225,000 FF or C\$893,000.³¹⁶

Specialized Unit on Social Cohesion

In addition to establishing the European Committee for Social Cohesion, the Committee of Ministers also authorized the establishment of a Specialised Unit within the Council of Europe to monitor, compare and handle issues linked to social cohesion. The Unit initiates and undertakes research on social cohesion in Europe for input into the European Committee's strategy on social cohesion.³¹⁷ The Unit has also been tasked with carrying out a risk analysis for social exclusion, assessing the effectiveness of activities undertaken as part of the strategy, proposing activities to support social cohesion and supporting the implementation of new policies, practices and procedures.³¹⁸

Measures to address democratic cohesion

Arguably, all of the Council of Europe's initiatives are designed to promote democratic cohesion, since the fostering of human rights and fundamental freedoms is its central priority. However, a few recent developments are noteworthy, since they address several of the threats to social

³¹⁵ Committee of Ministers, "Revised Draft Terms of Reference for a European Committee for Social Cohesion", (Strasbourg, 29 May 1998) at <http://www.coe.fr/cm/reports/cmdocs/1998/98cm102.htm>

³¹⁶ Committee of Ministers, "Draft Intergovernmental Programme of Activities for 1999 - Social Cohesion" at <http://www.coe.fr/cm/reports/cmdocs/1998/98cm124corr.htm>

³¹⁷ Council of Europe, "Social cohesion and Quality of life" at <http://www.coe.fr/dase/en/cohesion.htm>

³¹⁸ Council of Europe, "Political summary - Social cohesion and Quality of life" at: <http://www.coe.fr/dase/en/cohesion/strategy/discuss/HDSE/politic.htm>

cohesion identified in Council literature. They include both programming and legislative initiatives.

Second Summit of the Council of Europe

The Summit held on October 10 and 11, 1997 (described above) also outlined an action plan to strengthen democratic stability in the member states of the Council of Europe.

- 1. Single Court of Human Rights** - A single Court of Human Rights for all Council of Europe member states was to be established by November 1, 1998.
- 2. Commissioner for Human Rights** - An Office of Commissioner for Human Rights was created to promote respect for human rights in member states.
- 3. Compliance with member states' commitments** - The heads of state and government supported a strengthened monitoring process to ensure that member states' commitments under the various Council of Europe conventions are honoured.
- 4. Prohibition of cloning of human beings** - The heads of state and government supported the creation of an additional protocol to the Orviedo Convention on Human Rights and Biomedicine on this subject.
- 5. Combating racism, xenophobia, antisemitism and intolerance** - The activities of the European Commission against Racism and Intolerance were strengthened in this area.
- 6. Protection of national minorities** - A Framework Convention for the Protection of National Minorities was about to enter into force, and the Council of Europe was directed to develop practical measures in support of the Framework, such as enhanced cooperation between governments and civil society.³¹⁹

Social Rights are Human Rights - NGO Forum - January 15, 2000

A significant example of the “enhanced cooperation between governments and civil society” advocated by the Second Summit of the Council of Europe took place in Dublin in January 2000, just prior to the European Conference on Social Development (see below). The NGO Forum’s recommendations have relevance to both democratic and social cohesion, but are included in this section because they clearly situate the basis for cohesion within a rights framework. In its declaration to the European Conference on Social Development, the Forum participants stated that “... poverty, the denial of shelter, food, basic education and basic healthcare, is a violation of fundamental human rights” and recommended that governments:

- move towards full political, legal and constitutional recognition and enforcement of indivisible, universal and interdependent social, economic and cultural rights and the right to development on an equal basis with civil and political rights;
- make social objectives and poverty eradication central to development and economic strategies.

In Europe, the Forum urged all member states that had not yet ratified the *European Social Charter* to do so, thereby “making social and economic rights legally enforceable at national level”. It also made a strong plea “to deepen and strengthen democracy and accountability in

³¹⁹ Summit of the Council of Europe, *Final Declaration*, (Strasbourg, October 11, 1997) at: <http://www.coe.fr/summit/edecplan.htm#ActionPlan>

local and national government through partnership based on equity and mutual respect between public bodies, people experiencing poverty and civil society in general”.³²⁰

European Conference on Social Development - January 17-18, 2000

This Conference was held to prepare for the Special Session of the United Nations General Assembly in Geneva in June 2000, which was to review progress on commitments to poverty eradication and to safe, stable and just societies made at the Copenhagen World Summit on Social Development in 1995. The Conference was organized by the CoE's European Committee for Social Cohesion, and discussions were organized around three themes:

- promotion of a political, economic, cultural and legal environment favourable to social development;
- promotion of social cohesion based on the strengthening and protection of human rights and fundamental freedoms, and particularly of social rights;
- eradication of poverty and social exclusion in Europe.

While the general conclusions of the Conference dealt with all three themes, its pronouncements on social cohesion were closely linked to the question of rights and democratic practice. It specifically noted that:

- The process of ratification of the *European Social Charter* and the revised Charter and the *European Code of Social Security* and revised Code by all member States should be actively pursued.
- Social rights, as an indivisible part of universal human rights, should be emphasized in legislation.
- Vulnerable groups should be made aware of their rights.
- There should be full consultation with NGOs and the social partners on the formulation of policies for social cohesion in Europe.³²¹

The message of cooperation emanating from this Conference was not confined to sub-national partners, but also included the observation that “international bodies can work more effectively if they work together” and expressed the hope that “the United Nations, the Council of Europe and the European Union will continue to work together in taking forward the social development agenda.”

Measures in support of cultural cohesion

Measures in this section have been divided into three categories: programs, task forces and research and legislative initiatives.

Programs

European Cultural Convention and the Council for Cultural Cooperation

The Council of Europe has had a long involvement in the promotion of cultural cohesion in Europe. In 1954, the European Cultural Convention was opened for signature to all European countries, including those that were not member states. Accession to the Convention allows states to participate in the Council's programs on education, culture, sport and youth.

³²⁰ “Social Rights are Human Rights – People's Priorities for the Social Summit Review”(Dublin, 15 January 2000) at <http://www.coe.fr/dase/en/cohesion/strategy/Develop/ngoforum.htm>

³²¹ Senator Maurice Hayes, “Summing-up by the Chair – European Conference on Social Development”, (Dublin, 17-18 January 2000) at <http://www.coe.fr/dase/en/cohesion/strategy/Develop/sumup.htm>

The Council for Cultural Cooperation is the body responsible for the Council of Europe's work on education, culture and sport. It is supported by four specialized committees (on education, higher education and research, culture and cultural heritage) and by several programs (including the Cultural Fund, the Sports Fund, the European Youth Centres and European Youth Foundation).³²²

The intergovernmental activities that are sponsored under this umbrella are considered integral to the Council's policy objectives for cultural cohesion, which are:

- C the protection, reinforcement and promotion of human rights and fundamental freedoms and pluralist democracy
- C the promotion of an awareness of European identity
- C the search for common responses to the great challenges facing European society.³²³

The linkage of culture and cohesion is complex and made at a number of levels. As Council literature asserts:

In this new Europe, cultural co-operation is destined to play an increasing role in promoting cohesion and stability. It must contribute both to forging a common destiny for Greater Europe and to valuing individual identities and giving them their place in society, for they represent the richness of multicultural Europe.³²⁴

This complex relationship between democratic, social and cultural cohesion has been reflected in several Council programs and projects that have attempted to build bridges between diverse cultures through a deeper understanding of the democratic process and of the delicate balance that must be achieved between individual and collective rights and obligations. The mediating influence of heritage promotion and intercultural dialogue in building a stable and cohesive society has also been of central concern in much of the Council's policies and programs, as will be seen below.

Project on Democracy, Human Rights, Minorities (DHRM): Educational and Cultural Aspects

This project was established as a result of the first Summit of heads of government and states (the Vienna Summit) held in 1993. During its four-year life, the DHRM project managed a series of pilot projects, case studies and training activities designed to:

- C develop civics, intercultural education and cultural democracy
- C examine the educational and cultural aspects of the management of diversity in a democratic society
- C produce guidelines for governments on educational and cultural rights.³²⁵

Examples of the activities carried out as part of the project include:

- C a 1994 "Seminar on Specificities and Universality: Problems of Identities"

³²² Objective 1997 - The intergovernmental programme of activities of the Council of Europe, p. 41.

³²³ Etienne Grosjean, Council for Cultural Cooperation, General Report - Workshop on "Cultural Rights and Social Cohesion" (Provisional Edition 1997), (Strasbourg 1997), Foreword.

³²⁴ Objective 1997 - The intergovernmental programme of activities of the Council of Europe, p. 39.

³²⁵ Council for Cultural Cooperation, Council of Europe, Workshop on "Cultural Rights and Social Cohesion"- General Report (ed. Etienne Grosjean), p. 9.

- C a 1994 “Seminar on Cultural Pluralism, minorities and migration: learning to live together in cultural diversity”
- C a 1995 “Seminar on History and Identity”
- C a 1996 “Seminar on Ethnic minorities, language teaching and in-service training”
- C a 1996 “Workshop on Cultural Communities and Social Cohesion (which observed that “the cultural community is regarded as the very source of the social bond -- a term preferred to “social cohesion” -- without which so-called democratic function is reduced to the relationship between a State with a centralising function -- because it is the guarantor of cohesion -- and a mass of scattered individuals”).³²⁶

A number of publications resulted from the project, and a final conference was held on May 21-23, 1997 at which it recommended that “the intercultural dimension [be] taken into account in the construction of Europe and in the education and training of its citizens”.³²⁷

Task Forces and Research

In from the margins - A contribution to the debate on Culture and Development in Europe

In October 1993, the Council of Cultural Cooperation (the Council of Europe body responsible for its culture, sport and educational programming) established a European Task Force on Culture and Development to produce a parallel report to the UNESCO World Commission on Culture and Development volume on cultural policy entitled Our creative diversity. This was undertaken, in part, to provide a European perspective on the interrelationship between culture and development, which was the major theme of the UNESCO report. But it was also an attempt to enrich the European debates about economic and social cohesion with an analysis of the more intangible bonds between the peoples inhabiting the continent. As Daniel Tarschys, the former Secretary General of the Council of Europe, stated in the *Foreword* to In from the margins:

... this intensive search for new political and economic paradigms may well overshadow the need also to reconsider long-term developmental objectives in the domain of “immaterial” well-being. This danger has been widely recognised; while much work has been carried out at [the] international level in fields pertaining to environment, human rights and social exclusion, the field of culture has yet to be thoroughly tilled.³²⁸

The Task Force’s report, published in 1997, contained more than 50 recommendations intended to further the two priorities it identified -- namely, “to bring the millions of dispossessed and disadvantaged Europeans in from the margins of society and cultural policy in from the margins of governance”.³²⁹ While it is beyond the scope of this study to provide a detailed description of each of these recommendations, it may be worth noting what In from the margins has to say about the role of cultural policy in addressing the major threats to cohesion identified by the Council of Europe.

To combat **social exclusion**, the report suggests that “a new social ethic, obliging cultural organisations to adopt inclusive rather than exclusive policies, would help to ensure access to,

³²⁶ Etienne Grosjean, Council for Cultural Cooperation, General Report - Workshop on “Cultural Rights and Social Cohesion” (Provisional Edition 1997), p. 87.

³²⁷ Council of Europe Press Release, “Education and culture major factors in improved intercultural understanding”, (Strasbourg, May 23, 1997) at: <http://culture.coe.fr/infocentre/press/eng/epress97.21.html>

³²⁸ In from the margins - A contribution to the debate on Culture and Development in Europe, p. 7.

³²⁹ In from the margins - A contribution to the debate on Culture and Development in Europe, p. 9.

and participation in, culture for all”.³³⁰

To address the **rights deficit**, the Task Force observes that “the need at least for a European Declaration on Cultural Rights appears stronger now than ever. Access to culture and the free exercise of cultural rights will not solve, but may mitigate, social divisions and help to strengthen the institutions of civil society”.³³¹

On the **influence of American culture**, the Task Force suggests that “it is logical to seek measures, sometimes short term, to ensure that there is a “level playing field” of opportunity for European cultural producers”. At the same time, it cautions against the development of a “Fortress Europe” mentality by encouraging transnational networking and cultural exchange -- but not limited to the cultural product of global corporations.³³²

With regard to the emerging problem of the **information-rich and information-poor**, the Task Force suggests that such a schism “can only be avoided by a substantial technological investment in formal education and the availability throughout life of retraining opportunities”.³³³

To promote **European solidarity and identity**, the report believes that “a new ethical approach to the heritage is called for which recognises the destruction of one community’s heritage is a loss to Europe as a whole”. It recommends the creation of European Heritage Bank that would finance capital investments and loans to European communities seeking to reconstruct or preserve the continent’s rich but crumbling built heritage.³³⁴

Finally, the Task Force acknowledges the importance of **civil society** as a source of prosperity and stability, suggesting that here, too, “culture has an important role to play, for it is the cement of the social and civic bond”. It recommends more support, including funding, for the “third sector” in recognition of intermediary role it plays between individuals and the public and private sectors.³³⁵

Legislative Initiatives

Second Summit of the Council of Europe

The Summit of Heads of State and Governments that took place on October 10 and 11, 1997 made explicit reference to the “essential role of culture and education in strengthening mutual understanding and confidence between our peoples”. The Summit’s *Final Declaration* laid out the following *Action Plan* to promote democratic values and cultural diversity:

- 1. Education for democratic citizenship:** the Heads of State and Government decided to launch an initiative for education for democratic citizenship with a view to promoting citizens’ awareness of their rights and responsibilities in a democratic society, activating existing networks, and including a new youth exchange program.
- 2. Enhancement of the European heritage:** the Heads of State and Government decided to launch a campaign in 1999 on the theme “Europe, a common heritage”, respecting cultural

³³⁰ In from the margins - A contribution to the debate on Culture and Development in Europe, p. 11.

³³¹ In from the margins - A contribution to the debate on Culture and Development in Europe, p. 12.

³³² In from the margins - A contribution to the debate on Culture and Development in Europe, p. 12.

³³³ In from the margins - A contribution to the debate on Culture and Development in Europe, p. 11.

³³⁴ In from the margins - A contribution to the debate on Culture and Development in Europe, p. 12.

³³⁵ In from the margins - A contribution to the debate on Culture and Development in Europe, p. 12.

diversity, based on existing or prospective partnerships between government, educational and cultural institutions, and industry.

- 3. New information technologies:** the Heads of State and Government resolved to develop a European policy for the application of the new information technologies, with a view to ensuring respect for human rights and cultural diversity, fostering freedom of expression and information and maximising the educational and cultural potential of these technologies; they invite the Council of Europe to seek, in this respect, suitable partnership arrangements.³³⁶

Committee of Ministers

At its 104th Session on May 6 and 7, 1999, the Committee of Ministers reported progress on all three Action Plan items related to cultural cohesion.

- 1. Education for democratic citizenship** - A draft Declaration and Programme on education for democratic citizenship, based on the rights and responsibilities of citizens was tabled. In addition, a new youth exchange program, giving secondary school students the opportunity to spend three nine-month study periods in another European country, got underway at the beginning of the 1998-99 school year. The European Secondary School Student Exchange Programme will continue until 2002.
- 2. Enhancement of the European heritage** - An International Coordinating Group was set up to undertake a campaign promoting European natural and cultural heritage. This campaign, which took place between September 1999 and September 2000, included media events, transnational projects and local projects to illustrate the idea of a common heritage and to increase the positive economic and social effects of cultural heritage assets.
- 3. New information technologies** - A draft Declaration on a European Policy for Information Technologies was tabled. This Declaration guaranteed respect of human rights and freedom of expression, promotion of cultural diversity and access to new technologies by all those working in the cultural field in order to maximize the educational and cultural potential of the technologies.³³⁷

³³⁶ Summit of the Council of Europe, *Final Declaration*, (Strasbourg, October 11, 1997) at: <http://www.coe.fr/summit/edecplan.htm#ActionPlan>

³³⁷ Committee of Ministers, *Report to the 104th Session of the Committee of Ministers on the Implementation of the Action Plan and the Follow-up to the Final Declaration*, (Strasbourg, 20 April 1999), at <http://www.coe.fr/cm/reports/1999/99cm75.htm>

Conclusions

Of all the multilateral organizations examined in this study, the Council of Europe has the broadest definition of cohesion -- including interlinked democratic, social and cultural elements that correspond more closely to that used by the Social Cohesion Network of the Canadian federal government than do those of some of the other jurisdictions examined in this study.

Table 9 Elements of Cohesion Council of Europe Analytical Framework		
Type of Cohesion	Major Threats	Major Measures to Address
Democratic cohesion	The “rights deficit”	<ul style="list-style-type: none"> - Recognition of social and cultural rights - Measures to combat intolerance and protect minorities
Social cohesion	Social exclusion	<ul style="list-style-type: none"> - Recognition of social rights - Restructuring of social committees and Social Fund - Increased investment in job creation - Establishment of specialized unit to monitor social cohesion
Cultural cohesion	Loss of identity Decreased access to information by the socially excluded	<ul style="list-style-type: none"> - Civic education - Recognition of diverse European heritage - Development of new information technology policy

The Council of Europe has been exploring the problem of European cohesion since the early 1990s and appears to have concluded that a three-pronged analytical framework is required to understand and address the issue. Table 9 sketches out, in a very simplified format, these three elements, together with the major contextual pressures and the policy responses to them.

The Council of Europe appears to have recognized that these issues are intertwined and that it is difficult to discuss civil rights in isolation from social or cultural rights or to detach these from the issue of a European cultural identity founded on democratic values.

The Council’s perspective on social exclusion is fairly close to that used by the European Union, but while the European Union views exclusion as only one of the threats to social cohesion, the Council of Europe makes it central to its definition. While both the EU and the OECD view unemployment as the major cause of weakened social cohesion in Europe, the Council of Europe sees unemployment as only one of a number of causal factors that are contributing to the growing phenomenon of social exclusion.

The Council of Europe’s approach may be useful to other jurisdictions in addressing the overall issue of social cohesion. It views social exclusion as the outcome of an individual’s weak linkages to the state and civil society, as well as to the job market. Central to this approach is

the understanding that measures to improve social cohesion cannot be confined solely to the economic sphere, but must also aim to strengthen the socio-cultural link with community and the political link between citizens and the state.

Beyond its work to understand the dynamics of cohesion, the Council of Europe has also thrown considerable resources into policies and programs promoting democratic, social and cultural cohesion. The Summit of Heads of State and Government in October 1997 appears to have been a watershed event in this regard, eliciting a commitment from member states to build “a freer, more tolerant and just European society based on common values, such as freedom of expression and information, cultural diversity and the equal dignity of all human beings”.³³⁸ Out of that gathering came an action plan in four major theme areas -- democracy and human rights, social cohesion, security of citizens and democratic values and cultural diversity -- three of which have a direct connection to the conceptual framework and the workplan of the Intergovernmental programme of activities of the Council of Europe.

Because the Council of Europe relies upon consensus and moral suasion to move national policies toward pan-European goals, it can be expected that progress will be slow in all the areas of cohesion described above. Beyond the restructuring of its committees and the development of several new declarations in support of greater democratic, social and cultural cohesion, it is unclear as to the level of resources that the Council will ultimately devote to these ends. A commitment has been made to work with the European Union and the Organisation for Security and Cooperation in Europe on these issues, as well as with the non-governmental sector,³³⁹ but it will require considerable political will to sustain activity unless specific financial and human resources continue to be linked to the Action Plan items.

Clearly, the Council of Europe has made considerable progress over the decade in coming to grips with the issue of cohesion in all its forms. As is the case with the other multilateral organizations examined in this study, these policy initiatives will have to continue to evolve in response to the far-reaching forces that are transforming the social fabric of Europe.

³³⁸ Summit of the Council of Europe, *Final Declaration*, (Strasbourg, October 11, 1997) at: <http://www.coe.fr/summit/edecplan.htm#ActionPlan>

³³⁹ Summit of the Council of Europe, *Final Declaration*, (Strasbourg, October 11, 1997) at: <http://www.coe.fr/summit/edecplan.htm#ActionPlan>

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