



Scientific evidence for policy-making

*Research insights from
Socio-economic Sciences
and Humanities*



Research and
Innovation

EUROPEAN COMMISSION

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Cataloguing data can be found at the end of this publication.

Luxembourg: Publications Office of the European Union, 2013

ISBN 978-92-79-28196-9

doi:10.2777/45029

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Printed in Luxembourg

Overview

The SCOOP project (2009-2012), funded under the European Union's 7th Framework Programme, and for which Louisa Anastopoulou was the project officer, aimed at strengthening the links between research and policy making at the EU level. The monthly 'news alerts' (short articles summarising EU-funded research results) presented in this document allowed policy makers, civil society organisations, businesses and the media to be at the forefront of scientific knowledge.

These evidence-based policy papers addressed the major challenges facing the social, economic, political and cultural make-up of Europe. The 'news alerts' are presented in reverse chronological order, from the most recent article to the oldest article, and cover the following subjects:

Growth, employment and competitiveness in a knowledge society: European research in socio-economic sciences and the humanities must support policies aimed at achieving competitive, innovative societies that can create quality jobs.

Combining economic, social and environmental objectives in a European perspective: This area addresses the need to sustain cohesive societies while accepting the scale of environmental challenges, which must be seen as a risk but also as an opportunity.

Major trends in society and their implications: Research is needed to understand and facilitate strategies to tackle social changes like ageing populations, migration and multicultural societies.

Europe in the world: Social sciences and the humanities can improve our understanding of the new multipolar world and Europe's role in it.

The citizen in the European Union: The issues addressed in this area relate to the development of European democracies, to the rights and obligations of European citizens and to the shared values in a diverse Union.

Socio-economic and scientific indicators: New indicators for measuring new social and economic realities are needed for informed policy-making.

Foresight: European research in forward looking activities aims at identifying major trends and outlining likely scenarios for the future of Europe. It builds new tools for forecasting the main social, economic, environmental and technological developments.

Strategic activities: Research is needed outside the main areas above in order to address emerging needs or specific policy issues such as the European Research Area for SSH.

Table of contents

GROWTH, EMPLOYMENT AND COMPETITIVENESS IN A KNOWLEDGE SOCIETY

SCIFI-GLOW Science, innovation, firms and markets in a globalized world Insights into the knowledge economy	15
AEGIS Advancing knowledge-intensive entrepreneurship and innovation for economic growth and social well-being in Europe Taking entrepreneurship to the next level.	17
DIME Dynamics of Institution and Markets in Europe Putting knowledge to work: The innovation challenge	19
POLHIA Monetary, fiscal and structural policies with heterogeneous agents Looking beyond the crisis: An appeal for economic cooperation.	21
MONFISPOL Modelling and implementation of optimal fiscal and monetary policy algorithms in multi-country econometric models Macroeconomic models: A comparative tool for policy making	23
SELUSI Social entrepreneurs as “lead users” for service innovation How social entrepreneurs can enhance service innovation in Europe	25
WORKABLE Making capabilities work Enabling young people to succeed in European labour markets	27
EFIGE European firms in a global economy: internal policies for external competitiveness Internationalisation increases exports and improves firms’ flexibility.	29
VICO Financing entrepreneurial ventures in Europe: impact on innovation, employment growth and competitiveness Venture capital for innovation: Creating a more effective policy environment	31
ServPPIN The contribution of public and private services to European growth and welfare, and the role of public-private innovation networks Enhancing public-private innovation networks in services	33
FINESS Financial systems, efficiency and stimulation of sustainable growth FINESS: In search of a sustainable European financial system.	36
KNOWandPOL The role of knowledge in the construction and regulation of health and education policy in Europe: convergences and specificities among nations and sectors New trends in the relationship between knowledge and policy	38
COINVEST Competitiveness, innovation and intangible investment in Europe Getting a grip on intangibles	40
FINNOV Finance, Innovation and Growth: Changing Patterns and Policy Implications Do financial markets reward innovation?	42
LLL2010 Towards a Lifelong Learning Society in Europe: The Contribution of the Education System Achieving the aims of lifelong learning	44
ACRE Accommodating Creative Knowledge: Competitiveness of European Metropolitan Regions within the Enlarged Union Stimulating economies built on creative knowledge	47
EMILIA Empowerment of Mental Illness Service Users: Life Long Learning, Integration and Action Enhancing social inclusion of mental health service users	49

MICRO-DYN The competitiveness of firms, regions and industries in the knowledge-based economy: What room for job-rich growth in Europe? Can EU's knowledge economy compete on a global scale?	52
PIQUE Privatisation of Public Services and the Impact on Quality, Employment and Productivity Quality of European Union public services and regulation	54
INNODRIVE Intangible Capital and Innovations: Drivers of Growth and Location in the EU Measure this: intangible capital as a driver of innovative growth	56
INGINEUS Impact of Networks, Globalisation, and their Interaction with EU Strategies Ensuring a role for European firms in the globalisation of R&D activities	59
IAREG Intangible Assets and Regional Economic Growth Intangible assets at the heart of economic growth in European regions.....	61
COMBINING ECONOMIC, SOCIAL AND ENVIRONMENTAL OBJECTIVES IN A EUROPEAN PERSPECTIVE	
SPREAD Social platform identifying research and policy needs for sustainable lifestyles SPREAD – The drive towards sustainable living by 2050	65
WIOD World input-output database: construction and applications A fresh perspective on global trade: The World Input-Output Database.....	68
SMILE Synergies in multi-scale inter-linkages of eco-social systems SMILE – Shining a spotlight on European sustainability.....	70
PASHMINA Paradigm shifts modelling and innovative approaches PASHMINA: A new generation of tools to visualise global change.....	72
PACT Pathways for carbon transitions PACT: Shaping a post-carbon world	75
ICaTSEM Institutional changes and trajectories of socio-economic development models Diversity reigns across Europe in approaching socio-economic development.....	78
SUS.DIV Sustainable Diversity in a Diverse World Cultural diversity: An asset to Europe	80
DERREG Developing Europe's rural regions in the era of globalization Positive thinking: Rural communities can benefit from globalisation	82
CAPRIGHT Resources, rights and capabilities; in search of social foundations for Europe Employment and capability development: take the subsidiarity principle seriously.....	84
SHRINK SMART Governance of shrinkage within a European context Shrinking cities: implications for urban policy	87
GUSTO Meeting the challenges of economic uncertainty and sustainability through employment, industrial relations, social and environmental policies in European countries Managing uncertainty in the labour market – Signposts for the future.....	89
FRIDA Fostering Regional Innovation and Development through Anchors and Networks FRIDA: Anchor firms contribute to regional development.....	92
INCLUD-ED Strategies for Inclusion and Social Cohesion in Europe from Education Schools: Key role in meeting Europe's social inclusion objectives	94

EQUALSOC Economic Change, Quality of Life and Social Cohesion	
Social cohesion: a complex challenge for diverse policy makers	96
RUFUS Rural Future Networks	
Diversity of rural areas: A new typology for rural development policy	98
GILDED Governance, Infrastructure, Lifestyle, Dynamics and Energy Demand: European Post-Carbon Communities	
Post carbon communities: Linking climate change and energy use	101
EUREQUAL Social Inequality and Why it Matters for the Economic and Democratic Development of Europe and its Citizens: Post-Communist Central and Eastern Europe in Comparative Perspective	
Social inequality in Central and Eastern Europe: Perception, reality and democracy.	104
EURODITE Regional Trajectories to the Knowledge Economy: A Dynamic Model	
Growth intelligence: rethinking regional development	106
RESPONSE Understanding and Responding to Societal Demands on Corporate Responsibility	
Getting to the heart of Corporate Social Responsibility	108
CAP-IRE Assessing the Multiple Impacts of the Common Agricultural Policies (CAP) on Rural Economies	
The future of farming in changing rural economies	110

MAJOR TRENDS IN SOCIETY AND THEIR IMPLICATIONS

LEPAS Long-run economic perspectives on an ageing society	
Pensions and productivity: The economic impact of an ageing population	113
RESPECT Towards a 'topography' of tolerance and equal respect. A comparative study of policies for the distribution of public spaces in culturally diverse societies	
Both respect and tolerance needed for intercultural cohesion in Europe	115
DYLAN Language Dynamics and Management of Diversity	
Multilingualism can increase creativity in the EU knowledge economy	117
walqing Work and life quality in new and growing jobs	
Job quality can suffer even during employment growth in Europe	119
RecWoWe Reconciling Work and Welfare in Europe	
Social investment policies needed to integrate work and welfare	121
EUMARGINS On the margins of the European Community – Young adult immigrants in seven European countries	
Barriers and opportunities for young immigrants in Europe	124
GEITONIES Generating interethnic tolerance and neighbourhood integration in European urban spaces	
Revitalising the role of the city through cultural integration.	126
ASPA Activating senior potential in ageing Europe	
Opportunities and barriers to active participation of older people in society	128
CSEYHP Combating social exclusion among young homeless populations	
Early interventions against social exclusion reduce the risk of youth homelessness.	131
YOUNEX Youth, unemployment, and exclusion in Europe: a multidimensional approach to understanding the conditions and prospects for social and political integration of young unemployed	
Tackling youth exclusion and unemployment: Civil society organisations have their role to play .	133

FAMILYPLATFORM Social platform on research for families and family policies	
Family-friendly policies should be at the heart of the future Europe	135
Media & Citizenship Transnational television cultures reshaping political identities in the European Union	
Arabic ethnic media promotes cultural identity in Europe	137
GeMIC Gender, migration and intercultural interactions in the Mediterranean and South East Europe: an interdisciplinary perspective	
Migrant rights could enhance intercultural tolerance	139
YIPPEE Young people from a public care background: pathways to education in Europe	
Enhancing the education attainment of young people in care	142
DEMHOW Demographic change and housing wealth	
Can home ownership help finance an ageing population?	145
REPRO Reproductive decision-making in a macro-micro perspective	
Europeans want children: Can policies help?	147
MAGGIE Major Ageing and Gender Issues in Europe	
Are the needs of the ageing population different for men and women?	150
REMC Religious education in a multi-cultural society: school and home in comparative context	
Coping with a multifaith Europe: differing approaches to religious education	152
MEADOW Measuring the Dynamics of Organisations and Work: proposed guidelines for collecting and interpreting data on organisational change and its economic and social impacts	
New survey to measure impact of change on EU employees	154
MULTILINKS How Demographic Changes Shape Intergenerational Solidarity, Well-being and Social Integration: A Multilinks Framework	
Bridging the generational gap	156
LINEE Languages in a Network of European Excellence	
Linguistic diversity: Opportunities and pitfalls	158
TRANS-NET Transnationalisation, migration and transformation: multi-level analysis of migrant transnationalism	
International migration transforms both sending and receiving countries	160
IMISCOE International Migration, Integration and Social Cohesion in Europe	
Advantages of migration in the European Union	162
WORKCARE Social quality and the changing relationships between work, care and welfare in Europe	
Flexibility and security in the workplace are key to a European work-care balance	164
EDUMIGROM Ethnic Differences in Education and Diverging Prospects for Urban Youth in an Enlarged Europe	
How do Europe's schools treat minority ethnic youth?	166
UWT Undocumented Worker Transitions: Compiling evidence concerning the boundaries and processes of change in the status and work of undocumented workers in Europe	
Restrictions do not halt flow of undocumented workers	168
CLANDESTINO Undocumented Migration: Counting the Uncountable. Data and Trends Across Europe	
Fewer irregular migrants in Europe than previously thought	170
WORKS Work Organisation and Restructuring in the Knowledge Society	
Europe's workforce needs improved knowledge to compete globally	172

EUROPE IN THE WORLD

GR:EEEN Global re-ordering: Evolution through European networks	
Clarifying the EU's external role in a multi-polar world	175
IDEAS Integrating and developing European Asian studies	
Rethinking EU foreign policy for the 'Asian Century'?	177
EuroBroadMap Visions of Europe in the World	
World views of the EU vital to enlargement and boundaries debates	179
POLINARES EU policy on natural resources	
Energy and minerals: Does the EU's strategy to resource security need to change?.....	181
PEGGED Politics, economics and global governance: the European dimensions	
Responding to the crisis: Paths to stability	183
Special Issue Multilateralism and the EU	
What is multilateralism?	185
Special Issue Multilateralism and the EU	
Multilateralism and the EU	187
MERCURY Multilateralism and the EU in the contemporary global order	
Main Findings: Obstacles and opportunities	189
EU-GRASP Changing multilateralism: the EU as a global-regional actor in security and peace	
New direction needed for multilateralism	191
EU4Seas The EU and sub-regional multilateralism in Europe's sea basins: neighbourhood, enlargement and multilateral cooperation	
Where does the EU go from here?	192
DOMAC Impact of international criminal procedures on domestic criminal procedures in mass atrocity cases	
Better co-ordination between international and domestic courts could improve response to mass atrocities	194
ATLAS Armed conflicts, peace keeping, transitional justice: law as solution	
In pursuit of peace: How can the EU defend human rights and humanitarian law in armed conflict?	197
PRIV-WAR Regulating privatisation of 'war': the role of the EU in assuring the compliance with international humanitarian law and human rights	
As war is 'privatised' should private contractors be regulated at EU level?	199
RECON Reconstituting Democracy in Europe	
The future of European Democracy	201
DIASPEACE Diasporas for peace: patterns, trends and potential of long-distance diaspora involvement in conflict settings. Case studies from the Horn of Africa	
Diasporas: How to make the most of their peace-building potential	203
INFOCON Involving transnational communities – Civil society forum on conflicts	
Diaspora communities should be involved in conflict resolution	205
MICROCON A Micro-Level Analysis of Violent Conflict	
Understanding violent conflicts from the point of view of individuals, families and communities ...	207
CLICO Climate change, hydro-conflicts and human security	
EU policies needed to address climate change and conflict	209

JAD-PbP Just and Durable Peace by Piece	
Toward a just and durable peace: EU policy considerations	211
MultiPart Multi-stakeholder Partnerships in Post-conflict Reconstruction: The Role of the European Union	
Multi-stakeholder partnerships need greater local involvement to fulfil their peace-building potential	213
CRIMPREV Assessing Deviance, Crime and Prevention in Europe	
Better data needed to inform crime prevention in Europe	216
Crime and Culture Crime as a Cultural Problem. The Relevance of Perceptions of Corruption to Crime Prevention. A Comparative Cultural Study in the EU-Candidate States and the EU-States Germany and Greece	
Corruption in Europe – What do people really think?	218
JURISTRAS The Strasbourg Court, democracy and the human rights of individuals and communities: patterns of litigation, state implementation and domestic reform	
The European Court of Human Rights: Improving implementation of judgements	220
MIRICO Human and Minority Rights in the Life Cycle of Ethnic Conflicts	
Incorporating human and minority rights into EU’s conflict management.	222
HUMSEC Human Security in the Western Balkan region: the impact of transnational terrorist and criminal organisations on the peace-building process of the region	
Organised crime and corruption threaten human security in the Western Balkans.	224
SHUR Human Rights in Conflicts: The Role of Civil Society	
EU needs dialogue with civil society in conflict zones	226
GARNET Global Governance, Regionalisation and Regulation: The Role of the EU	
GARNET: The EU role in global governance.	228
CHALLENGE The Changing Landscape of European Liberty and Security	
Security and Liberty or Security versus Liberty?	230
THE CITIZEN IN THE EUROPEAN UNION	
MediaAct Media accountability and transparency in Europe	
MediaAct – Striving for media pluralism in the digital age	233
CIT-PART Impact of citizen participation on decision-making in a knowledge intensive policy	
Citizen participation succeeds with ‘softer’ impacts on complex policy making	236
MEDIADEM European media policies revisited	
Policies needed to ensure an independent media in Europe	239
ELDIA European language diversity for all	
Updated policies needed to support Europe’s linguistic diversity.	241
PIDOP Processes influencing democratic ownership and participation	
How to re-engage young people with politics	244
CRIC Identity and conflict. Cultural heritage and the reconstruction of identities after conflict	
Challenges of cultural heritage reconstruction after conflict	246
EUNAMUS European national museums: identity politics, the uses of the past and the European citizen	
National museums need to adapt to Europe’s changing multicultural society	249

ENRI-East Interplay of European, national and regional Identities: Nations between states along the new Eastern borders of the European Union Ethnic identity less significant for younger generations in Central and Eastern Europe	251
REFGOV Reflexive Governance in the Public Interest Learning to improve governance for all and by all	253
QUING Quality in Gender Equality Policies Helping Europe bridge the gender gap	255
EURO-FESTIVAL Art festivals and the European public culture Arts festivals foster cultural exchange: Increased EU support for festivals could enhance their positive impact on society	259
CLIOHRES.net Creating Links and Overviews for a New History Research Agenda for the Citizens of a Growing Europe Using history to combat old stereotypes and foster citizenship.	261
SeFoNe Searching for Neighbours: Dynamics of Physical and Mental Borders in the New Europa Expanded EU: Challenges to good neighbourhood relations	263
FEMCIT Gendered Citizenship in Multicultural Europe: The Impact of Contemporary Women's Movements FEMCIT: The quest for a gender-fair Europe	265
ENACT Enacting European Citizenship Marginalised people enact EU citizenship to expand and deepen it	267
IME Identities and Modernities in Europe: European and national identity construction programmes, politics, culture, history and religion Complexities and challenges of 'being European'	269
GenderRace The use of racial anti-discrimination laws: gender and citizenship in a multicultural context Addressing the combination of gender and racial/ethnic discrimination.	271
EUROIDENTITIES The Evolution of European Identity: Using biographical methods to study the development of European identity Ordinary citizens need to identify with Europe to ensure its long-term success	273
IntUne Integrated and United? A Quest for Citizenship in an 'Ever Closer Europe' Building European citizenship by improving democracy in the EU	275
CoPECL Joint Network on European Private Law European contract law: boosting cross-border trade and ensuring strong rights for consumers	277
CINEFOGO Civil Society and New Forms of Governance in Europe New network encourages active citizenship in Europe	279
EMILIE A European Approach to Multicultural Citizenship: Legal, Political and Educational Challenges Europe faces migration-related challenges in education, the labour market and politics.	281

SOCIO-ECONOMIC AND SCIENTIFIC INDICATORS

InnoS&T Innovative S&T indicators for empirical models and policies: combining patent data and surveys New indicators on patenting activities can support European innovation policy	285
AMELI Advanced methodology for European Laeken indicators Towards more reliable measurements of poverty and social exclusion in Europe	287
EERQI European educational research quality indicators Assessing quality of European socio-economic research: Towards a new prototype.	289

ASSPRO CEE 2007 Assessment of patient payment policies and projection of their efficiency, equity and quality effects. The case of Central and Eastern Europe	
Sharing healthcare costs in Central and Eastern Europe: The quest for fair and sustainable policies	291
SAMPLE Small Area Methods for Poverty and Living Condition Estimates	
New indicators on EU poverty at local level	293
RISQ Representativity Indicators for Survey Quality	
New tools to improve statistical data for policy	295
EURO-JUSTIS Scientific indicators of confidence in justice: tools for policy assessment	
Crime and confidence: The benefits of trust	297
POINT Policy Influence of Indicators	
Get to the POINT: who uses indicators?	299

FORESIGHT ACTIVITIES

MEDPRO Prospective analysis for the Mediterranean region	
MEDPRO - Arab Springs spark rethink of EU Policy	303
AUGUR Challenges for Europe in the world of 2030	
AUGUR: Routes to financial recovery in Europe	306
iKNOW Interconnecting Knowledge	
Harnessing IT to enhance foresight activities	308
SANDERA The future impact of security and defence policies on the European Research Area	
Alternative future relationships between security and defence policy, and the European Research Area.	310
FARHORIZON Use of foresight to align research with longer term policy needs in Europe	
Future European innovation policy: results of a foresight exercise	314
CIVISTI Citizen Visions on Science, Technology and Innovation	
Citizen input could make future EU research more relevant.	316
INFU Innovation Futures in Europe: A foresight exercise on emerging patterns of innovation. Visions, scenarios and implications for policy and practice	
Innovation futures in Europe: Visions, scenarios and implications	318
DG Research World and European Sustainable Cities: Insights from EU Research	
Promoting smart, sustainable and inclusive cities	320
The World in 2025 Rising Asia and Socio-Ecological Transition	
The World in 2025 – can challenges become opportunities?	323

STRATEGIC ACTIVITIES

WORKCARE SYNERGIES Dissemination of Synthesized Framework Programme Research Findings	
Family-friendly policies needed as women are still the major carers in society	327
EDC2020 European development cooperation to 2020	
EU development policy at stake	330

EURASIA-Net | Europe-South Asia exchange on supranational (regional) policies and instruments for the promotion of human rights and management of minority issues
A trans-national approach needed to support South Asian minorities 332

COUNTER | Socio-economic and cultural impacts on the consumption of counterfeit goods
Effective challenges to internet counterfeiting, piracy and illegal file-sharing 335

FACIT | Faith-based organisations and exclusion in European cities
Are faith-based organisations taking the place of the welfare state? 337

REMEDIE | Regenerative Medicine in Europe
Regenerative medicine in Europe: New knowledge for the challenges ahead 339

Growth, employment and competitiveness in a knowledge society





Insights into the knowledge economy

September 2012

How is knowledge created in a globalised world, and how do firms use this knowledge to produce and market products? These two fundamental questions were at the centre of the **SCIFI-GLOW** research project, exploring links between knowledge sector organisation and the behaviour of markets and firms. SCIFI-GLOW yielded robust policy-relevant findings that could help guide further development of the knowledge economy.

Involving ten research teams from seven European countries, SCIFI-GLOW sought to deepen our understanding of how firms, markets and institutions transform scientific advances into innovation. The first phase of the research focused on knowledge production in a broad sense, considering not only the work of universities and research institutes but also the contribution of public and private enterprises. The second phase looked at the effect of globalisation on the organisation of firms.

As a starting point, the scientists examined data from 3.6 million scientific articles (published 1998-2002) and the 47 million citations they received (1998-2007). The researchers found that since the mid-1990s the EU share of total citations has been greater than that of the US in only seven out of 22 fields studied. They also noted that “the mean citation rate in the US is greater than that of the EU in every one of the 22 fields”¹. This, the researchers observe, should help dispel any popular notions about a ‘European Paradox’ (i.e. that Europe is a global scientific leader but lacks America’s entrepreneurial ability to transform scientific excellence into growth, innovation and jobs).

Taking a global view, the project concluded that “despite the continued dominance of the US and the increasing importance of the EU in science, advanced countries are in relative decline and... scientific research from emerging economies is growing in stature – both in quantity and quality”². The consortium found China to be the main driving force in the catch-up of emerging countries when it comes to scientific production.

Another avenue of the research explored the role that international markets play in driving innovation. Various global factors were taken into consideration, such as foreign direct investment (FDI) and knowledge spillovers from technological advancement. To help gauge the relationship between innovation and FDI, the researchers examined data from a variety of automobile companies operating in China. Here the team observed that “FDI firms are less R&D intensive but, when they innovate in new products, they are more [successful in product innovation] than domestic-funded firms”³.

More generally, the consortium concluded that exposure to international markets and competition encourages firms to innovate. With respect to knowledge spillovers on the technological frontier, the project observed that such spillovers have been important for productivity growth in many countries (not just the countries where the innovation occurs). Countries that depend on technological advancements from abroad, however, may face disadvantages.

In terms of industry-science links – considered extremely important for innovation – the consortium found European performance to be disappointing. Both public and (above all) private investment in research and development still falls short of the goals set by the Lisbon Strategy for EU growth, the researchers observed. Their analysis: “The framework conditions for innovation... fail to provide adequate incentives and rewards [and] the networks needed for innovation are not well enough developed within the private sector and between the public and private sectors”⁴.

More broadly speaking, SCIFI-GLOW’s research indicates that firms have an incentive to under-invest in research and development “in the hope of free-riding from the investments of other companies”⁵. Therefore, in order to stimulate

R&D activity, policy makers are encouraged to intervene through various measures such as subsidies, tax credits or public procurement.

Finally, with respect to the European Union's current crisis, the consortium's work suggests that more radical structural reforms are needed than those foreseen in the EU's Annual Growth Strategy 2012. SCIFI-GLOW's final policy report (May 2012) calls for "a much more explicit commitment to public knowledge investment"⁶ in order to stimulate smart growth. It also notes that the EU's inclusive growth priority "is probably most directly challenged by the sovereign debt crisis"⁷. Policy makers interested in the link between knowledge production and enterprise development will find the project's final policy report a worthy but sobering read.

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SCIFI-GLOW

Science, innovation, firms and markets in a globalized world

(duration: 1/6/2008 – 31/7/2011). FP7 Socio-economic Sciences and Humanities, Activity 1 – „Growth, employment and competitiveness in a knowledge society“, Research area 1.1 „Changing role of knowledge throughout the economy“. Collaborative project (small and medium scale focused research project).

See: <http://scifiglow.cepr.org/>

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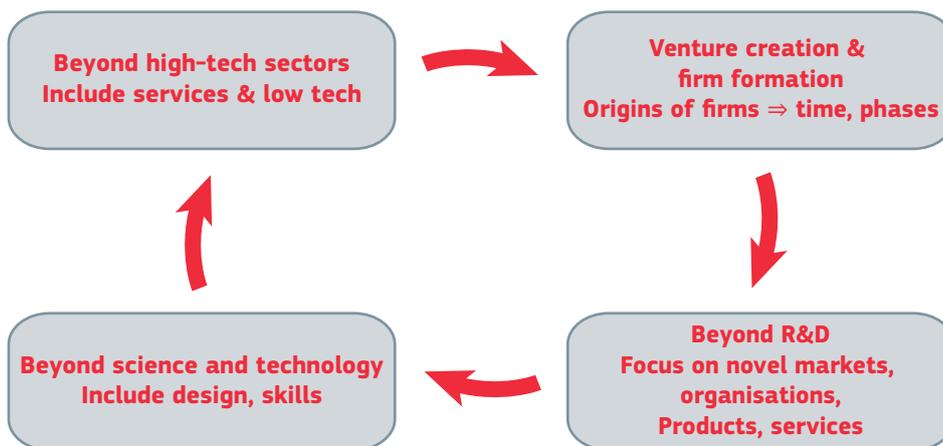
Taking entrepreneurship to the next level

June 2012

Achieving smart, sustainable, inclusive growth – the main priorities of Europe’s 2020 strategy – requires innovative forms of entrepreneurship. One form expected to play an important role in Europe’s economic development is **knowledge-intensive entrepreneurship** (KIE). Findings from the **AEGIS** research project suggest KIE should be regarded as one potential means to obtain economic growth and societal well-being.

The AEGIS project worked with a definition of knowledge-intensive entrepreneurship that includes four basic components. Their definition applies to new firms that are innovative, have significant knowledge intensity in their activity and exploit innovative opportunities in diverse sectors. Fleshing out this definition, Figure 1 (below) identifies some of the highlights of knowledge-intensive entrepreneurship:

Figure 1: Knowledge-intensive entrepreneurship: key characteristics



Source: AEGIS deliverable 1.1.1 (2010), ‘Conceptualizing knowledge-intensive entrepreneurship: Concepts and models’¹

AEGIS was a large-scale project involving 20 partners from 12 European countries plus China, India, and Russia, so its findings reflect a broad international perspective. Conceptually, the project focused on knowledge-intensive entrepreneurship as an agent of change mediating between the creation of knowledge and innovation, and its transformation into economic activity and well-being. On the basis of extensive field research, numerous case studies and multi-layered analysis, AEGIS produced a valuable set of messages and policy recommendations.

Among the project’s main messages are the following four asserting that public policy for knowledge-intensive entrepreneurship should:

- Be systemic.
- Include socio-economic incentives as well as individual ones.
- Stimulate knowledge competencies.
- Reflect that KIE involves the application of knowledge to new activities.

The consortium concluded that knowledge-intensive entrepreneurship is a very broad-based phenomenon that is affected not only by the decisions of public policy, but also by NGOs, businesses and individuals. KIE can emerge in

all sorts of sectors - regardless of whether they are considered high-tech or low-tech - and it is also found in the service sector.

Knowledge-intensive entrepreneurship is an inherently systemic policy issue, the consortium concluded, one that must be tackled from various angles simultaneously for long-term results. Because KIE is so systemic, the AEGIS researchers recommend that public policy instruments aimed at promoting it should consider the 'demand' side (e.g. lead markets and public procurement) as well as the 'supply' side (i.e. education, risk financing and developing science and technology).

The AEGIS researchers stress that policy makers seeking to foster KIE should take into account wider processes determined by the socio-economic context. Given that the Europe 2020 strategic policy plan is oriented more towards the long term, the researchers identified a need for intermediate policy goals aimed at KIE-related development.

In terms of specific policy recommendations on knowledge-intensive entrepreneurship, AEGIS offers the following:

- Policies in favour of KIE should support the creation of new knowledge and the building of knowledge infrastructure that will enable the creation and commercialisation of knowledge in various ways and forms. This means the support of basic research, allowing for the migration from science to the commercial sector and back, improvement of the quantity and quality of both scientific and managerial education, fostering the governance of higher education institutions to promote academic entrepreneurship and improve the effectiveness of intellectual property rights (IPR) retention by universities.
- Because networks are key for the creation and survival of KIE (competencies and resources are likely to be widely distributed) policies should facilitate access to knowledge resources and stimulate interfaces with the market. Policies should support not just individual entrepreneurs but also networks.
- Policies must take into account the context in which knowledge intensive entrepreneurship takes place. Sectors differ very much, so conditions affecting knowledge-based entrepreneurship could be radically different as well. Policy intervention is especially important when knowledge-intensive entrepreneurs innovate in new (emerging) technological areas that do not reinforce, but rather overturn, incumbent firms' asset values.
- The importance of the institutional setting cannot be overemphasised. This means that New Member States in particular need support, and that open standards may be important in complex environments (decreasing uncertainties).

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AEGIS

Advancing knowledge-intensive entrepreneurship and innovation
for economic growth and social well-being in Europe

(duration: 1/1/2009 – 30/9/2012. FP7 Socio-economic Sciences and Humanities, Activity 1 "Growth, employment and competitiveness in a knowledge society", Research area1.1 "Changing role of knowledge throughout the economy". Large scale integrating project

See: <http://www.aegis-fp7.eu/>

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Putting knowledge to work: The innovation challenge

May 2012

How should Europe go about managing the transition to a knowledge-based economy? What challenges are associated with this task in the context of EU enlargement and economic globalisation? What will the creation of a knowledge-based economy mean for the EU's Member States, its companies and its citizens? These were among the key questions explored by the **DIME** network of excellence, comprising 53 partner institutions in 21 countries. Covering a broad range of public policy issues, the network was particularly strong in the field of innovation, one of several policy areas in which DIME produced concrete policy recommendations.

DIME's investigative activities focused on three broad domains, each representing a different aspect of the transition to a knowledge economy:

- Dynamics of individual and organisational knowledge in a regional context.
- The creation, accumulation and exchange of knowledge in networks, sectors and regions.
- Dynamics of knowledge accumulation, regional cohesion and economic policies.

Bringing together numerous researchers in Europe and beyond, the network generated several publications, conferences and seminars in these domains.

Of specific relevance to policy makers are the results of a DIME seminar held in Brussels in April 2011, entitled 'Policies for the Innovation Union'. The event highlighted the project's implications for higher education, cohesion and entrepreneurship.

Recommendations for policy makers were offered in each area as follows:

- **Higher education** - The DIME seminar participants concluded that Europe's universities should place greater emphasis not only on entrepreneurship, innovation and technology transfer management but also, if not primarily, on conducting high quality research and training future innovators. While a positive synergy effect was observed in universities cooperating with businesses, the seminar stressed the importance of universities remaining independent from economic and political influences. Institutions of higher learning should be free to define their own research programmes, the researchers noted. It was agreed, however, that universities (and not just businesses) should be asked to innovate and moreover to secure the quality standard of the knowledge produced.
- **Cohesion** - the DIME researchers emphasised the need to counter 'regional research exclusion'. It was noted that within the context of the EU's Innovation Union flagship initiative, the European Commission has a mandate to stimulate international cooperation among research entities in weaker regions. 'Geographical proximity', the researchers pointed out, is a core element of innovation and plays a crucial role for regional development. Policy makers - and not just those dealing with innovation - are therefore encouraged to include all regions in the research process and exploit the potential of spill-over effects.
- Knowledge-intensive **entrepreneurship** - the DIME seminar confirmed this to be a source of economic growth and competitiveness, and urged policy makers to focus on it accordingly. Barriers to entrepreneurship should be removed, especially those (such as scarcity of finance) facing successful firms that are trying to grow. It was observed that "across Europe there are many countries with very high numbers of entrants, but without any significant dynamics of growth." Instead of concentrating on helping new entrepreneurial ventures, it was suggested that "policies should focus on removing the barriers to growth for those entrants which are successful." On a more general level, the researchers urged policy makers to move beyond a linear model of innovation and adopt a more systemic view that captures the global dimension. In this field, as in many other related topics, further data and

research is needed in order to fine tune the diagnosis and policy implications. The AEGIS project, funded under the EU's 7th Framework Programme is the direct outcome of DIME's conclusions. See: <http://www.aegis-fp7.eu/>

Another noteworthy example of DIME's contribution to research on innovation policy is seen in a paper presented at the project's final conference last year in Maastricht - 'Transition policy and innovation policy: friends or foes?'¹. The paper outlines options for achieving greater alignment between innovation policy (focused on growth) and transition policy (focused on sustainability). Arguing that insufficient attention has been paid to alignment between these policies, the authors warn that misalignment might hamper sustainability transitions, thereby undermining one of the European Union's basic goals.

The paper describes a potential conflict between the two policy priorities, noting that "transition policy focuses on stimulating the new and phasing out the old whereas innovation policy often focuses on sustaining the old". Greater policy alignment could be achieved if transition policy were made the overarching goal, the authors contend. In the absence of this prioritisation, however, steps can and are being taken to promote alignment and avoid conflict, the paper notes, citing the greater importance now being given to sustainable development in innovation policies anchored in the Innovation Union.

As a network of excellence, DIME succeeded in deepening Europe's understanding of many of the major themes emphasised in Europe 2020, especially innovation. Policy makers throughout the European Union may benefit from the consortium's findings.

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See: <http://www.dime-eu.org/>

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Looking beyond the crisis: An appeal for economic cooperation

April 2012

As Europe continues to battle with the impact of the global financial crisis, policy makers are hard-pressed to respond in a way that will put the economy on a more secure footing in the future. The **POLHIA** research project is supporting this effort with in-depth analysis of the financial crisis and concrete recommendations for European policy makers. While parts of the research are quite technical, the project has succeeded in producing a series of documents that are accessible to the non-specialist and provide fascinating insights into the roots of the crisis. Moreover, the researchers have proposed a series of policy measures which they feel could be instrumental in preventing a similar crisis in the long run.

In addition to arguing for an overhaul of the way forecasting methodologies are applied (particularly with respect to monetary policy), the researchers offer a three-pronged policy prescription to avoid future macroeconomic problems:

- Support for a more robust social protection system in the developing world.
- An end to 'destructive' social and fiscal competition among countries (both within Europe and on a global scale).
- More mutually beneficial cooperation among countries.

These recommendations - together with a thought-provoking analysis of what caused the crisis - are found in a policy brief entitled 'The Structural Roots of the Crisis and the Way Out: Mitigating Inequality and Rethinking Global Governance'¹. As the title suggests, the crisis is described as having a structural root - and that root is income inequality.

Looking back over the decades leading up to the crisis, the researchers identified a potential reduction of demand for goods and services, which they say was caused by a massive structural change in income and wealth distribution. Jean-Paul Fitoussi, the POLHIA team member who authored this part of the study, notes that during the past 30 years the median wage in most advanced countries has stagnated or declined. Inequalities have surged in favour of high incomes, he observes, resulting in weak global demand.

According to the researchers, the global strain was exacerbated by the way Asian countries reacted to the Far East crisis of 1997. To guard against macroeconomic instability, they ran systematic current account surpluses, thereby pressing down global demand even further. To keep up demand, the United States and other countries responded by pursuing expansionary monetary policies, with US consumers and the government running up massive debts.

As Fitoussi explains it, "once the bubble exploded, the financial crisis unfolded and eventually spilled over to the real economy, bringing about a devastating recession." The research suggests that the consequences could be exceptionally damaging in the areas of employment and poverty.

Looking at the situation in Europe, the POLHIA consortium points out that the institutional architecture in Europe has produced a vacuum of sovereignty that prevents it from exercising governance when a crisis occurs. There is a dissociation between power and legitimacy at the EU level, the researchers argue, describing this as 'the European contradiction'. They say there is no federal policy in Europe to sustain internal demand, with the result being that growth can only be export led.

In order to address the structural root of the crisis, POLHIA appeals for a global policy response that it characterises as 'protection without protectionism'. This would involve, first of all, helping the developing world to set up a 'decent' social protection system. Second, the researchers urge countries (particularly in Europe) to abandon destructive

social and fiscal competition. Attempting to attract business by decreasing taxes and social regulation is deeply counterproductive, they argue, noting that it leads to further inequalities.

Finally, the consortium calls on policy makers to stop trying to boost exports by lowering wages and labour costs. European citizens are among the primary victims of this system, the research suggests, noting that there has been a progressive dismantling of collective protections.

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POLHIA

Monetary, fiscal and structural policies with heterogeneous agents

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See: <http://www.polhia.eu>

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Macroeconomic models: A comparative tool for policy making

March 2012

Modelling techniques are crucial for economic forecasting and, by extension, for the planning of macroeconomic policy. Unfortunately, economists have not come up with any single model that works optimally in all situations. With numerous competing models to choose from, policy makers face a daunting task deciding which ones to utilise in addressing specific economic challenges. Their job could be made easier if they were given the ability to plug planning variables into lots of different models, providing a more complete picture of possible outcomes. Thanks to the **MONFISPOL** research project, macroeconomic policy makers now have this comparative option at their disposal.

Led by Professor Michel Juillard at CEPREMAP (Paris), the research consortium consisted of six partner institutions from five EU Member States (France, the UK, Spain, Germany and Italy). Among other key outputs, MONFISPOL spent three years developing and refining a database that includes around 50 empirically estimated macroeconomic models. Many of the models are commonly used by economic researchers, treasury officials and central bankers for quantitative analysis of monetary and fiscal stabilisation policies. These models, however, are generally used only in an 'insular' fashion and differ from one another significantly in terms of economic structure, estimation methodology and parameter estimates. Such heterogeneity makes comparison difficult.

The MONFISPOL project set out to remove the obstacles preventing easy comparison of macroeconomic models. Before the MONFISPOL project got underway, large-scale systematic comparisons of the empirical implications of multiple models (and comparisons of different policies across them) had been "infrequent and costly"¹, the consortium observes. These efforts typically involved different teams of researchers, each focusing on just one single model or a subset of a model. MONFISPOL succeeded in coming up with a new comparative approach that enables researchers to perform model comparisons "easily, frequently, at low cost and on a large scale".

For policy makers, a comparative approach to macroeconomic modelling broadens their perspective, helping them to see 'blind spots' they might otherwise have missed. That's because any given policy can be seen to have different effects depending on what model is used for its evaluation. From a due diligence perspective, it is therefore advisable to assure that policy measures perform reasonably well not just in one model but in several. At least in theory, the comparative approach should enable macroeconomic researchers to offer recommendations with a stronger empirical base; and that, in turn, should allow decision makers to come up with policy rules that will be regarded as more 'robust'.

As one might expect, the methodology employed by the MONFISPOL researchers to build their comparative database is rather technical. But basically it boils down to a process of model augmentation. MONFISPOL created a common set of comparable variables, parameters, equations and shocks that were retrofitted onto the various models. The researchers say the augmentation process was designed in such a way that new models can be added to the database easily.

Anyone wanting to access the database (which uses a software package known as DYNARE) can do so by simply visiting the website www.macromodelbase.com and registering. Upon registration an access code is sent via email. The code enables users to log on to the website and download the software needed to launch the tools and get started with systematic model comparison.

Acknowledging that macroeconomic modelling has been heavily criticised in the wake of the global financial crisis, the researchers point out that much of the blame has been attributed to over-reliance on “a particular class of macroeconomic models”² that did not perform sufficiently. The MONFISPOL team have taken a different approach to the challenge, one that is open to a wide variety of paradigms and reflects the need for a more ‘pluralistic’ kind of economics. The comparative database developed by MONFISPOL should go some way toward creating a more level playing field in the competition between rival macroeconomic models and help decision makers move beyond the ‘insular’ approach to macroeconomic policy making.

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MONFISPOL

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How social entrepreneurs can enhance service innovation in Europe

February 2012

The **SELUSI** research project has been working to find out whether the special abilities of social entrepreneurs might be utilised by more traditional companies to promote their own innovation-led growth. The project suggests that the intelligence of social entrepreneurs can be leveraged to enhance innovative processes in corporate contexts outside the realm of the purely social enterprise.

In Europe's mature economies, innovation is the grease that keeps the wheels of commerce turning. Consequently, considerable effort (and money) is being spent on finding out how best to foster innovation, particular in the services sector, since that accounts for the bulk of Europe's private-sector economic activity. One source of innovative capital, however, appears to have been largely neglected in this quest: social entrepreneurs.

SELUSI was launched in 2008 with an awareness that it was operating in a field that was poorly understood. Even at the end of the project, the researchers acknowledged that there is no definite consensus about what the term 'social enterprise' really means. In order to approach their subject methodically, the SELUSI team developed a basic set of criteria for selecting enterprises to be included in the project panel sample. They focused on "ventures that are primarily in the business of creating significant social value and do so in an entrepreneurial, market-oriented way – that is, through generating own revenues to sustain themselves".

Working in five EU Member States (Hungary, Romania, Spain, the UK and Sweden), the researchers sought out ventures that were not only regarded as having a special feel for societal trends but also practical experience of thinking up a business model. These types of ventures were considered as offering the most relevant intelligence for mainstream businesses.

Over the course of two years (between 2009 and 2011) the SELUSI team then set about collecting data on over 600 social enterprises, creating a unique data set. The researchers analysed the attributes of 500 individual social entrepreneurs, identifying what sets them apart from their non-social-enterprising peers. What they found was that social entrepreneurs appear to be much less conformist and radically more 'universalist' (with values transcending the self) than mainstream entrepreneurs.

With their more universalist orientation, social enterprises were found to be more sensitive - and responsive - to social market needs. Indeed, the researchers found that social ventures systematically identify and respond to such needs (e.g. environmental concerns or the specific needs of the elderly) long before the bulk of the marketplace encounters them. SELUSI suggests that in this sense social enterprises are on the cutting edge when it comes to dealing with certain needs, and that obliges them to innovate as a matter of course. In sum, these project's findings support the hypothesis that social enterprises are indeed 'lead users' for social service innovation.

Aside from exploring what motivates social entrepreneurs and how they experience social service needs, SELUSI undertook two action-research experiments in which it tested ways to link the intelligence of social enterprises with the real-world innovation challenges of a mainstream business. (Figure 1):

Figure 1: Action research experiment model



In conjunction with the service innovation consultancy, i-propeller¹, SELUSI developed an open-innovation mechanism based on ‘crowd sourcing’ (outsourcing a task to a large group of people or community). The more ambitious of the two experiments involved the mainstream company, Telenet (Belgium). The aim in this case was to explore how a large telecommunication company in Western Europe can effectively recognise opportunities for social business innovation.

Utilising crowd sourcing techniques, the experiment integrated input from 17 external social entrepreneurs. They were asked to provide ideas on how to build a ‘green’ identity for the company in order to help it sustain its competitive advantage. Crowd-sourced input was also collected for the same purpose from employees within the telecommunication company. The ideas of the two groups were meticulously documented, analysed and scored.

What the researchers found was that “relative to corporate employees, social entrepreneurs delivered more *integrative* ideas.” Examining the results of both action-experiments, the research team concluded that ideas crowd-sourced from social entrepreneurs do indeed differ from those that a company can access internally.

While much research remains to be done in this exciting field, SELUSI has demonstrated that social entrepreneurialism does have an innovative capacity that can be of benefit to mainstream companies. Importantly, the researchers note that social entrepreneurs are particularly strong with regard to services innovation. If that strength can be systematically leveraged – for example, through collaborative techniques such as crowd sourcing – this could have positive implications for Europe’s economic and social development.

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SELUSI

Social entrepreneurs as “lead users” for service innovation

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Enabling young people to succeed in European labour markets

October 2011

When laying out its Europe 2020 objectives, the EU set itself the target of increasing the Union's employment rate to 75%¹ for all people between 20 and 64 within a decade. Given the high level of youth unemployment in some EU Member States (e.g. Spain), it is clear that the 2020 target can only be achieved if young people are integrated into the labour market more fully. Findings from the **WORKABLE** project suggest how to tackle this particular challenge.

A multidimensional research process involving thirteen partners, WORKABLE is dedicated to the goal of "strengthening the capabilities of young people to actively shape their personal and work lives in knowledge societies". The three-year project has produced a number of reports featuring policy-relevant observations. The latest report - *Educational, Vocational and Policy Landscapes in Europe*² details the educational and training systems in nine European countries (Austria, Denmark, France, Germany, Italy, Poland, Sweden, Switzerland and the United Kingdom) and examines how they situate themselves in the 'education-employment-community/social integration' nexus. The researchers plot out the standard educational paths in each country and describe typical transitions to employment. As noted in the report's introductory summary, the 'problem groups' in these nine countries are largely similar.

These groups are composed of **young people** with:

- Parents of low educational background.
- Migrant background (most typically from Eastern and Southern countries).
- Actual or ascribed non-conformist behaviours.
- (Sometimes) physical or mental handicaps.

Before mapping the contours of the educational, vocational and policy landscapes in each country, the report notes four major tasks for educational and labour market regimes: remedying failures in the educational system; improving employability of young people; improving transition into educational training; and avoiding social exclusion.

Another WORKABLE report that will be of interest to European policy makers is *A Blueprint of Capabilities for Work and Education*³. This focuses on key theoretical debates surrounding the subject of capabilities acquisition. These debates are important because they determine the starting point for diverse kinds of policy intervention.

In their *Blueprint* report the researchers provide analysis of the benefits and limitations of two specific approaches: the well-known Human Capital Approach (HCA), which focuses on economy-based information, and the Capability Approach (CA), which offers a far broader perspective on employment, work, education and training.

The consortium sees advantages in both of these approaches, but notes that the Human Capital Approach assigns a rather restricted role to education. The WORKABLE researchers also observe that the HCA may fail to give sufficient weight to differences (cultural, gender, emotional and historical) that affect choices regarding education and work, and influence a person's wellbeing. The Capability Approach, on the other hand, is regarded as advocating the achievement of collective goals for the benefit of individuals. Its focus on education is described as going beyond employability and investments. Indeed, the *Blueprint* report indicates that the CA "highlights the significance of developing critical reflection and strengthening democratic participation in society". The Capability Approach, the researchers observe, could open up new avenues for policy making.

When it comes to describing the overall approach to the challenge of youth employment, the researchers point out that “the general strategy seems to be the attempt to adapt people to (labour) market demands rather than the other way round”. The limitations of this approach are described in the individual country reports.

Initial policy recommendations are summarised below:

- Promote a more encompassing view of skills.
- Focus on soft skills such as the ability to adapt to a changing labour market.
- Privilege long-term training instead of short-term training.
- Promote the intrinsic value of education.

More detailed recommendations - including policy briefs - are expected to follow as the project nears completion in October 2012.

References

- ¹ This figure includes officially unemployed people and ‘inactive’ people, i.e. those who are not seeking employment (e.g. caring for children), full-time students and people who are on long-term sick leave, etc.
- ² See: <http://www.workable-eu.org/publications/29-final-reports/92-deliverable-3-2>
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WORKABLE

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Internationalisation increases exports and improves firms' flexibility

September 2011

Why have some European firms weathered the financial crisis better than others? How can policy makers help European companies become more competitive internationally? These are among the compelling questions explored by the **EFIGE** research project. For example, EFIGE's analysis of post-crisis data from several thousand firms in seven EU Member States suggests that "protectionist instincts during the crisis may have been misguided". The researchers encourage policy makers to bear in mind that domestic companies producing abroad may have an easier time tapping those markets. In turn, this can strengthen a company's international competitiveness and positively affect domestic employment.

The backbone of the project is formed by an original database that pools information about some 16,000 European firms. The harmonised cross-country dataset covers companies in Austria, France, Germany, Hungary, Italy, Spain and the United Kingdom. The questionnaires completed by international firms in these countries contained more than 150 qualitative and quantitative items, covering everything from business organisation and job composition to innovation activities, finance and market strategies. The results, say the researchers, offer an unprecedented chance to test a range of economic theories and identify new policy implications for European business.

In their initial policy reports, the researchers have focused on two broad themes: the global operations of European firms and the impact of the crisis on those firms. Taking a detailed look at European firms' global operations, the project found that company characteristics "influence the patterns of internationalisation in a surprisingly consistent way across countries". These characteristics include size, productivity, the skill intensity of the work force and the ability to innovate. The researchers found a relationship between these characteristics and the export performance of firms in all countries involved in the study.

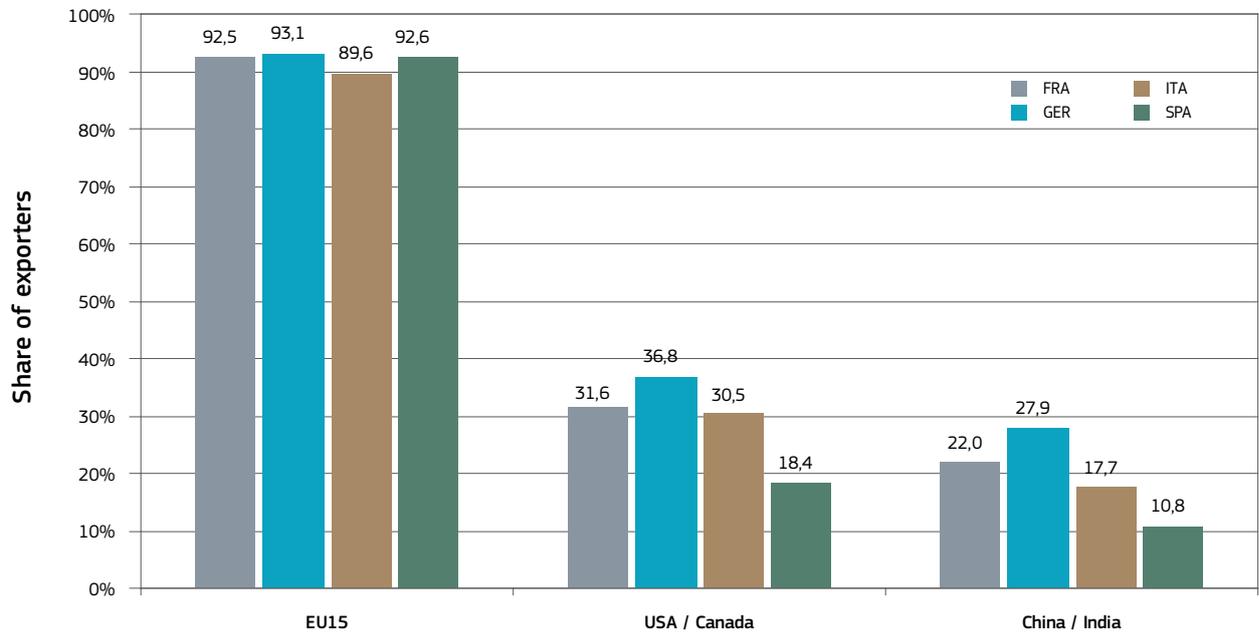
Anyone with an interest in this policy area will find rich technical detail in EFIGE's reports, which address questions on the causal link between firm characteristics and internationalisation. In more general terms, the findings indicate that European enterprises have developed very different patterns of internationalisation. Companies in France and Germany, for instance, are more sophisticated than those in other countries studied, while firms in Spain and Hungary are lagging behind with respect to successful internationalisation. Italian firms, meanwhile, show a higher export propensity.

Obviously, as the researchers observe, the challenge from a policy making perspective is how to foster the right kind of firm characteristics in order to boost international competitiveness. On this point, however, EFIGE cautions against trying to push industrial structures in European countries towards a hypothetical optimum. Indeed, citing the multifaceted nature of policies affecting firm growth, the consortium notes that progress in this area may require reforms in several areas including labour regulation, taxation and reducing red tape. Nonetheless, one concrete step that policy makers can take, say the researchers, is to ease even further the movement of goods and factors within the EU (the most important export market for European firms). This includes "resisting calls for local measures that support firms within national boundaries".

Among the project's most interesting observations - and one that supports the consortium's anti-protectionist stance - is that firms that have foreign production facilities are also the main exporters, particularly to emerging economies. Figure 1 reports the shares of French, German, Italian and Spanish exporters that serve selected groups of geographical destinations. EFIGE notes that over 25% of French, German and Italian exports to China and India

come from French, German and Italian companies that have also invested in manufacturing operations there. This leads the researchers to conclude that international production complements exporting as it also facilitates expansion into new markets, especially those (like China and India) that are far away and considered difficult to operate in.

Figure 1: The geography of French, German, Italian and Spanish exports



Source: Navaretti et al (2010), *The Global Operations of European Firms*¹

In a related aspect of the project - focusing on the impact of the financial crisis - EFIGE found that European exporters were generally hit harder than non-exporters. Importers, meanwhile (defined as those firms that outsource some of their production or have an affiliate) were observed to suffer less of a decline in turnover. In essence, the internationalisation of firms involves an important policy trade-off. Export-oriented strategies may improve competitiveness, but they also increase a company's exposure to foreign crisis. On the other hand, outsourcing to foreign countries has distinct stabilisation effects. Supply chain linkages with lower-wage countries, it seems, offer firms greater flexibility to cope with demand shocks.

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EFIGE

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Venture capital for innovation: Creating a more effective policy environment

July 2011

In the context of its 2020 policy agenda, the European Union is consciously striving to create a higher number of sustainable innovative business enterprises in Europe. Achieving this goal, however, depends in part on the EU's ability to assure that innovative firms have access to suitable sources of financing, including venture capital (VC). Mindful of that, the EU's 2020 strategy includes an Innovation Union initiative that foresees a number of measures including development of a cross-border venture capital regime and improved cross-border matching of innovative firms with investors.

Unfortunately, little research is available to assist European efforts to optimise the impact of VC financing on the economic performance of enterprises. Moreover, there is insufficient information about how different types of venture capital investors help innovative firms bridge their resource and competence gaps. Having recognised this information deficit, the European Commission funded an international research project called **VICO**, the main objective of which was to assess the impact of venture capital and private equity (PE) financing on the economic performance of innovative entrepreneurial ventures in Europe.

VICO assessed impact using measures of innovation rates, employment creation, growth and competitiveness. The project also set out to assess the role venture capital/private equity investors play in helping innovative firms bridge their resource and competence gaps.

Overall, the project concluded that the venture capital industry in most of continental Europe remains underdeveloped and should be strengthened, because VC-backed companies outperform comparable non-VC-backed companies both in terms of their investments and in terms of their productivity. Policy makers should devote substantial attention to building and sustaining an effective venture capital market as a way to improve the performance of European business. VICO however, strongly emphasises the heterogeneity of venture capital sources and investigated what *kinds* of investment get the best results with specific types of enterprises.

Tapping into the right kind of venture capital financing can be crucial for an innovative company, the VICO consortium found. Indeed, the type of financing accessed can have a direct impact on a firm's productivity, employment and growth. Consider, for example, the different impacts that public venture capital (PUVC) and private venture capital (PRVC) were found to have on new technology-based firms. PRVC plays an unequivocally positive role in the growth of high-tech start-ups, the research showed.

The impact of PUVC, on the other hand, was shown to be only marginal in growth terms, although younger companies seemed to benefit more from public financing than did older companies. This may be because younger companies have more difficulty finding alternative sources of finance and suggests that if the public sector wants to be meaningfully involved in the venture capital market, it should focus on helping very young enterprises rather than more established enterprises. As for which public bodies administer VC more successfully, VICO finds that government entities tend to be more effective than their university counterparts.

The researchers also noted that the amount and type of experience that venture capital investors have is also important. In general, the project observed that more experienced investors "may have disproportionately positive effects on employment generation and asset accumulation". In terms of international versus domestic financing sources, the research suggests that a mix of foreign and home-based VC financing seems to be most advantageous.

VICO found that companies with a syndicate of foreign and domestic venture capital investors tend to do better in both the short term and the long term than those who have just foreign or just domestic VC financing. Here, too, the experience of different venture capital investors can be a significant factor. The researchers note that “domestic venture capital managers with international experience stimulate international investment activity. Hence, VICO suggests that if public policy makers wish to stimulate international venture capital investment, they could enable venture capital managers to gain international work experience.

Finally, drawing general lessons from a study assessing the effectiveness of policy schemes in attracting venture capital investors towards innovative entrepreneurial ventures in Finland, the researchers highlight a number of potential pitfalls in policy design. Among VICO’s main cautionary observations are:

- Pushing through a new policy scheme too quickly does not allow for legislative changes that the achievement of the targets would require.
- Existing large public venture capital organisations have vested interests in continuing prevailing practices and oppose change even when the practices are counterproductive.
- If public venture capital funds have return requirements which are similar to those in private funds, they are less likely to provide a remedy to market failures and can crowd out private investors. This point has EU-wide implications for the regulations concerning public funding to enterprises.

VICO

Financing entrepreneurial ventures in Europe: impact on innovation, employment growth and competitiveness

(duration: 1/4/2008 – 31/3/2011). FP7 Socio-economic Sciences and Humanities, Activity 1 “Growth, employment and competitiveness in a knowledge society”, Research area 1.2 “Structural changes in the European knowledge economy and society”. Collaborative project (small and medium scale focused research project).

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Enhancing public-private innovation networks in services

June 2011

Innovation in services helps to improve both competitiveness and welfare in Europe, according to the transnational **ServPPIN** research project. While acknowledging that the heterogeneous nature of service economies presents European policy makers with some challenges, ServPPIN highlights the essential contribution that services, and public-private innovation networks in particular, are making to economic growth and social wellbeing throughout the European Union.

The European economy as a whole may not be growing as robustly as some might like, but the growth that has been recorded in recent years was driven largely by activities in the service sector. ServPPIN points out that in the twelve year period between 1995 and 2007, services accounted for 78.5% of economic growth in the enlarged Europe. The picture is similar with respect to employment growth during the same period: 74.6% of job growth in the EU25 (before accession of Bulgaria and Romania) came from services. In both cases – employment growth and economic growth – the increase was primarily generated by services in the *private* sector, while public services contributed little to the growth pattern. *Mixed* forms of public and private organisations, however, are expected to play an increasing role in moving Europe forward. This, the ServPPIN research suggests, is where significant opportunities lie.

Before examining the potential of cooperative organisational forms, though, it is useful to first consider European private sector services employment in an international context. Compared to other regions of the world, Europe's private services sector accounts for a slightly smaller portion of overall employment. Whereas 43.2% of the US workforce is involved in private services, in Europe the figure is just 37.1%. Japan, meanwhile, employs just over 40% of its labour force in private services. ServPPIN observes a particularly large gap in private services employment in the EU's new Member States, pointing out that there is "substantial scope for catch-up" in these states despite rapid expansion in recent years.

Europe's public services sector employs a substantially smaller portion of the workforce than the private sector. A mere 6.5% of the working population in the EU25 was engaged in public services in 2007. Mixed services, on the other hand, accounted for 27% of employment in the EU. The largest segments of the mixed services sector were health and social work (9.2% of total employment), education (6.8%) and other community, social and personnel services (4.8%).

ServPPIN urges public administrators and professional associations to promote synergies between private and public services. To help policy makers weigh the potential risks and benefits of various service-related organisational arrangements, the ServPPIN consortium has constructed a useful eight-tiered table (Table 1). The table associates different types of individual services with particular organisational modes, allowing decision makers to gain an overview of existing options at a glance. While acknowledging a trend toward public-private partnerships (PPP) in recent years, the consortium uses the table to make the point that cooperation between public and private actors can take many forms.

Table 1: Varieties of organisational arrangements for services provision

Organizational mode	Services involved	Potential benefits	Potential risks
Pure public provision	National defence, public education, public health	Universal access, facilitates redistribution, consideration of externalities	Inadequate to adapt to individual needs
Contract out	Construction, building cleaning, catering, professional services, financial services, prisons	Potential cost saving, quality enhancement, fosters good management if costs are clearly specified in contracts, creates opportunities to entrepreneurs	Resistance from public employees and unions, dependency on private contractor, diminishing capacity of public sector for delivering the service in the future, loss of accountability and control if inadequate contracts are written
Concessions/ franchise License of monopolies Selling of state owned-enterprises	Public utilities	Potential cost saving, quality enhancement, responsive to consumer	Lack of capacity to guarantee a mid-term investment commitment, inadequate supply in less profitable areas, lack of consideration of externalities, lack of public sector capacity to monitor agreements
Public private partnerships (PPP)	Health, education, air transport, inland transport, railways	Improved efficiency in the design-build-maintenance and operation of infrastructure	Inadequate risk transfer between sectors involved
Competitive licence between suppliers	Local transport	Equitable access promotion	Lack of capacity of public sector to maintain competitive conditions
Vouchers	Primary and secondary education, child and elderly care	More choices for final users, better service differentiation, responsive to consumer	Shortage of attractive suppliers, establishment of rigid service standards, inadequate information about the service cost and quality
Tradable or transferable permits	Airport slots and radio spectrum	Competition enhancement	Prevalence of the main operator rights in the initial allocation of permits
Pure community or user provision	Local public services of small scale (drainage and paths)	Proximity to final user, responsive to consumer	Market fragmentation

Source: Prof. Luis Rubalcaba et al (2011), *Main outcomes of ServPPIN and the contribution of private and public services to growth and welfare*¹

With respect to service-related public-private innovation networks (ServPPINs), the researchers suggest that policy interventions can help to increase the contribution of these networks to growth and welfare, overcoming those systemic failures which prohibit more fruitful cooperation between the public and private sectors. With that in mind, the consortium outlines three broad areas of policy intervention:

- Strengthening service-specific innovation and innovation capabilities.
- Facilitating co-operation and networks involving service firms.
- Empowering the public sector and the ‘third sector’ (voluntary or non-profit sector) with respect to co-operation.

More specifically, the researchers say, ServPPINs can be promoted by enhancing the following range of policies: research and development (R&D), innovation, public procurement, service standards and regional policies for innovation.

In connection with R&D policy the consortium highlights the need for further research into social innovation. Indeed, the project concludes that social innovation has a major role to play in a sustainable service society. Environmental and sustainability issues are also addressed by ServPPIN, with the researchers suggesting a service-based approach be adopted to help overcome various biases.

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ServPPIN

The contribution of public and private services to European growth and welfare, and the role of public-private innovation networks

(duration: 1/2/2008 – 31/1/2011). FP7 Socio-economic Sciences and Humanities, Activity 1 “Growth, employment and competitiveness in a knowledge society”, Research area 1.2 “Structural changes in the European knowledge economy and society”. Collaborative project (small and medium scale focused research project).

See: <http://www.servppin.com/>

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FINESSE: In search of a sustainable European financial system

May 2011

With the global financial crisis still putting pressure on European economies, high-level policy making bodies continue to grapple with demands for further regulatory reform. A number of important measures have already been implemented, but there is an ongoing debate about what action (if any) should be taken next, particularly with respect to the banking industry. Anyone participating in this debate would do well to consult the findings of **FINESSE**, a two-year long research project that examined with a critical eye the underpinnings of the European financial system and yielded valuable insights into the nature of financial markets as well as respective policy recommendations.

Observing that the foreign asset portfolios of European banks are “less than optimally diversified”, the eight-member consortium put forward a number of concrete proposals aimed at boosting economic competitiveness and reducing the risk of contagion when individual parts of the system become distressed. The central policy challenge, FINESSE argues, is to encourage diversification of international banking portfolios while preventing increased exposure to systemic risks, which could arise from banks becoming larger and systemically more important, or the joint exposure of many small and mid-sized banks to the same macroeconomic shocks.

One of the principal findings of FINESSE is the vital importance of competition between banks. The researchers found that such competition is beneficial for the European economy in a number of ways. It not only helps existing companies acquire financing, it also supports ‘firm entry’, allowing entrepreneurs to get their companies up and running in the first place. Citing higher potential for cross-border lending, the consortium concluded that a) competition between banks should be enhanced and b) policy makers should take steps towards increasing the contestability and integration of bank lending markets in Europe.

FINESSE produced several policy recommendations for those people dealing with banking sector regulation. Some of the suggestions are directed at preventing a repeat of the current crisis while others are aimed at promoting sustainable growth. Echoing the observations of many other analysts, the consortium identified a need for better reporting systems that would allow regulators to spot potential trouble coming from a long way off. In the hope of developing early warning capabilities, the researchers suggest that these reporting mechanisms should facilitate “systematic analysis of exposures of large and small financial institutions to macroeconomic risk factors”.

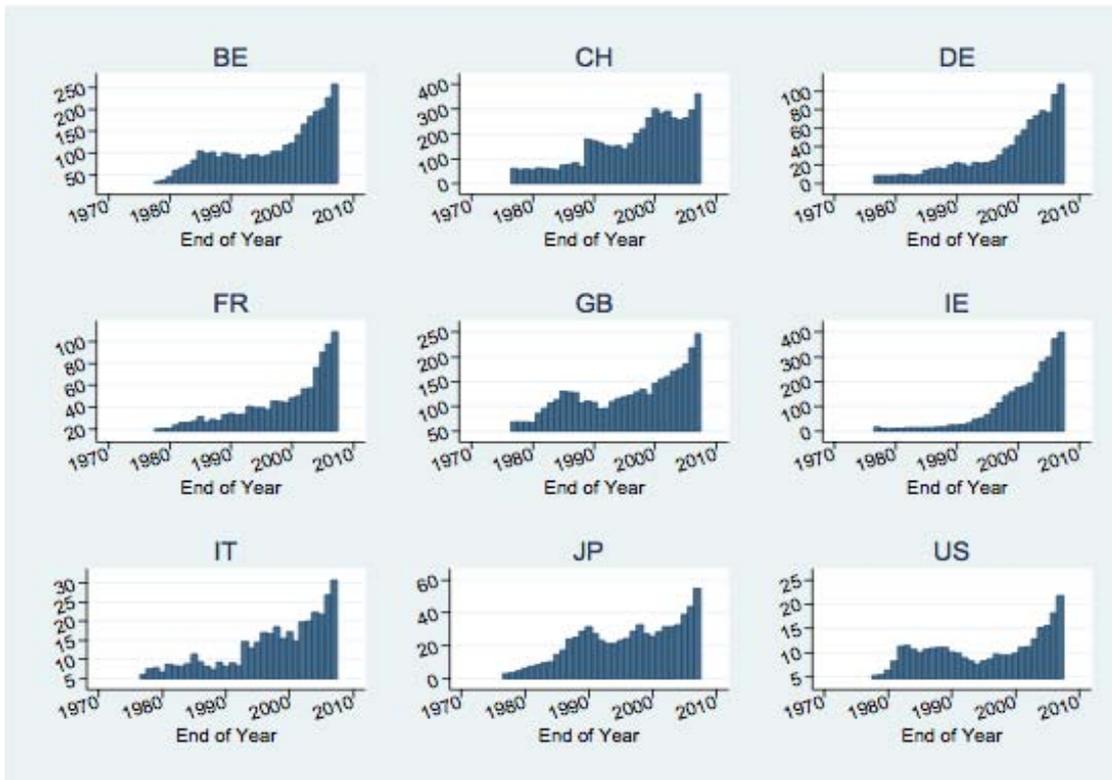
They also recommend that regulators consider restricting banks’ holdings of equity in non-financial firms. The reason for that, the researchers say, is that “banks do not appear to effectively monitor corporate management”. Indeed, the research identified a negative relationship between financial institution ownership of firms and the market value of those firms.

A key message emerging from the FINESSE project is the need to increase the diversification of banks’ international portfolios. However, as has already been mentioned, problems can arise if many banks pursue a similar diversification strategy.

The FINESSE consortium acknowledges that there has been a substantial increase in both cross-border assets and liabilities of commercial banks in recent years, especially during the past decade – see Figure 1. But this seems to have had little impact on asset diversification. Even though there has been a big spike in cross-border banking activity in recent years, the researchers determined that “the degree of diversification of banks’ foreign assets has

not changed much". They remind policy makers that regulation plays a crucial role in encouraging diversification and reducing the risk of contagion.

Figure 1: Cross-Border Assets of Banks Relative to GDP (in %)



Source: Buch and Neugebauer (2009)

While FINESS confirmed that competition between banks is beneficial for the performance of the real economy, it also showed that such competition has not developed favourably in Europe. The FINESS research reveals that a series of mergers and acquisitions in the sector has led to banking market concentration in most countries. This, the consortium points out, has increased the market power of banks and resulted in “reduced financing by banks of non-financial firms”. This, like many of the project’s findings, should provide financial regulators with useful evidence to inform their decision making.

FINESS

Financial systems, efficiency and stimulation of sustainable growth

(duration: 15/2/2008 – 14/2/2010). FP7 Socio-economic Sciences and Humanities, Activity 1 “Growth, employment and competitiveness in a knowledge society”, Research area 1.2 “Structural changes in the European knowledge economy and society”. Collaborative project (small and medium scale focused research project).

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New trends in the relationship between knowledge and policy

April 2011

Research into the role of knowledge in health and education policy across Europe identified new trends in the intricate relationship between knowledge and policy. Highlighting that knowledge is socially embedded and constructed, the **KNOWandPOL** research project found three significant trends: increasingly diverse flows of knowledge, a growing emphasis on using knowledge to inform policy and a wider use of comparisons, best-practice and experience-based knowledge. These trends have a number of policy implications, for example, policy makers should not lose sight of the local context and should consider how to include local, or non-expert, knowledge when formulating policy.

The collection and application of different types of information, data and knowledge is becoming increasingly common in both the private and public sectors. In the political world, evidence-based research is an everyday term and Europe is aiming to become a global leader in the knowledge economy. Ironically, one of the valued qualities of information is its objectivity, but this can neglect the importance of context both in terms of the creation of knowledge and its application to policy. Both the users and the producers of knowledge influence how it informs policy.

The KNOWandPOL project has analysed the relationship between knowledge and policy in two sectors (education and health) and in eight countries (Germany, Belgium, France, Hungary, Norway, Portugal, Romania and the United Kingdom). It has done this in three parts: firstly, through a comparative analysis of the structure of the two sectors across several countries; secondly, by analysing the existing decision-making processes with a focus on the use of information and thirdly, by studying the increasing number of instruments that require the production and dissemination of information.

The relationship between knowledge and policy is constantly developing but in most countries three general trends have been observed:

- **Knowledge flows** - The knowledge acquired by countries, sectors and organisations is coming from an increasingly diverse range of sources, many of which are external. This is being facilitated by access to knowledge through the development of networks and also the role of supranational or international organisations such as the EU, the OECD (Organisation for Economic Co-operation and Development) and the World Health Organisation (WHO) that all support knowledge exchange.

Interestingly, supranational organisations appear more influential than European ones, which may be due to the dominance of North American models of evaluation and benchmarking. The WHO's *Mental Health Declaration and Action Plan for Europe*¹ is a good example of a successful supranational knowledge initiative. It produced a study on the mental health systems in WHO European countries and held various conferences and consultations on this topic. One of the main contributions to its effectiveness lies in its capacity to bring actors and knowledge together.

- **Knowledge-intensive policy** - Organisations and governments are increasingly mobilising knowledge to inform policy. Indicators, evaluations, audits, best practices and evidence-based practices, etc. are on the increase. This is linked to the need to be transparent and accountable to the public and also to the need to convince people that a certain policy will have its expected impact. In addition, policy tools based on knowledge are often developed to be used by those who have no legal or financial means of intervention and, therefore, must rely on knowledge as their main means of action. This is the case for supranational organisations with less possibility for legal enforcement. The OECD's *Programme for International Student Assessment (PISA)*² is a good example of this, whereby creating tools to assess students on essential knowledge and skills encourages some standardisation of acceptable education across Europe without enforcing it. These instruments of regulation are often known as 'soft-governance'.

- **Comparisons, best-practices and experience-based knowledge** - There has been an increasing use of all types of knowledge in decision-making but the development of comparisons, best-practices and experience-based knowledge are particularly noticeable. Indicators and comparisons allow communities to compare their situation to previous times and other communities. They are primarily mobilised to help place issues on the agenda but their impact relies on the ability of designers to demonstrate that indicators are reliable and relevant. They often identify communities or groups in need, which in turn can give rise to the importation of best practices. Best practices aim to show others what they could be doing and how to do it. To be influential they should be properly presented and formulated in a clear and attractive way. Finally, experience-based knowledge differs from technical knowledge in that it is explicitly subjective and tends to use stories and anecdotes. It often serves to prepare policy for implementation by contextualising more technical knowledge and offering suggestions on how policy can be best put into place.

Having identified these global trends, the project stresses that they are not occurring in the same way in each sector and country. Both countries and sectors will respond differently, depending on their existing policy and knowledge regimes. For example, in France and Germany, where professionals are relatively powerful, the effectiveness of an assessment must be demonstrated before it is implemented. However, in Romania, which has inherited a policy regime of state power, even knowledge produced by international organisations can be manipulated for political purposes.

Based on the findings to-date, the KNOWandPOL researchers have identified several policy implications:

- Context is important. Local actors are not 'empty vessels' that merely receive knowledge, but they also shape it. To understand how a community relates to knowledge there needs to be a clear understanding of the community and their interactions with others.
- Local or lay knowledge should not be dismissed. It is an important source of information and it influences implementation. This has been demonstrated in several mental health policies where engagement with service users has been highly useful in policy formation.
- Comparisons and ranking can hide or miss certain information. With globalisation, knowledge-based interactions and comparisons between countries are more common. However, these face the risk of missing more local or specific information and potentially applying inappropriate policy solutions.
- Inevitably knowledge is influenced by how it came into being, i.e. the means by which it is has been supported or funded. Even if it is scientific, knowledge belongs to a community. Most social science research is dominated by English-speaking industrial countries, which may lead to biases and should be challenged. The funding and promoting of research should seek to encourage greater diversity in the sources of knowledge.
- The reliance of policy on knowledge has undoubtedly tightened the relationships between policy makers and researchers. This is evidenced in PISA, which has penetrated all the countries studied as a policy tool and strengthened the relationship between knowledge and policy. However, the more policy makers develop evidence-based policy and commission research, the more expectations may be placed on researchers which eventually may change their role from objective observer to something different. Researchers may need training in order to deal with these demands and preserve some of their autonomy.

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KNOWandPOL

The role of knowledge in the construction and regulation of health and education policy in Europe: convergences and specificities among nations and sectors

(duration: 1/10/2006 – 30/9/2011) is an Integrated Project funded under the 6th Framework Programme for Research of the European Community, Thematic Priority 7 – Citizens and governance in a knowledge-based society.

See: <http://www.knowandpol.eu/>

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Getting a grip on intangibles

March 2011

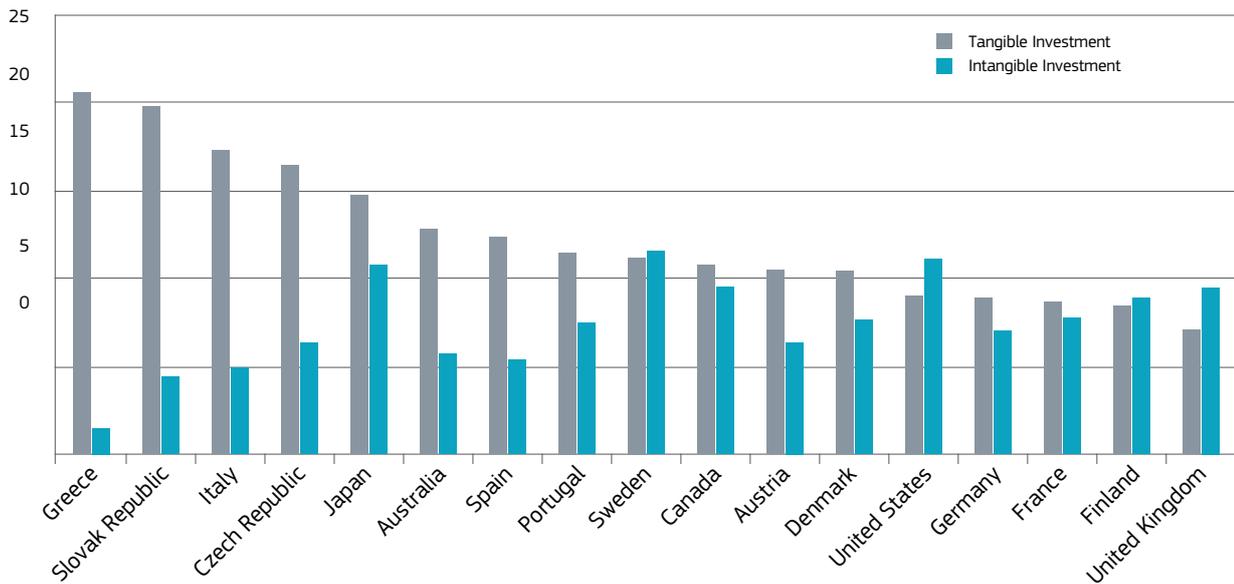
One of the main goals of the EU's 2020 Strategy is to achieve 'smart' growth, generally understood to mean through innovation. But what exactly constitutes innovation in a contemporary economic sense? How do you measure it? Is it possible to compare innovation levels in different countries? So far, economists have had no standard method for measuring innovation. But now a group of European researchers are providing some welcome help. The **COINVEST** research project has spent the past three years getting a grip on how intangible investments contribute to innovation, competitiveness, growth and productivity in Europe. The project's findings are helping to reshape our understanding of intangible assets and influencing important economic indices.

When COINVEST was launched in early 2008, many intangible investments were either not measured or treated as an intermediate input into production. Some 'knowledge investments', such as software, were factored into economic indicators like GDP, but most were assumed to produce no durable assets for firms or economies. Investment in research and development (R&D), for example, was considered merely as an expense. So were other knowledge-related outlays such as investment in human capital (training), reputational capital (branding) and organisational capital. Classifying those investments as day-to-day expenses, however, seems increasingly out of step with the realities of a knowledge-based economy.

Jonathan Haskel, Imperial College, London, who coordinated the COINVEST research project, notes that the drivers of growth and innovation have changed radically since the early twentieth century. While tangible capital (machines) drove development in manufacturing-based economies, contemporary service-based economies are driven by *intangible* capital (knowledge). Professor Haskel points to the ubiquitous iPhone as emblematic of how intangible capital is driving growth today. Design, software, marketing and business organisation - along with classic R&D - have contributed significantly to the iPhone's phenomenal success. Current economic developments suggest that Europe's economic future could hinge on exactly these kinds of investments.

The COINVEST research consortium set out to measure intangible assets in the market sector for six EU Member States (Portugal, Sweden, France, Germany, the UK and Bulgaria). Taking some industry-level data and integrating it with national accounts, the project calculated the effects of intangible investment on productivity and growth, backing up its calculations with micro level studies. Their results have been getting a lot of attention. COINVEST has earned high-level recognition for its methodological achievements and produced some fascinating comparative findings. For example, the research has identified significant differences in the ratio of intangible to tangible investments in a range of key economies – see Figure 1.

Figure 1: Intangible/tangible investment in COINVEST and selected other countries (% of market sector GDP, 2006)



COINVEST has also revealed major differences between the various kinds of intangible assets that countries invest in as a share of GDP. Germany and Sweden, for instance, tend to invest heavily in R&D, while the US and the UK focus more on ‘competencies’ such as brand equity, firm training and organisational capital. The researchers have used their methodology to shed new light on critical areas of economic activity, identifying intangible capital’s importance as a component of labour productivity and providing sector-specific breakdowns of intangible investment as a share of value added.

The researchers acknowledge that more work needs to be done to enhance the comparability and robustness of their findings, for instance by, among others things, comparing their findings with those resulting from their sister project, *INNODRIVE*. But work done under COINVEST is already having an impact in policy making circles. Professor Haskel notes that the OECD is using some of the project’s data and the data and approach are being used as the organising framework for their innovation strategy. They are also pushing statistical agencies to use the project’s innovation survey design. COINVEST indicators now form the centrepiece of the UK’s revised innovation index. And, at EU level, the consortium’s approach has been adopted by a high-level committee on the measurement of innovation in Europe.

COINVEST

Competitiveness, innovation and intangible investment in Europe

(duration: 1/4/2008 – 31/3/2010). FP7 Socio-economic Sciences and Humanities, Activity 1 “Growth, employment and competitiveness in a knowledge society”, Research area 1.1 „Changing role of knowledge throughout the economy“. Collaborative project (small and medium scale focused research project).

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Do financial markets reward innovation?

February 2011

Financial markets are driven by the 'real' economy, and in turn can have profound effects on it through impacts on the process of innovation and the way firms in different sectors exploit innovations. Findings on comparative industrial development from the **FINNOV** (*Finance, Innovation and Growth*) project strongly suggest that the governance and organisation of business enterprises varies significantly across different EU Member States, and at times even within the geographical borders of these nations.

According to FINNOV, national, and in some cases local, institutions related to governance, employment and finance that influence the operation of companies also vary across geographies. For example, employment relations and employee participation in corporate governance vary markedly across nations such as France, Germany, Italy and the United Kingdom. Similarly, financial institutions range from UK-style shareholder capitalism to various forms of stakeholder capitalism. Policy intervention at the EU, national, and local levels should recognise these differences, and be targeted in terms of desired outcome and flexible in terms of implementation.

The nature of the relationship between investment and innovation is complex. A decision to invest in research and development (R&D) can be a risk as not all firms investing will gain either innovative or financial rewards from their investments. Evidence from FINNOV research suggests that in fact only a small subset of firms reap any growth benefit from their R&D spending and that this growth differs across lines of business. For example, the vast majority of firms in the biopharmaceutical sector incur losses while a few firms are very profitable. And overall, medical devices tend to experience faster and more profitable growth than biopharmaceutical drugs.

Highly liquid stock markets encourage financing by venture capital and private equity. However, these markets tend to be highly speculative and the ease with which investors can 'exit', i.e. appropriate returns by selling their equity stakes through these markets, may actually undermine rather than support the financial commitment that product and process innovation require. FINNOV research suggests, therefore, that too much reliance on the stock market as a source of finance for innovative firms may not achieve the desired outcomes. Instead, FINNOV advocates financial institutions that encourage venture capitalists, technology specialists, corporate enterprises and government agencies to provide financial commitment for productive investments rather than seek financial liquidity through the appropriation of premature returns. For example, public subsidies to private investors in technology would be contingent on successful innovation.

In times of financial stress, innovative firms are put under greater financial pressure than their non-innovative counterparts, regardless of any differential in their future economic potential. FINNOV has found evidence of capital market failure, in that younger firms tended to suffer from a shortage of external financial resources. This shortage can restrict the growth of firms, especially those with fast growth potential. It appears that credit markets fail to select and thus sustain more dynamic firms. Surprisingly, FINNOV research suggests that larger firms are actually at greater risk of default than smaller firms. Although larger firms are more likely than small firms to survive default events, defaulting is costly, generating losses for owners and employees. Finding that small-medium enterprises are as good as larger ones, if not better, in avoiding conditions of extreme financial distress suggests that the ability of bigger firms to survive does not imply, by itself, any gain for the economy as a whole, nor any improvement in market performance.

FINNOV goes further, finding that financial performance measures, such as credit ratings used to determine the likelihood of firm default, can be improved significantly by including measures of real firm activity, such as productivity and profitability. As a consequence, one can suggest that the accuracy of standard risk assessment devices – such as

official credit ratings or risk management procedures internally maintained by financial institutions – tend to devote too little attention to some important, real, rather than financial, factors. Such a tendency can be seen as one of the reasons behind the ‘financialisation’ and short-termism which have been suggested as some of the causes of the current financial crises. Financialised companies put emphasis on financial performance measures, such as quarterly earnings per share, that can undermine investment in innovation, rather than performance measures that reflect the ability of the company to produce higher quality, lower cost products on a sustainable basis.

Understanding the dynamics of bubbles and financial crisis

The unique properties of financial technology (e.g. trading technology) and innovation (e.g. securitised financial instruments) played a role in generating the recent financial crisis. A key inherent difference between financial and non-financial technologies is that most technologies function due to their intrinsic design, but financial products function because of shared collective acceptance of their functionality. Their increased uptake can lead to complex feedback loops that cause them to act unexpectedly (e.g. assets used to manage and hedge risk become correlated which means a return to one asset is integrally dependent on a return to another asset). This can then lead to catastrophic failure of the financial system.

To understand the operation of the economic system in a crisis, FINNOV researchers have also been evaluating the nature of financial crises, through agent based modelling techniques. Models have been developed that can reflect a self organised economy, one capable of generating stable aggregate dynamics, punctuated by sudden crises. Evidence suggests that it is the quality of bankrupting firms, rather than simply the number of failures, that determines the extent of the negative impact on the economic system.

Key policy messages

The results from the first 18 months of FINNOV research provide a number of key messages to policy makers. These include:

- Market selection operates on a broad mix of firm characteristics rather than on innovation per se. Understanding what these characteristics are, and how they differ between sectors, is crucial for innovation-led growth targets.
- Financial reform should aim to help credit markets create valuation tools which reward the most efficient firms, rather than penalise them, as has often been the case. In particular, the tradition of linking the economic and financial soundness of a business activity to a single ‘rating’ measure should be abandoned in favour of more structured assessment devices.
- The ‘credit crunch’ created by financial crises tends to penalise the most innovative firms. In order to make sure that post-crisis growth is achieved, financial reform should aim to ensure the most innovative firms can access credit during the post-crisis recovery.
- Especially in the US, stock buybacks have been at the expense of investments in innovation. Prime beneficiaries have been top executives with their ‘unindexed’ stock options that enable them to gain from stock-market speculation and manipulation. For the sake of innovation, the EU must ensure that this highly financialised business model cannot take root in Europe.
- In terms of the relationship between financial markets and innovation, the key lesson is that one size will not fit all the important actors in this policy space. Policy must be guided by models which adequately take heterogeneity into account, and which study the co-evolution between heterogeneity and the competitive selection mechanism.

(duration: 1/3/2009 – 28/2/2012) is a Collaborative Project funded under the 7th Framework Programme for Research of the European Union, Theme 8: Socio-economic-Sciences and Humanities, Activity 1 - Growth, employment and competitiveness in a knowledge society.

See: <http://www.finnov-fp7.eu/>

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Achieving the aims of lifelong learning

January 2011

The Lisbon Treaty has identified lifelong learning (LLL) as a means to increase jobs, improve social cohesion and gain economic competitiveness. However, the concept has a range of meanings and engagement in LLL varies substantially across countries. The **LLL2010** project has explored these differences and the policies that support adult education, in particular in a formal setting. As part of the research on small and medium-size enterprises, a new typology of adult participation in LLL has been developed.

The LLL2010 research project studied lifelong learning through a network of fourteen institutions in different countries/regions: Austria, Belgium, Bulgaria, Czech Republic, England, Estonia, Hungary, Ireland, Lithuania, Norway, Scotland, Slovenia and Russian Federation. It conducted research with adults who are both participating and not participating in formal education, within small and medium enterprises (SMEs) and within schools, universities and other providers of adult education. So far the project has published findings from a literature review, a survey of participation in adult education and research with SMEs. Following the final conference in Leuven on 7-8 February 2011, a final report on all areas of the research (individual, institutional, policies) is expected in April 2011.

LLL policy and concepts across Europe

A preliminary review of literature and policy documents has *revealed several patterns* across Europe. There is a tendency for post-communist countries to view LLL as a way to enhance economic growth, whereas countries with longer traditions of market economies consider LLL as a means to overcome skills shortages and remain competitive.

The interpretation of LLL concepts *varies across countries*. For example Lithuania, Scotland, England and Estonia focus more on 'human capital' in LLL, whereas Ireland, Norway and Slovenia stress rather 'social capital'. Human capital can be defined as denoting the stock of competences and knowledge, usually acquired through education and experience, which enhances one's employability and promotes the production of economic value.

This approach views individuals rather in the context of (paid) labour. In contrast, social capital refers to social contacts and social networks which underline the meaningfulness of society, outside the realm of employment, and which promote social cohesion. In all countries, lifelong learning policy comes under the responsibility of several ministries, such as education, industry and employment, meaning co-ordination is often a problem.

LLL participation across Europe

One of the aims of lifelong learning is to give the disadvantaged better access to education. However it appears that the employed and better-educated have greater access to LLL than the unemployed and those with a lower level of education. Women appear to be successful in participating in LLL but subsequently do not have the same advantage in the labour market as men. There is a lack of data on ethnic minorities accessing LLL and more data are needed generally in this area to develop policies accordingly.

An analysis of data from the Eurostat's 2003 Labour Force Survey¹ estimated that 7 million or 4% of all economically active Europeans between 25 and 64 years are participating in adult education. Levels of participation vary from between 1% in Bulgaria to 14% in Great Britain. There are also *differences regarding patterns of participation* and the dominance of particular types and systems of adult education, as well as in the definition of LLL and indicators of participation. Together with findings from the literature review this indicates that a single model of LLL across the EU is unlikely to work. Common policy could encourage national developments but implementation

will vary, depending on the interpretation of concepts, the characteristics of the national labour markets and existing LLL policy.

LLL participation in SMEs – a first typology

Research on small and medium enterprises (SMEs) provided several useful insights into the role of lifelong learning in this setting, including a new categorisation of how adults participate in LLL. The research involved an analysis of 89 case studies of SMEs in 12 European countries covering 113 employees. It identified five types of participation patterns:

- **Completing** – these are adults usually aged between 15 and 25 years who combine working and studying for economic reasons. Their main focus is on completing their education.
- **Returning** – these are adults who have stopped their education in the past and, having worked for some years, decide to take up education again.
- **Transforming** – these are adults who are making a fundamental change in career. Their current employment is considered temporary and will be left when a position comes up in the new field.
- **Reinforcing** – these are adults who enter education to progress within their chosen career and generally this provides the greatest potential for support from employers.
- **Compensation** – these are adults who engage in education because their career is unsatisfactory and education benefits them on a personal level.

Small and medium-size enterprises, as well as LLL providers and policy makers, could use the typology to clarify how to support the participation of their employees in LLL. Further research by the LLL2010 project considered employers as well as employees in SMEs and identified the conditions that encourage engagement in formal adult education:

- Availability and accessibility of appropriate education programmes, such as part-time and flexible (modular) study.
- Cooperation between the business sector and the higher education sector in setting up joint programmes.
- Customisation of programmes to make learning relevant and valuable to both employer and employee.
- Existence of public programmes to support adult education, particularly for those holding low formal qualifications.
- Regulations on obligations for continuing education. This can vary with country and sector, for example banking and insurance require minimal levels of education.

Policy Recommendations on LLL for all

On the basis of the findings with SMEs, researchers have made policy recommendations for the different types of formal adult education programmes. It is recommended that policy makers support:

Basic skills and remedy programmes

These include literacy, numeracy and local language programmes, usually for unskilled workers on low wages. SMEs could be allies for publicly sponsored programmes in basic education but may be reluctant as increasing their employees' education may increase wages. Further initiatives must support the development of the organisation to change its training culture.

Second chance education

Recommended policies in this area would bolster the SME's capacity to support adults returning to education. For example, funding support networks between learners and employers to ensure that the education is relevant and valuable to both.

Occupational (re-) training programmes

These tend to be publicly funded schemes to re-train the unemployed. SMEs can provide a site for the learning, for example by hiring workers who are beneficiaries of the scheme. This requires support strategies for the SMEs to overcome possible risk.

Customised vocational programmes

Company-based tailored programmes are probably the most important area for policy support. However, the support must be granted for specific preparation and adjustment work by SMEs and not for 'business-as-usual'. The SMEs should report on their experience and provide a learning opportunity for others.

Post-tertiary continuing higher education

This tends to be governed by professional bodies and co-funding is needed to help SMEs pay for high tuition fees. However, there may be a lack of appropriate employees so up skilling may be required through Second Chance strategies as described above.

The project's policy-relevant results will be presented at the LLL2010 final conference, 'Do Three Sides Always Make a Triangle? Policy, Institutions and Learners in Lifelong Formal Learning' on 7 and 8 February 2011 in Leuven, Belgium. If you are interested in attending the conference, please contact the organising committee for a draft programme. For further details, see: <http://lll2010.tlu.ee/esrea-2010-triennial-research-conference-in-sweden>

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¹ See: <http://www.esds.ac.uk/findingData/snDescription.asp?sn=6212>

LLL2010

Towards a Lifelong Learning Society in Europe: The Contribution of the Education System

(duration: 1/9/2005 – 31/8/2010) was a Specific Targeted Research Project funded under the 6th Framework Programme for Research of the European Union, Thematic Priority 7 - Citizens and governance in a knowledge-based society.

See: <http://LLL2010.tlu.ee/>

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Stimulating economies built on creative knowledge

December 2010

Promoting culture and creativity in European cities can improve quality of life, but there is no guarantee that it will make those cities more economically competitive. Instead of investing in off-the-shelf measures to stimulate urbanised creative-knowledge economies, policy makers are advised to first identify a city's unique local assets (and legacies) and then devise tailored strategies to capitalise on them.

After studying the developmental dynamics of 13 cities across Europe, an international consortium led by the University of Amsterdam has identified three features considered crucial for designing and implementing policies to foster creative-knowledge locations: pathways, place and personal networks (PPP). The importance of these features for a city's creative-knowledge development potential is explained in a practical booklet entitled *Making Creative-Knowledge Cities: A Guide for Policy Makers*¹. The booklet contains numerous case studies based on surveys and interviews with managers and employees in all 13 locations examined by the project partners of the **ACRE** consortium.

ACRE (*Accommodating Creative Knowledge: Competitiveness of European Metropolitan Regions within the Enlarged Union*) set out to assess the impact of creative and knowledge-based industries on the competitiveness of EU metropolitan regions. During the course of their work the researchers produced several recommendations for policy makers relating to economic development measures. The recommendations are built around the '3 Ps':

Pathways

To properly assess the economic development potential of a city's creative knowledge, policy makers must first understand the development pathways that have shaped the city and made it what it is over the course of time. These pathways embrace a city's accumulated economic, social, political, cultural, physical and functional structures. Together they play an important role in determining a location's capacity for change.

Because each city boasts its own unique set of pathways, the researchers argue that "it is impossible to transfer policies to Europe from other parts of the world or to copy Western European policies in Eastern Europe". This does not mean, however, that generalisations cannot be made. To illustrate this point, the researchers offer separate recommendations for cities with different developmental trajectories. In order to improve the competitiveness of non-capital cities, for instance, the consortium says it is important to "develop a diverse economic base" and "improve connectivity".

Post-socialist cities in Central and Eastern Europe, meanwhile, are advised to "build on the positive aspects of past legacies" and to "stimulate public-private partnerships which encourage trust between local government and local businesses and a sharing of power".

Place

Suggesting that significance of place may have become *more* (not less) important since the internet revolution, the ACRE researchers consider it essential that cities know which "place characteristics" make them distinctive. These characteristics include not only the built-up environment and physical infrastructure but also the roots of local organisations and institutions. Regardless of how these legacies are viewed – as obstacles to change or resources for future development – identifying them is considered "the starting point for understanding the distinctive attributes of any city".

As the researchers explain, these legacies and their attributes play important roles in the processes of place-making, place marketing and branding. Significant as these attributes may be, however, ACRE's findings confirm the importance of basic factors in determining business location. "Attracting creative-knowledge industries", say the researchers, "is less about the promotion of amenities and more about providing high-quality facilities (such as quality working and office accommodation, good transport links and housing)."

Personal networks

The third key feature of economic development linked to creative-knowledge in European cities is what ACRE terms "personal networks". These networks, which are largely informal, include family, friends and colleagues, and vary significantly from region to region. Such personal networks seem to be "tighter and more fixed" in Europe than in North America, the researchers observe, while within Europe itself important differences are seen along north-south and east-west axes.

Multilayered and dynamic, personal networks in European cities are deemed "vital" for economic development based on creative-knowledge. Personal "connections", the researchers stress, are "often *the* most important factors when creative-knowledge workers are deciding which city to move to and whether or not they stay". Fostering and strengthening these networks is therefore considered "crucial".

Policies aimed at accommodating personal networks, however, must take cultural differences into account. The ACRE consortium notes the significant role that language plays in defining cultural differences in Europe. Given its potential to influence mobility of talent, Europe's linguistic diversity is a factor that policy makers need to acknowledge in developing an effective approach to building economic development on creative-knowledge industries.

References

- ¹ *Making Creative-Knowledge Cities: A Guide for Policy Makers* (October 2010, University of Amsterdam. ISBN 978-9490312398).
See: <http://www.acre.socsci.uva.nl/results/index.html>

ACRE

Accommodating Creative Knowledge: Competitiveness of
European Metropolitan Regions within the Enlarged Union

(duration: 1/10/2006 - 30/9/2010) was an Integrated Project funded under the 6th Framework Programme for Research of the European Union, Thematic Priority 7 - Citizens and governance in a knowledge-based society.

See: <http://acre.socsci.uva.nl/>

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Enhancing social inclusion of mental health service users

November 2010

An innovative approach to social inclusion in Europe has succeeded in increasing the rate of employment among users of mental health services (patients). The researchers who developed the approach suggest it could also be used to help other disadvantaged groups. **EMILIA**, a European research project financed by the European Commission, showed that lifelong learning educational courses designed with input from the service users themselves can offer significant benefits for those users: it can aid their recovery, facilitate their social inclusion and promote their return to work.

EMILIA (*Empowerment of Mental Illness Service Users: Lifelong Learning*) focused on mental health service users who suffered from severe mental illness and had a minimum of three years' experience of mental health services. These participants were employed as lifelong learning trainers in their local community, using training material designed and developed by mental health service users themselves.

The project involved seven mental health services and one university. In some cases, training was carried out entirely by service user trainers; in others it was undertaken alongside professional trainers. The project designed 11 educational programmes in all, covering such topics as recovery, service user leadership, building on personal strengths etc. (Details of the programmes are available at: www.emiliatraining.net. The field work was conducted in a variety of cultural contexts in eight different countries: Bosnia-Herzegovina, Denmark, France, Greece, Norway, Poland, Spain and the United Kingdom.

EMILIA's research utilised the **five-step process** anchored in the European Union's lifelong learning policy:

- Stage 1 of this process identifies *partnership working across the learning spectrum* as "the first building block, in which all actors inside and outside the formal systems must collaborate in the development of learning organisations for strategies to work."
- Stage 2 is concerned with *insight into demand for learning*, which EMILIA operationalised by carrying out systematic lifelong learning needs assessments of the mental health service users.
- Stage 3 identifies *analysis, generation and development of adequate financial and learning resources for the task*. This is concerned with the institutional resourcing of the lifelong learning assessed as needed in the previous stage.
- Stage 4 is entitled *facilitating user access to learning and work opportunities*. This stage proceeds to match learning opportunities to learner's needs and to facilitate access to the learning opportunities the users themselves have selected locally.
- Finally, stage 5 - *striving for excellence through service improvement* - ensures that a comprehensive integrated approach to lifelong learning (and social inclusion) is in place in the institutions concerned.

The service users in EMILIA were paid to perform a number of social inclusion roles. These included assistant researchers, health service workers, peer support workers, part-time teachers, and university social work and nursing course assessors.

The researchers found that employing mental health service users as trainers made the training more credible in the eyes of the students and benefited service user trainers by empowering them and aiding their recovery. It also constituted a first step toward preparing them to teach health care professionals and student nurses. Enabling mental health service users to act in a professional training role helped overcome the feeling of difference between 'them and us'.

The study produced evidence that these approaches led to significant reductions among the sample group in hospital admissions. Beyond that it increased levels of employment, the number of hours worked per week, the amount of disposable income, as well as the degree of social inclusion, empowerment and employability. The project employed quantitative and qualitative methods to assess the project at two follow-up points.

The researchers found clear evidence of the positive impact of the project after it had been in operation for 20 months. This included: a doubling of paid employment from 7.3 to 14.6% and a similar increase for voluntary employment; significant increases in disposable income and quality of life; an increase in the average number of hours per week worked from 0.3 to 3.23; an average reduction of days in psychiatric hospital from 14 to 7; self-reported increase in levels of self-confidence, efficacy and hope, and increased skills and knowledge leading to increased employability.

The project also found that universities and health care centres involved in the study benefited from the knowledge and experience of mental health service users. Moreover, it found that consulting them made programmes on health care management and education more valid and meaningful.

The EMILIA project has developed a suite of innovative tools to help achieve goals of increased employment and social inclusion among disadvantaged groups. These include:

- A confidential lifelong learning planning development profile (PDP) for mental- health service users.
- Eleven lifelong learning training programmes designed by the service users themselves, available free to all via the EMILIA training website: www.emiliatraining.net
- New roles for mental health service users to use their experiences by working as lifelong learning trainers and personal medicine coaches.
- A tool to enable organisations to identify obstacles and solutions to successfully deliver lifelong learning to excluded groups.

Recommendations for improving inclusion for all disadvantaged, socially excluded and disempowered groups:

- European countries with a strong tradition of strong welfare benefit support (for example, Scandinavia, the UK, and France) should reduce the impact of the 'benefit trap', where disadvantaged individuals fear that new learning and occupational opportunities could mean they lose welfare benefits.
- European countries with a less well established tradition of welfare support, such as Bosnia-Herzegovina, Greece, Poland or South Eastern Europe should consider establishing and promoting government bodies and/or NGOs specialising in providing lifelong learning to disadvantaged groups.
- Provide free lifelong learning for all disadvantaged groups, for example those with physical disabilities or drugs/ alcohol dependencies, accessing for example www.emiliatraining.net, which is downloadable for free.
- Develop, in collaboration with disadvantaged groups themselves, lifelong learning opportunities relevant to the lives of recipients, highlighting the valuable connections between recovery and lifelong learning.
- Collaborate actively with European Commission's Directorate-General for Health and Consumers regarding the project *PROMISE*¹ for broader dissemination of EMILIA results.
- Actively promote the employment of disadvantaged individuals by engaging with employers.

Recommendations specifically for improving inclusion of mental health service users:

- Disseminate and make permanently available lifelong learning packages, training-the-trainers packages and PDP tool, currently available at www.emiliatraining.net
- Establish a permanent EU network, in conjunction with the World Health Organization (WHO), of mental health service providers to enable widest spread of lifelong learning programmes.
- Create an EU network of mental health service user groups in collaboration with WHO to encourage setting up the innovatory use of mental health service user trainers.
- Encourage collaboration between lifelong learning providers, mental health services, employers and job information centres.
- Ensure updating of training material produced during EMILIA and permanent EU funding to host these materials.
- Ensure a balance between medical approach and recovery (psychosocial) approach to manage and deliver health care which will help the EU face the structural challenge posed by an ageing population.

References

¹ See: <http://www.promise-mental-health.com/>

EMILIA

Empowerment of Mental Illness Service Users:
Life Long Learning, Integration and Action

(duration:1/9/2005 - 28/4/2010) was an Integrated Project funded under the 6th Framework Programme for Research of the European Union, Thematic Priority 7 – Citizens and governance in a knowledge-based society.

See: <http://www.emiliaproject.net/>

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Can EU's knowledge economy compete on a global scale?

October 2010

Increased imports need not inevitably lead to job losses in Europe despite growing competition from globalisation, according to new research. The **MICRO-DYN** (*Micro-Dynamics*) project analysed the innovativeness and competitiveness of companies, industries and regions in Europe's knowledge-based economy, and trends in employment in this sector.

The researchers define 'knowledge-based economy' by contrasting knowledge with other economic goods. Knowledge is a valuable asset held within humans or organisations that typically lacks explicit physical embodiment, although it may be embedded in forms such as patents, artefacts, designs, software programs or documents. Although it can be regarded as a common good, knowledge as an asset can be reduced in value if transferred to another company or country.

To measure knowledge as an input to the European economy, MICRO-DYN analysed data on 195,000 companies, looking at the relationship between company performance, degree of innovation, and how international they were, using comparable data across a set of EU countries. They studied balance sheets, companies' trade status (import/export), type of ownership, amount of foreign investment, and whether they were a domestic enterprise or a foreign affiliate. The data-gathering covered the early 1990s to the mid 2000s, a period during which the European community was enlarged, the single currency introduced and China joined the World Trade Organisation.

The project began in 2006 and aimed to find out how knowledge-driven growth affects labour demand, and how European firms can respond to growing competition in the world economy and to challenges of globalisation.

In contrast to the conventionally-held view that imports (especially during a time of economic crisis) lead directly to increased competition for domestic firms, potential job losses and a deteriorating trade balance, the researchers found:

- On average, there is a positive correlation between imports and company performance. Imported technology could bring innovations, leading to an ability to export and to productivity growth.
- Attracting foreign capital investment may be seen as advantageous to a country's economy, but often the cost of providing incentives renders the advantage marginal.
- Firms in similar sectors vary considerably and different types of policies attract different types of multinationals. For example, knowledge transfers from multinational companies take place in research-intensive sectors, but to a lesser extent in manufacturing or service sectors.
- In advanced markets such as the EU the concept of 'reverse' knowledge transfers exists, where multinationals from abroad invest in the EU with the explicit purpose of sourcing technology from domestic European rivals.
- The ability of multinational groups to grasp comparative advantage through the fragmentation of the production chain is a key driver of company performance. Subsidiaries of multinational European groups, operating within relatively large networks of affiliates in New Member States, are 90.7% more productive than simpler groups with just one subsidiary in the same countries. At the same time, groups which have an ultimate corporate owner are in turn more productive than groups ultimately owned (more than 50%) by individual (or family) shareholders.

Key policy messages:

- Internationalisation through trade – currently, most policy boils down to export promotion activities. New evidence from MICRO-DYN reveals that in today's complex, integrated markets, imports matter as much as exports in driving productivity. For the most productive companies, finished products can require the use of specialised parts and components sourced from different countries. As a result, trade promotion policies should not only focus on the 'export' status of companies, but rather on integrating firms within global value chains.
- Export promotion policies have mixed results and should be carefully evaluated. The most successful are undertaken in close co-operation with organisations such as Chambers of Commerce, aimed at linking companies and trade missions. Policies should concentrate on lowering costs of accessing information and services, such as providing incentives to attend trade fairs, rather than directly subsidising companies that would not be sufficiently productive to export on their own.
- Education and training – because of the interdependence of various ways of conducting international business, such as outsourcing, offshoring, and import and export, the skills needed are not technology or job specific. Training should focus on developing general skills in foreign languages, IT and management to help a company adapt to changes and benefit from innovation and foreign exposure.
- Internationalisation of production – knowledge can be transferred both ways, from multinationals to local companies, but also from EU companies to non-EU competitors. Non-EU investors may gain more in sourcing technology than the EU firms which benefit from the investment. This could alter economic justifications traditionally used to attract such investments, especially in those cases in which competition among host countries for attracting foreign capital provide very generous incentive packages.
- Protectionist measures within the newly enlarged EU would damage both country of origin and of destination, and would prevent EU companies gaining opportunities offered by the increasing fragmentation of the production chain.
- Competition policy affects innovation differently during the various stages of the innovation process. Flexibility is needed to differentiate between different categories of innovative firms.
- Public support should focus on continuous assistance, rather than one-off projects, such as improved business conditions, or education levels. One-off grants and sector-specific support measures are likely to have a limited impact on innovation – firms only undertake research they have already planned, and are unlikely to switch following the specific needs of a policy 'call'.
- The relationship between innovation and job creation is not clear, as innovative activities tend to affect workers' tasks according to their skills. The effectiveness with which national labour markets tend to reallocate workers towards the most productive firms also affects the outcome of this relationship, posing an important challenge to the development of appropriate innovation and job-creation policies in the context of the new EU2020 strategy. See: http://ec.europa.eu/eu2020/index_en.htm

The research was conducted by 17 European research institutes and funded by the EU's 6th Framework Programme. The researchers believe that by harmonising data, setting up joint data banks and extracting the policy implications across Europe, the project will help to achieve a broad European policy perspective on these issues.

MICRO-DYN

The competitiveness of firms, regions and industries in the knowledge-based economy: What room for job-rich growth in Europe?

(duration: 1/10/2006 – 31/1/2011) is an Integrated Project funded under the 6th Framework Programme for Research of the European Union, Thematic Priority 7 - Citizens and governance in a knowledge-based economy.

See: www.micro-dyn.eu

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Quality of European Union public services and regulation

July 2010

The privatisation of public services in the EU has produced varied effects, with improvements in some areas, like efficiency and productivity, but deterioration in others, such as employment conditions and, in some cases, service quality. This is the conclusion of the **PIQUE** project that has recommended that public services should not be left to the free play of market forces but require further regulation to ensure the quality, affordability and accessibility of services.

PIQUE covered four sectors – electricity, postal services, local public transport and health services/hospitals – and six European countries – Austria, Belgium, Germany, Poland, Sweden and the UK. It analysed labour market data and productivity data and integrated it with qualitative data from 18 company case studies and a large-scale survey of service users.

Market regulation

The results indicated that the move towards highly competitive market structures has been minimal. Out of 24 public service sectors only four (electricity in Poland and the UK, and local public transport in the UK and in Sweden) show strong competition. However, even in a competitive market, there is no clear link between the degree of competition and consumer satisfaction. Results from the case studies indicated that regulation is needed to bridge this gap. A number of recommendations were made:

- EU level regulations could include some obligations on public service providers instead of leaving it up to Member States. A directive that clarifies the nature and role of public services would be helpful in developing these obligations.
- The national regulatory bodies that overlook the sectors must consider the interests of multiple stakeholders including consumers, workers, companies and public authorities. Due to the increasingly European dimension of public sector markets there should be greater co-operation between national bodies.
- Instead of focussing on specific aspects of the supply chain, regulation should cover the provision of the service and guarantee equal conditions for all in terms of access, quality and price.

Employment

Privatisation has primarily been associated with job reductions rather than creation of employment. At the same time employment has become increasingly part-time and more reliant on self-employment and temporary workers. Lower wages is another consequence and, in postal services in Germany and Austria, a new low-wage sector has emerged. The following policy suggestions were made:

- Regulation is needed to ensure companies compete on quality and do not cut costs by wage dumping. Possible instruments to achieve this are socially responsible tendering and the introduction of minimum wages.
- Active labour-market measures are needed to support workers who are made redundant through voluntary layoff schemes.
- Actions are needed to ensure more equal access to training and lifelong learning for different groups of workers in public services. High quality services depend on high-quality jobs.

Industrial relations

In order to save on labour costs companies have tended to abandon the traditional model of labour relations. This has produced changes in the collective bargaining mechanism by which employers and employees agree on wages. There now appear to be two tiers: companies who were service providers before privatisation that use sector unions to broker wages and newer companies with a more decentralised system. This produces an unequal playing field in terms of wage differentials that tends to benefit the newer companies. The PIQUE project suggested the following:

- Market regulation needs to be complemented by social clauses to ensure it does not go against the aim of creating more and better jobs. EU regulation stresses that social considerations should be taken into account but it may be necessary to turn this into an obligation.
- To reach a level playing field, competing companies need to be covered by the same labour-relation regimes.
- These could take the form of statutory minimum standards complemented by bargaining by employers and employee organisations.

Productivity and service quality

Gains in productivity have tended to be a by-product of cost-cutting and measures to enhance quality have only occurred if they do not conflict with cutting costs. On some occasions privatisation has led to a compromise of quality. For example electricity providers may extend the operating hours of call centres while closing down traditional walk-in centres where customers can talk to agents face-to-face. The following policy recommendations were made:

- Regulation is needed to ensure that companies invest in higher quality services.
- In sectors where no measures are taking place a 'catalogue' of quality criteria should be developed and enforced.
- Consumers need to be empowered to monitor and influence the quality of public services. This could be done through consumer protection organisations and other forms of participation such as public-service quality advisory boards.

PIQUE

Privatisation of Public Services and the Impact on Quality, Employment and Productivity

(duration: 1/6/2006 – 31/5/2009) was a Specific Targeted Research Project funded under the 6th Framework Programme for Research of the European Union, Thematic Priority 7 - Citizens and governance in a knowledge-based society.

See: <http://www.pique.at/>

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Measure this: intangible capital as a driver of innovative growth

June 2010

When it comes to analysing the role of investment in intangible assets, standard growth accounting techniques reveal some very interesting results. Firstly, intangible assets play a large part in determining the path of labour productivity, which improves social welfare. Even more significant, however, is that the 'unexplained' components of productivity growth (usually swept together under the heading of 'total factor productivity') become much less important once a measure of intangibles is included, suggesting that intangibles are a significant part of the explanation. Finally, decline in investment in physical capital appears, for the most part, to have been compensated by an increase in intangible capital formation. All these factors indicate that the contribution of intangible capital accumulation to growth both in manufacturing and service industries is substantial.

However, intangible capital is notoriously hard to measure empirically. Its very intangibility makes it resistant to quantification. Yet, whether we are talking about brand equity, organisational capital or architectural design, intangible capital is hugely important for the viability of firms and the economies that host them.¹ For this reason, it is worth venturing to develop tools that might enable us to measure intangible capital more efficiently and determine its capacity to generate growth. A team of European researchers is pursuing this challenge successfully with the EU-supported project called **INNODRIVE**.

Over the past year and a half, the INNODRIVE consortium has made significant progress in providing new data on intangibles throughout the European Union. A central part of the project has involved collecting and analysing an array of intangible capital indicators for each EU member state (except Luxembourg) and Norway. They go beyond traditional business activities like management and marketing to include cultural phenomena associated with the wider worlds of design and entertainment. Not surprisingly, scientific research and development (R & D) figure prominently in the range of intangible capital as do software and personnel assets related to information and communications technology (ICT).

INNODRIVE estimates of intangible investment include the three main categories of assets identified by Corrado, Hulten and Sichel (CHS 2005): economic competencies, innovative property and computerised information. Investment in economic competencies include spending on strategic planning, worker training, redesigning or reconfiguring existing products in existing markets, investment to retain or gain market share and investment in brand names. Innovative property refers to the innovative activity built on a scientific base of knowledge as well as to more broadly defined innovation and new product or process R & D. Computerised information coincides with computer software and databases.

Most of the intangibles listed above (all those under the 'economic competencies' and 'innovative property' headings) are new measures because they are not currently factored into national accounting figures. Therefore the researchers consider a new aggregate comprising R & D, New Product Development in the financial industry, New Architectural and Engineering Design and all the items classified as economic competencies by CHS (2005). INNODRIVE uses these new intangibles as the basis for a quantitative overview of intangible capital in 27 European countries from the mid 1990s to the present.

While the researchers stress that their findings are preliminary, the analysis suggests that new intangible capital - measured as a share of gross domestic product (GDP) - increased in European countries by about 1 percentage point during the ten-year period through to 2005. Compared with 1995, expenditure in 2005 on new intangible assets

has increased in almost all countries, the only exceptions being Spain (where the share has remained unchanged) and Greece, Estonia and Norway. Nordic countries demonstrated particularly high levels of intangible capital investment, with the UK, the Netherlands, Belgium and France also making significant investments together with Eastern Europe as a whole.

Relating these new data to each country's GDP, the researchers then compare the increase in new intangibles (NI) as a share of GDP over two periods (Figure 1 between 1995 and 2000 and Figure 2 between 2000 and 2005) and over a group of European countries.

Figure 1: New Intangibles shares of GDP (%): European countries change from 1995 to 2000

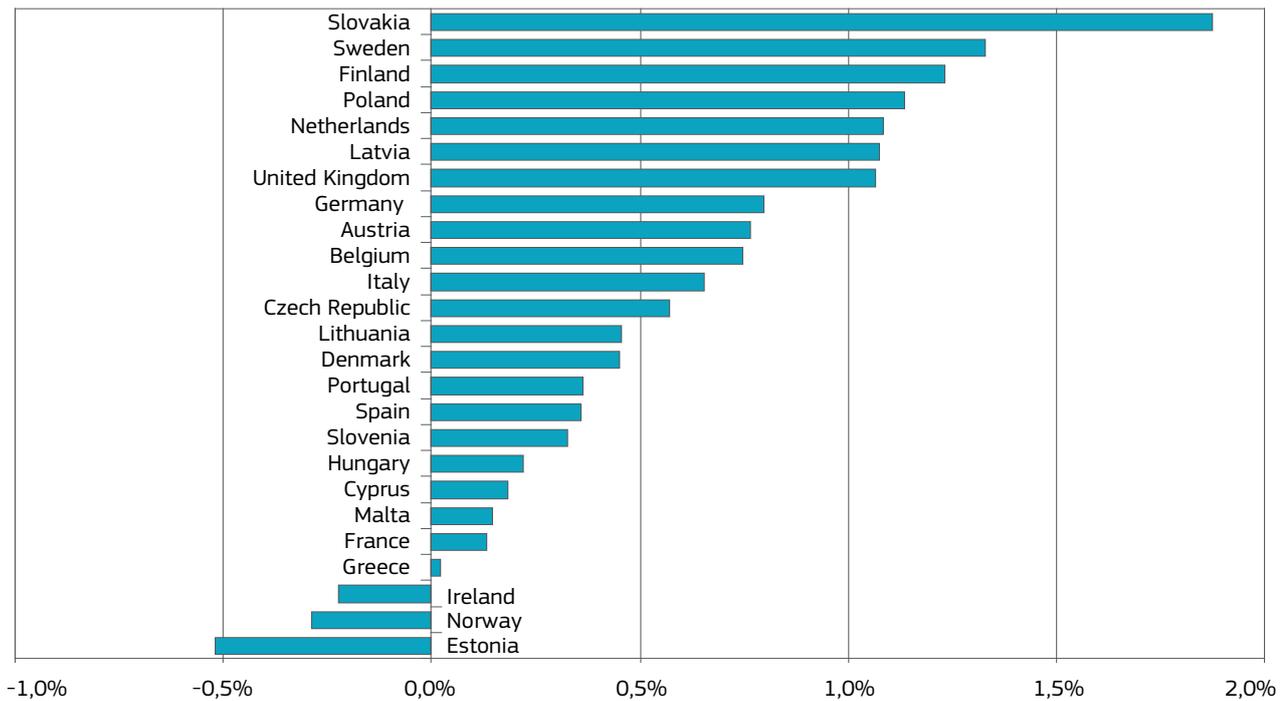


Figure 2: New Intangibles shares of GDP (%): European countries change from 2000 to 2005

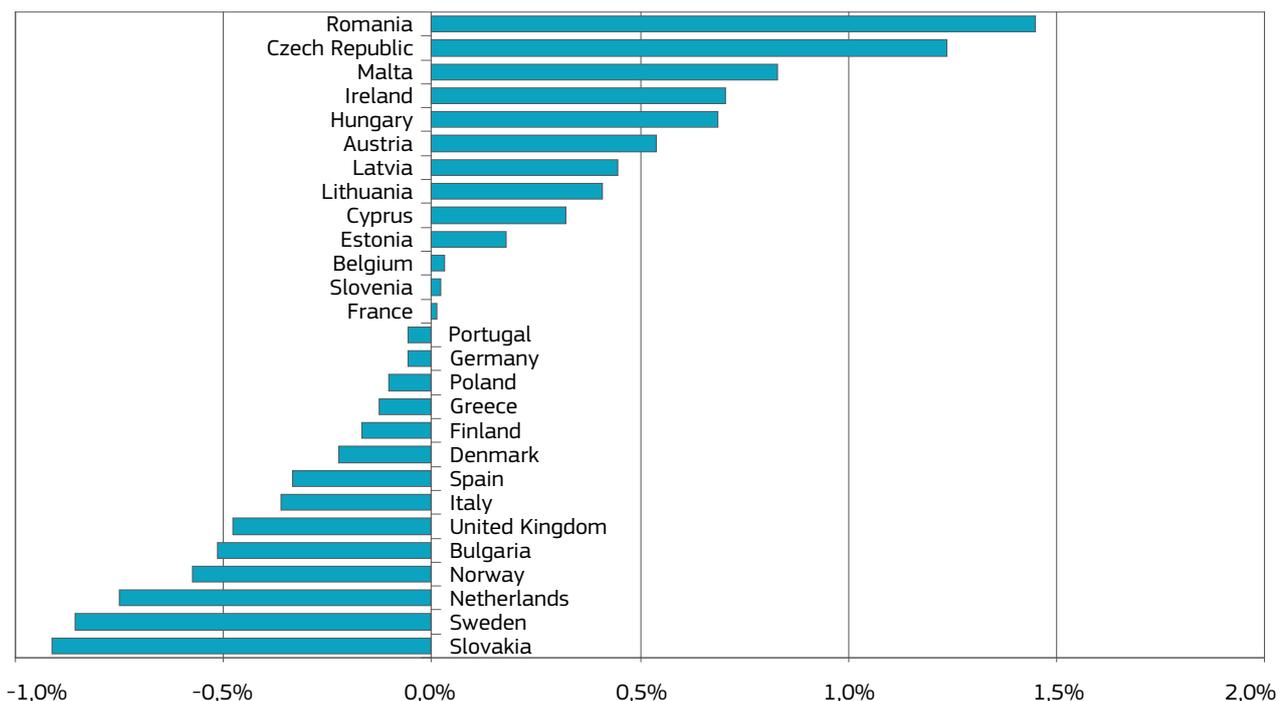


Figure 1 shows the dynamic over the period 1995-2000 has been positive in all countries except for Ireland, Norway and Estonia. Slovakia experienced by far the highest increase (from 2.6% in 1995 to 4.5% in 2000 - an increase of 1.9 percentage points). Aside from Slovakia, six other countries registered an increase in the range of 1.1-1.3 percentage points: Sweden, Finland, Poland, Netherlands, Latvia and UK. The importance of investment in new intangible assets increased also in the large continental economies (with the partial exception of France, where the share increased only by 1 percentage point).

Figure 2 shows the period 2000-2005. The picture is rather different, with fourteen countries showing a decrease in intangible investment as a share of GDP. Among the Western European economies, only Malta, Ireland and Austria have registered a significant increase. On the other hand, intangible capital accumulation has been fairly dynamic in some of the Eastern European economies.

Looking ahead, the report concludes:

- The growth potential associated with intangible capital accumulation in manufacturing, service industries and the macro economy is substantial.
- The intangibles have an important role in company-level decision-making and therefore for economic growth. These, in turn, will have a positive impact on savings, wealth and the income share in the economy of those who invest in intangibles.
- In the next decade, intangible capital should be viewed as the main impetus of economic growth; the significance of a skilled workforce for economic growth will lie with its ability to appreciate and foster investment in intangibles.
- The data suggests investment weakened between 2000 and 2005 in some countries, which may not bode well for European competitiveness.

This raises a number of policy implications:

- The first is that firms and policy makers need to appreciate the importance of intangible assets in the growth process. Definition, identification, measurement and increased awareness of the growth potentials of intangibles are the key steps towards this appreciation.
- The second, as with investment in any type of asset, concerns incentives. In most EU countries there are well-developed and well-understood policies that promote investment in conventional capital. These include capital allowances, tax breaks and the treatment of depreciation. The challenge now is to find similar incentives to encourage investment in intangibles.

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INNODRIVE

Intangible Capital and Innovations: Drivers of Growth and Location in the EU

(duration: 1/3/2008 – 28/2/2011) is a research project funded under the 7th Framework Programme for Research of the European Union, Thematic Priority 1 – Growth, employment and competitiveness in a knowledge society.

See: <http://www.innodrive.org>

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Ensuring a role for European firms in the globalisation of R&D activities

May 2010

Multinational companies (MNCs) are using more 'cost-effective' locations not only for production but also to source the knowledge behind production. An EU supported-research project, **INGINEUS**, aims to identify how EU policy can enhance the position of European firms within the networks used by MNCs for outsourcing. Preliminary suggestions are that policy should aim to stimulate the mobility of skilled workers and develop a single European patent system.

For some time MNCs have been outsourcing production to low-cost locations around the globe, whilst keeping their R&D in house. However, recently, MNCs have begun outsourcing R&D and other knowledge assets to locations with the right mix of local skills and competences, so called Global Innovation Networks (GINs). MNCs based in both developed and developing economies have begun to establish GINs. For example an Indian engineering company Tooltech has a daughter company in Germany to develop its Computer-Aided-Design. The evolution of GINs will have an impact on EU firms who, along with the USA and Japan, are the traditional centres of knowledge-intensive activities.

The INGINEUS research project is currently studying the causes and implications of GINs, as well as the challenges they pose. Data from a survey of companies in a range of Western and emerging economies will be complemented by case studies of specific firms. The final report will be presented at the end of 2011 and a preliminary report on the company survey in September 2010.

A literature survey in this area has already indicated that firms are forming GINs to keep up with three main changing global conditions:

- Both the product life cycle and the business cycle are getting shorter and new knowledge is essential for survival. When firms do not have the time or resources to develop such knowledge they depend on other companies.
- Research activities are becoming more expensive. Cooperation at a global scale shares the burden and lowers the labour costs of highly-skilled workers.
- There is a need for firms to get closer to their markets, particularly with the new markets in emerging economies. Centralised knowledge from a distant headquarters is ineffective with diverse markets that are changing rapidly.

Data supplied by the UN Conference on Trade and Development (UNCTAD)¹ indicate that the amount of investment in R&D abroad has almost doubled from US \$ 12,852 billion to US \$ 22,328 billion between 2000 and 2004. However, despite this shift there is little systematic data on these trends, not only in Europe but elsewhere. The research identified four trends in the outsourcing of R&D:

- There has been an increase in the outsourcing of R&D abroad that is associated with the opening of new markets and cost reductions.
- Europe has seen an increase in inward foreign investment in R&D during the same period.
- Most of the outsourcing of R&D is performed within the US, Japan and Europe but there is an important rise in outsourcing to other Asian countries and developing economies.
- There are important differences across industrial sectors.

These trends raise significant questions for European R&D and innovation policies as indicated below. The project suggests that Europe cannot afford to become a 'European research and innovation fortress' but instead must become a true global hub in knowledge-intensive activities. For this to happen there are three challenges that need to be addressed by national and European policy makers:

- Although there has been a stimulation of inward and outward mobility of workers, Europe still has a deficit in specific knowledge areas. Immigration laws are generally not open enough to make Europe an attractive working place. Many industrial associations report difficulties with regulatory frameworks in national immigration policies and the need for more flexibility and openness to employ highly specialised skills from outside Europe. Inspiration could come from the Silicon Valley which has a constant inward and outward flux of innovators, researchers and entrepreneurs.
- Despite efforts to harmonise the patent system in Europe, it is still fragmented. This makes it expensive to protect intellectual property in several Member States. The patent system is very complex, and several problems in the current system, such as high costs of patenting, limited value of patents, long pendency times and a lack of unified litigation practices, have been extensively reported. A clear, single and cost-effective regulatory framework is needed to reduce legal uncertainties and maximise returns on investment.
- Research has shown that a firm's ability to absorb knowledge produced elsewhere is influenced by its own knowledge capabilities. This calls for a bold policy effort to enhance the knowledge assets of firms in Europe. The current availability of knowledge-related investments in the form of expenditure in R&D continues to be considerably lower in the EU than in the US and Japan (and China in the near future). This calls for more efforts encouraging greater financial investment in new areas of knowledge and technology, and strengthening research in universities.

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INGINEUS

Impact of Networks, Globalisation, and their Interaction with EU Strategies

(duration: 1/1/2009 – 30/6/2012) was a Specific Targeted Research Project funded under the 7th Framework Programme for Research of the European Union, Thematic Priority 1 – Growth, employment and competitiveness in a knowledge society.

See: <http://www.ingineus.eu/getpage.aspx?id=1&sec=1>

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Intangible assets at the heart of economic growth in European regions

April 2010

As a starting point, the **IAREG** European research project acknowledges that ‘the process of innovation and knowledge accumulation is at the root of uneven territorial development.’ After examining the issue at length, the consortium offers policy makers at European, national and regional levels a number of general recommendations, including these four regarding the impact of knowledge accumulation on processes of economic growth:

- Target systemic relationships rather than specific actors or categories of actors.
- Recognise the strong geographical specificity of regional and local industrial structures.
- Identify linkages between different organisations and institutional actors in a regional system.
- Measure the systemic relationships, structure and organisation of regional innovation processes.

At the European level, the researchers contend that greater institutional coordination is needed to develop a benchmarking system for policy learning across the EU. This applies to national, regional and local levels with respect to knowledge creation, accumulation and diffusion.

The project highlights the economic relevance of research and education and urges closer coordination between European and national institutions. In terms of human capital, IAREG suggests that additional institutional funding be made available to support excellent research initiatives and recruit outstanding researchers from abroad. The IAREG team advocates a knowledge-flow strategy that promotes local interactions while helping build connections between local innovation systems and international entities. The project notes that better cross-regional integration and improved communication infrastructures could enhance knowledge flows.

Addressing a diverse range of economic and trade factors, IAREG appeals for a dismantling of residual national trade barriers and encourages multiple sources of financing (stock markets, venture capital and private equity) for investing in new technologies. The EU is also encouraged to provide investment incentives for research and development and to facilitate the sharing of costs for research and development among small and medium-sized enterprises.

At the national and regional levels, IAREG researchers see a need to improve education for the mobile workforce and to promote a culture of lifelong learning. Overall, the team stresses the importance of strengthening an economy’s ability to drive and absorb technological advancement.

Lack of data raises a serious problem for policy making

The European Union urgently needs a unified system for collecting data on intangible assets, such as human, organisational and social capital. Why such a system is needed – and how to go about creating it – are two key questions examined by IAREG, which is exploring the relationship between intangible assets (IA) and regional economic growth. Advocating a systematic approach to IA development policy, the research team has produced a catalogue of recommendations for decision makers at European, national and regional levels.

Convinced that a lack of regional data on IA is hampering research on the main determinants of economic development at the regional level in Europe, the IAREG research consortium proposes that standards for collecting and processing such information be improved. While acquiring good indicators for IA is difficult in general, their availability at a regional level is much lower than at the national level. Current sources of regional IA data in Europe are ‘heterogeneous’ and ‘poorly coordinated’, say the researchers, making it difficult to assess their current status and shape future development.

To support informed decision making, the IAREG consortium proposes that more micro-data be collected and released. The researchers insist that direct involvement by the EU's statistical office, EUROSTAT, is required in order to develop a homogeneous database on region-specific intangible assets. They also suggest that regional and administrative boundaries be redefined for IA statistical purposes.

Looking beyond the lack of satisfactory data on intangible assets, the IAREG research team suggests a number of ways that these assets might be cultivated more effectively in Europe.

IAREG

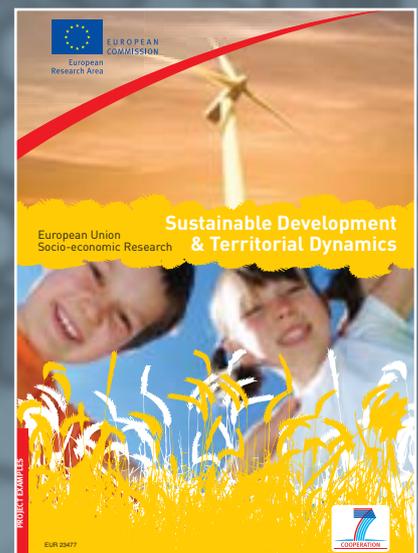
Intangible Assets and Regional Economic Growth

(duration: 01/02/2008 – 30/01/2010) was a Specific Targeted Research Project funded under the 7th Framework Programme for Research of the European Union, Thematic Priority 1 – Growth, employment and competitiveness in a knowledge society.

See: <http://www.iareg.org/>

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Combining economic, social and environmental objectives in a European perspective





SPREAD – The drive towards sustainable living by 2050

Modern European lifestyles still put too much pressure on natural resources and are unsustainable. The **SPREAD Sustainable Lifestyles 2050** research project has made impressive progress towards building long-lasting bridges between different stakeholders in society – businesses, researchers, policy makers, civil society organisations (CSOs), non-governmental organisations (NGOs) and citizens – to achieve sustainable living across Europe by 2050.

Consumption of food and drink, private transportation and housing are responsible for 70-80% of Europe's environmental impact. For example, domestic heating, water usage, appliance and electronics account for 40% of Europe's total energy consumption, and car ownership in the EU-27 increased by 35% in the period 1990–2007. How to maintain our quality of life while staying within global resource limits is a simple question with an extremely complex answer.

Since the problem of unsustainability encompasses many different sectors of society – business, transport, energy, leisure, living, consumption, the environment and the economy, so must the solution. However, current sustainability initiatives tend to be scattered between disciplines without a common platform for sharing ideas and developing strategies for change.

For these reasons, the creation of a platform to consolidate existing knowledge on sustainability has been a major achievement of the SPREAD project in its own right. However, the wider aim of the project, which ends in December 2012, is to trigger policy at the regional, EU and international level, as well as providing inputs for the research agenda towards more sustainable living.

A unique aspect of the SPREAD project is the role that public consultation plays at every stage, via an online People's Forum (<http://www.sustainable-lifestyles.eu/community>). The aim is that this brings a 'real world' perspective into the discussion in terms of the realities that citizens face every day in striving for more sustainable lifestyles. By taking part in the debate, citizens can participate in the elaboration of research and policy agendas as well as understand their role in the transition.

Visions of sustainable living

After a detailed analysis of existing and emerging sustainability initiatives – so called 'promising practices', the SPREAD researchers developed visions of sustainable lifestyles in 2050 by projecting the promising practices into the future. These visions evolved around the themes of:

- The value of *community* as the key social driver.
- *Convenience* offered by collaborative-based infrastructure, mutual support solutions and new household-centric economies.
- *Trust* as the result of closer personal relationships, individual engagement in the community and reciprocity.
- *Global-local* inter-linkages.
- Sharing of goods, infrastructure and access to culture through *collaborative services*.
- A *toolbox for change makers* which helps to enable the transition towards the vision that includes: wellbeing and happiness indicators at local levels; alternative currencies and reward schemes; and a feedback system showing the consumption of resources at individual and community levels.

SPREAD then used these visions to identify key messages for policy makers, what the drivers for and barriers against global change are and who the main players will be.

Key messages for policy makers:

- Striving for sustainability needs a **multi-disciplinary, human-centred** approach that includes agriculture, health, education, finance, urban planning, social affairs and welfare, trade and transport, energy, environmental protection and climate change.
- **The value of community** is key. The focus should shift away from the individual to the community and move towards community-led rather than 'top-down' approaches to encourage collaboration among people.
- **A deeper understanding** of citizens' motivations is required to encourage awareness, alter behaviour and bring sustainable solutions into everyday life.
- Societal innovation must be supported by **creative and resilient infrastructure** (see drivers of change below).
- Promising examples of sustainable living need to be further explored and tested so that **indicators and boundaries** of sustainable living can be better defined.
- Potential trade-offs and drawbacks should be analysed as well as benefits to **monitor inequalities** across different social groups.

What will the drivers of global change be?

- **Better-connected communities** achieved through innovative urban planning, multi-functionality of buildings and spaces, web and mobile technologies, sharing of resources, growing own food locally.
- **'Distributed economies'** (systems of regionally distributed production) to enable people to produce and consume locally and seasonally.
- **Energy savings** through the design and construction of efficient buildings and appliances, especially in dense neighbourhoods.
- Convenient yet cost-effective **intermodal transport** solutions linking air, rail, road and personal transport.
- **Reduced mobility and transportation use** resulting from well-planned and self-sufficient cities.

What are the barriers that need to be overcome?

- **Social and cultural norms.** This means rethinking the value attached to GDP and material wealth to include the value of the environment, well-being and quality of life.
- **Slow implementation** of infrastructure and lack of support for sustainable solutions due to the long period of time before the high initial costs are recouped.
- Our existing energy system is based around **centralised rather than distributed production and supply.**
- **Gap in education** that calls for the integration of specific sustainability programmes into academic curriculum and life-long training.

Who will the major players be?

- **European regulatory authorities** – to bring about a people-centric, holistic approach to sustainability.
- **Local governments** – to target resources and co-design cities and communities.
- **Public health systems** – to evaluate the costs and benefits of sustainable initiatives.
- **Social network technologies** – to promote social and technological innovation.
- **Social entrepreneurs** – to create new enterprises and bottom-up drivers for change.
- **Educational institutions** – to promote civic activity in the public interest.
- **Product designers and architects** – to integrate their skills into multi-disciplinary teams to design highly efficient housing.
- **Businesses** – to invest responsibly in sustainable business models and supply chains.
- **NGOs and CSOs** – to improve coalition, foster debate and influence the political agenda.

In the next phase of the project, a roadmap of action strategies for individuals, businesses, civil society groups, researchers and policy makers will be established, based on four future scenarios for sustainable lifestyles in 2050¹, which were developed in recent months with the support of different experts and stakeholders. A final policy brief will be produced at the end of the project in December 2012.

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SPREAD

Social platform identifying research and policy needs for sustainable lifestyles

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See: www.sustainable-lifestyles.eu (project website); www.sustainable-lifestyles.eu/community (online community forum)

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A fresh perspective on global trade: The World Input-Output Database

July 2012

The **WIOD** research project has developed a new database that sheds light on the global value chains created by world trade. The database is intended to help analysts and policy makers assess the effects of globalisation on trade patterns, environmental pressures and socio-economic development around the world.

Known as 'The World Input-Output Database', the public data source provides statistics on all 27 EU Member States and 13 other important countries (including the US, Japan and the BRIC states¹). The combined GDP of these 40 countries accounts for more than 85% of the world total. At the core of the database are harmonised supply and use tables coupled with bilateral trade data in goods and services. The data covers the period from 1995 to 2009.

Since its launch in April 2012, the database has gained considerable attention among international policy makers, particularly those dealing with cross-border trade. Already in its development stage the database attracted the interest of the OECD and the WTO, both of which provided the project with institutional support.

Addressing the final WIOD conference in April 2012, in Brussels, WTO Deputy Director-General Alejandro Jara pointed out that "how bilateral trade flows are measured impacts profoundly the policy debate". This very much applies in the case of the WIOD database; instead of simply counting the gross value of goods and services exchanged, the new database reveals the value-added embodied in these goods and services as they are traded internationally.

Indeed, WIOD's findings alter the way we perceive international competitiveness and regard various sectors in country comparisons. Illustrating this point, Alejandro Jara noted how the database offers a radically different perspective on the Sino-American trade imbalance: "When measured in value-added", he said, "China's trade surplus with the United States in recent times is some 40% less than the gross trade figures would have you believe".

EU Trade Commissioner Karel De Gucht confirmed that the database casts a very different light on global trade. "Our trade relationships with key partners are different from what we previously thought", he observed. Focusing on Europe's trade imbalance with China, the Commissioner said that "when we look at trade in value as opposed to traditional statistics, our trade deficit with China is reduced by 36%". He added that China "begins to look like less of a problem" when viewed through the lens of the new database.

One of the database's major benefits is the way it statistically captures the economic reality of globalised value added chains. It reflects the fact that traded products are not produced in a single location, but are the end-result of a series of steps carried out in many countries around the world. This is just one of the ways that the database enriches our common basis for empirical research and policy making.

Another valuable feature of the database is its offering of statistics on trade in services. The researchers who created the database note that "no standardised database on bilateral service flows exists". To help address this shortcoming, they integrated data from a number of different sources including the OECD, Eurostat, the IMF and the WTO.

Regarding WIOD's analytical advancements, the project produced valuable insights into the effects of global trade on various factors of production. The consortium identified distinct differences, for example, in the flows of capital and labour among emerging economies versus advanced economies. Relatively speaking, emerging economies tend

to export more capital while importing labour in value terms, the researchers note. That pattern is reversed, however, in the case of advanced economies.

Taking data on the factors of production a step further, WIOD also breaks down value-weighted labour exports by educational attainment. Here the data show (as expected) that advanced countries are relatively stronger net exporters of high-educated labour. In providing this kind of differentiated data, WIOD demonstrates its capacity to support more efficient recognition of patterns emerging in trade deficits and surpluses among various countries.

Despite their diligence in developing a robust and comparable set of figures, the WIOD researchers acknowledge that some of the data remain sketchy. Any 'measurement' of trade in value-added should be treated as an "estimate rather than a 'measurement'", project coordinator Marcel Timmer reminds us. And when it comes to measuring trade in services, he adds that there are clear gaps in our knowledge at lower levels of aggregation. These gaps may explain why Eurostat reportedly has no plans to embrace the project's statistics any time in the near future. Nonetheless, the WTO and OECD have apparently expressed an interest in setting up a similar measurement framework for their regularly produced statistics.

References

- ¹ BRIC refers to the countries of Brazil, Russia, India and China, which are all deemed to be at a similar stage of newly advanced economic development.

WIOD

World input-output database: construction and applications

(duration: 1/5//2009 –30/4/2012). FP7 Socio-economic Sciences and Humanities, Activity 2 – "Combining economic, social and environmental objectives in a European perspective", Research area 2.1 "Socio-economic development trajectories". Collaborative project (large scale integrating project).

See: <http://www.wiod.org/>

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SMILE – Shining a spotlight on European sustainability

June 2012

A new project looking closely at the way we measure sustainability has identified instances where objectives in different policy areas, such as economic and environmental development, can sometimes work against each other, resulting in a compromise having to be made. In light of its findings, the **SMILE** research project has produced a set of recommendations for how to improve sustainability targets in Europe.

Governments need to have ways to monitor social, economic and environmental change, and to assess whether these changes are sustainable or not, i.e. can be maintained without risking damage to that or any other sector in the long term. 'Indicators' are characteristics of a population or environment that can be easily measured and which can give an impression of how successful or sustainable a change is. For example, important social development indicators include household saving rates and the number of people at risk of poverty.

But how much do existing sustainability indicators tell us? Using a range of case studies, the SMILE researchers developed a toolkit to test the range of economic, social and environmental indicators available to policy makers. In doing so, they highlighted where some objectives may be achieved at the expense others, giving a false impression of sustainability.

Main outcomes

- **A new indicator 'toolkit'** – The SMILE researchers constructed a freely-available framework or 'instruction manual' combining several existing approaches for the evaluation of sustainability, based on existing indicators and new ones developed as part of the project. The result was an all-encompassing but flexible toolkit consisting of a number of possible indicators, which can be tailored to suit a specific sustainability issue or stakeholder.
- **Synergy vs. trade offs** – The researchers then tested the toolkit on seven case study areas to assess how different aspects of sustainability might interrelate. They found that two factors from different policy areas can amplify each other so that the outcome in terms of sustainability is greater than the sum of their separate effects. For example, rising GDP per capita (economic indicator) between 1997 and 2006 in Italy resulted in a higher average household saving rate (social indicator), both of which had a positive impact on sustainable development. This is described as 'synergy'.

On the other hand, the positive effect of one factor on sustainable development can be diminished by another factor. This is known as a 'trade-off' and represents an unsustainable trend. In Romania, for example, an increase in GDP per capita caused the household saving rate to decline and the number of people at risk of poverty to rise. This was attributed to widespread inequality in income distribution.

- **Stakeholder involvement** – The research revealed significant overlaps between scientists' and stakeholders' attitudes in terms of the need for sustainability. However, miscommunications and lack of a common understanding of a sustainability strategy were also identified, particularly over the relative importance of ecological vs. social systems. This helped the researchers to outline the critical success factors necessary for sustainable development among different stakeholders.

Policy recommendations for Europe

The set of case studies to which the researchers applied the toolkit in their investigation represented a variety of eco-social contexts and geographical scales: a developed economy at the regional level (Catalonia, Spain); a transition

economy at the national scale (Romania); a developing economy at the national scale and farming system level (Laos); a developed economy at the forest industry level (Finland); agricultural and agro-industrial sectors at the local, regional and national scale (Italy); an established regional sustainable development strategic plan (Cairngorms National Park, the UK); and developed economies at the national/European level (EU27).

Based on its findings, the SMILE project developed a set of sustainable future scenarios for each case study, which formed a basis for making the following policy recommendations:

- In general, policies must contain a balance between social, economic and environmental sustainability, i.e. social development should not be ignored in strategic policy development.
- In Finland, the development of social sustainability policies is particularly important as they are not currently included in the national policy agenda.
- Romania is in a transition period and needs a strong, comprehensive policy which has social, environmental and economic sustainability as its main goals.
- For the Italian case study, which addresses historical heritage, physical systems – especially the built environment – must also be considered in sustainability policies.
- Even in the Cairngorms National Park in the UK, where sustainability objectives are most fully covered, additional policies are required to focus on human capital and social development.

Developing the indicator toolkit was an extension of research already carried out by the FP6-funded DECOIN project¹ and within the European Sustainable Development Indicator (SDI) Working Group.

References

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SMILE

Synergies in multi-scale inter-linkages of eco-social systems

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See: <http://www.smile-fp7.eu/>

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PASHMINA: A new generation of tools to visualise global change

April 2012

In the next few decades, global society is expected to undergo profound changes in all respects, including economics, the environment, trade, energy and transport. But what will those changes be and how well equipped are we to assess their likely impact? The **PASHMINA** research project is pioneering a new generation of practical tools (e.g. models and indicators) to help policy makers approach these complex questions for Europe in the long term (2030-2050).

From investment in renewable energy to new modes of transport, changes in society are an inevitable part of our future. But these transitions may not necessarily follow a predictable trend. When visualising the future on a European or world scale, researchers and policy makers need to consider potential changes in society that involve a fundamental shift in a longstanding perception, concept or understanding. This is known as a paradigm shift.

The major driving force behind the PASHMINA project is to enable policy makers to better visualise possible paradigm shifts in the relationship between the economy and the environment, in order to adopt the most appropriate pathway for adaptation to, or mitigation of, global change.

One important point to note is that the paradigm shifts investigated are purely exploratory and are not meant to be predictive. The idea is to help policy makers visualise the consequences of certain actions (...‘what if’).

Guiding principles

Figure 1 (below) shows four simplified trajectories for a future society in Europe up to 2050. The ideal scenario from an ecological perspective, as described above, is represented by the ‘Orange World’. The other ‘storylines’ differ in the speed at which large-scale changes take place and whether they focus on the individual or society as a whole. This was the starting point for the PASHMINA project.

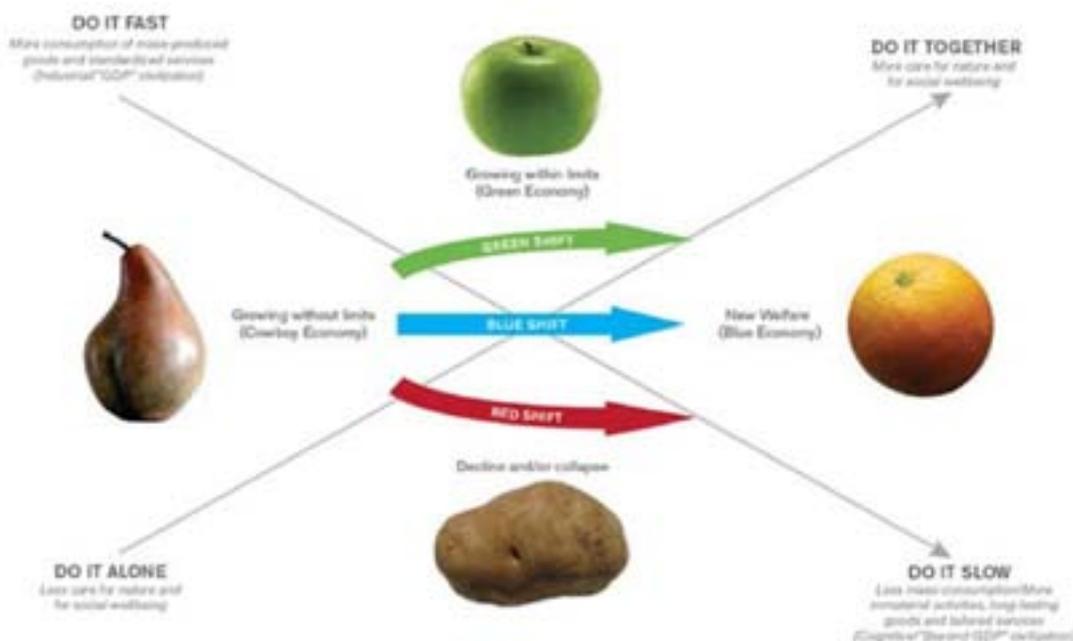
The researchers devised 50 different indicators of change to represent the differences between these scenarios, which then helped them quantitatively explore the effect of specific paradigm shifts within each one. How to accurately match up descriptive storylines of global change (i.e. climate change mitigation, financial recovery) with real-world indicators that can monitor the extent of change (i.e. GHG emissions, GDP) represents a long-standing challenge in the research community, and is a major on-going achievement of the PASHMINA project.

This framework of indicators and models is currently being thoroughly tested and fine-tuned to produce robust projections of potential paradigm shifts and practical sets of recommendations to policy makers for how to achieve each one. A second strand of research is focusing on using Geographic Information System (GIS) modelling to assess the geographic consequences of different paradigm shifts in land use related to agriculture, forestry, biofuels, biodiversity and ecosystem services.

Change of pace - Mobility in 2050

From an ecological perspective, a global shift towards using more than just GDP (gross domestic product) as a measure of societal well-being is a desirable way forward. In such a society, criteria, such as preserving ecosystem services and mitigating climate change, would be valued equally with GDP.

Figure 1: Possible paradigm shifts



With this in mind, the researchers looked more closely at the paradigm shifts that could occur in the relationship between transport, energy and the environment to achieve this goal. By following a two-step process, CO₂ emissions could be reduced by a factor of four without affecting the overall GDP, according to the early results from the research. The paradigm shift in this case is to modify the prevailing assumption that an increase in the speed of mobility of people and goods is tied to a growth in GDP.

- Step 1 – Associate speed with collective transport rather than individual transport, by shifting the focus towards high-speed rail links and public transport infrastructure, and away from building faster cars and super highways.
- Step 2 – Decouple mobility and GDP even further by reducing the need for increased mobility in general. The most effective solution could be to increase the proportion of the population living in cities.

Policy recommendations to achieve this goal:

- Introduce speed regulation and ‘speed pricing’ to put a financial price on individual modes of transport on all types of roads.
- Implement parking restrictions and congestion charges to reduce the attractiveness of road transport.
- Create new infrastructure for rapid public transport, i.e. rail links and bus lanes, and high-occupancy vehicle lanes on highways.
- Ensure that policies aimed at reducing total mobility, notably through land use management actions to ensure services (shopping, health, leisure, employment) are accessible within short distances of residential areas.
- Implement policies to improve low-carbon technology in vehicles to complement these changes in behaviour, i.e. plug-in hybrids and electric vehicles.

To be effective, these recommendations may need to be accompanied by changes in land use taxation and extension of carbon quotas to some transport activities.

A major advantage of the PASHMINA project is that it is interdisciplinary, incorporating economists, environmental analysts, computer modellers and statisticians. The project consortium includes researchers from 11 research institutions in seven European countries (Austria, France, Italy, Czech Republic, Spain, Germany and Denmark).

Alongside policy briefs and peer-reviewed publications, a particularly innovative aspect of the PASHMINA project is its range of dissemination tools designed to create a long-lasting legacy of the research. Inspired by systems like Wikipedia, PASHMINA has established a web platform called ‘wiki4globalchanges’, with the aim of stimulating a discussion and exchange of knowledge among scientists and practitioners in order to better address global changes.

The topics of exploration are framed by four global shifts envisaged in the areas of:

- **Policy:** *beyond voting.*
- **Energy:** *beyond oil.*
- **The economy:** *beyond GDP.*
- **Lifestyle:** *beyond tangibles.*

The platform inspires users to think beyond their current frame of mind, and to work together to build collective knowledge and insights in the form of discussion threads and wiki pages. Users are encouraged to contribute to current discussions and wiki entries or add new ones, based on their expertise and interest in one or more of the four topic areas.

The website offers an opportunity for sharing knowledge and will go online in April 2012 at: www.wiki4globalchanges.org. This will allow the updating and refining of tools to enable policy makers to continue to use them long after the project comes to a close in November 2012. For further information, please contact: info@wiki4globalchanges.org.

PASHMINA

Paradigm shifts modelling and innovative approaches

(duration: 1/12/2009 – 31/11/2012). FP7 Socio-economic Sciences and Humanities, Activity 2 “Combining economic, social and environmental objectives in a European perspective”, Research area 2.1 “Socio-economic development trajectories”. Collaborative project (small and medium scale focused research project).

See: <http://www.pashmina-project.eu/>

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PACT: Shaping a post-carbon world

February 2012

A global post-carbon society – one that does not rely on fossil fuels – is entirely feasible within the next 40 years, according to the **PACT** research project. However, the diversity of modern society means there is no unique pathway for getting there. PACT has explored the social and economic consequences of different policy approaches, and clearly highlights the importance of taking action to reduce CO₂ emissions sooner rather than later.

The world cannot continue relying on fossil fuels indefinitely. Dwindling resources and the impact of rising CO₂ levels on the environment mean that patterns of energy use will need to move towards energy efficiency and conservation, renewable energy sources, nuclear energy and new technology, such as carbon capture and storage (CCS).

The questions facing policy makers are how and when these changes should take effect, what are the relative costs and externalities, and what is the appropriate balance between them. Researchers involved with the PACT project devised three scenarios ('Spacecraft', 'Smartphone' and 'Hard Way') to illustrate how the transition towards a post-carbon society in the EU-27 could be achieved.

In all scenarios, key drivers of energy use (population growth, technology, employment, personal wealth, transport, urbanisation, infrastructure, buildings and housing, and lifestyles) evolve to drastically reduce CO₂ emissions and by 2050, atmospheric CO₂ stabilises at around 500 parts per million by volume. Assuming a similar end result in 2050, the three scenarios are used to explore the consequences of very different political approaches:

Three scenarios

- **Spacecraft** – formal governmental led ('top-down') approach where emission reduction targets are agreed between major CO₂ emitting countries, while retaining a shared priority towards maximizing GDP growth. The transition is characterised by technological innovation, driven mainly by big industries, and strong public and private support exists for centralised renewable energy.
- **Smartphone** – governments fail to implement effective change by themselves, but foster and encourage local initiatives, driven primarily by the general public and non-governmental organisations (NGOs). GDP is no longer recognised as the best proxy for welfare; societal expectations increasingly extend 'beyond GDP' and new welfare measurement is adopted. No global commitment on greenhouse gas (GHG) emission reductions exists but most cities voluntarily adopt ambitious climate strategies. Decentralised initiatives, such as photovoltaic solar panels on private houses and individual lifestyle choices, become important.
- **Hard Way** – 'business as usual' scenario where no significant action is taken until the growing crisis in fossil fuel availability forces people to change their lifestyles and adopt alternative technical solutions. This reactive approach does not favour technological innovation or investment on a large scale.

Ultimately, the PACT project explores the modalities and various aspects – political, social, economic, technological – of a 'top-down' (government-driven) versus a 'bottom up' initiative, instigated by citizens and NGOs. The clearest outcome from the research, however, is the advantage of a proactive approach (in response to rising CO₂ levels) over a reactive approach (in response to the growing environmental crisis and future fossil fuel shortages).

Highlights of the main findings

Economic growth

- Large economic growth is felt in Spacecraft (+ 350% by 2050) and to a lesser extent in Smartphone (+ 57%). Hard Way leads to an economic recession until 2025 related to the fossil fuel supply crisis and very slow growth thereafter (+ 26% overall).

Energy mix in the EU-27

- In Spacecraft, electricity demand increases by 250% by 2050, direct consumption of fossil fuels decreases by two thirds compared to 2010 levels, centralised renewables (wind power, solar, biomass) contribute 40% of electricity and nuclear 35%.
- In Smartphone, electricity demand increases by only 50%, direct consumption of fossil fuels decreases by a third, decentralised renewables contribute more than 50% of electricity and nuclear 25%.
- In Hard Way, electricity demand fluctuates around 2000 levels, direct fossil fuel consumption decreases by a third, decentralised renewables contribute more than 50% of electricity and nuclear 20%.

CO₂ emissions and CCS technology

- CO₂ emissions related to energy reduce by a factor of two in Spacecraft and a factor of three in Smartphone and Hard Way, due to lower industrial growth.
- By 2050, 45% of the EU's CCS capacity is filled up in Spacecraft and Smartphone, compared to just 10% in Hard Way.

Policy implications

The PACT researchers conclude that despite taking very different pathways, it is possible for all three scenarios to end up at similar global CO₂ emissions in 2050, largely because economic growth and climate policy have competing effects.

However, the social, economic, technological and political outcomes of the three scenarios are very different. Conditions in 2050 are far more favourable for the EU-27 in Spacecraft and Smartphone, while opting for the Hard Way approach risks economic recession, global tensions over resources and climate mitigation, and a weak world demand for EU-27 products and services.

The scenarios are not meant to indicate to policy makers which specific route to take, say the researchers, but to communicate three very clear messages.

- It is feasible for the EU-27 to dramatically reduce fossil fuel consumption in the next 40 years and to make a significant impact on climate change mitigation.
- There are many alternative pathways to get there, depending on which social forces (i.e. 'top down' or 'bottom up') take the lead.
- The pathway will be critically important as a poorly planned and implemented approach could incur severe economic, social and political costs.

Modelling methodology

In the description of each scenario, qualitative statements about how a particular factor (i.e. housing, transport, lifestyle) contributes to the post-carbon transition were translated into actual values and input into two complex numerical models. All input values were estimated from comprehensive, quantitative analyses of how each driving force affects energy use and GHG emissions, carried out in the first stages of the PACT project.

First, the VLEEM (Very Long Energy Environment Model) determined the impact of each scenario on energy needs. The POLES model then put the results into a global context by taking into account the balance between supply and demand, energy prices and world energy markets, and determined resulting CO₂ emissions.

(duration: 1/10/2008 – 30/9/2011). FP7 Socio-economic Sciences and Humanities, Activity 2, ‘Combining economic, social and environmental objectives in a European perspective’, Research Area 2.1 ‘Socio-economic development trajectories’.

See: www.pact-carbon-transition.org

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Diversity reigns across Europe in approaching socio-economic development

November 2011

European countries show considerable diversity in dealing with socio-economic challenges, according to preliminary results from the **ICaTSEM** research project. EU Member States have developed different strategies for fostering socio-economic advancement and addressing the challenges of globalisation. Noting that institutional forms mediate the synergies and trade-offs of actors with divergent interests and that this is also true in a globalised world, the project suggests that EU Member States are likely to experience a renewal of institutional diversity moving forward.

Far from indicating a convergence within Europe towards a single socio-economic model, ICaTSEM's findings show a rich diversity of institutional frameworks in European Member States. This tendency toward 'local adaptations' of policies would seem to undermine the hypothesis that a convergence toward a 'best model' of capitalism is underway.

In its comparative effort to plot the trajectories of European capitalist models over the past few decades, ICaTSEM has helped us achieve a better understanding of what it calls the 'inner characteristics' of those models. The researchers paid particular attention to the 'openness' of socio-economic models, noting that institutions evolve in an international context as a consequence of shifting political alliances, and coalitions are not to be regarded as efficiency driven.

The project's analysis focused on major institutional developments and legal reforms over a 30-year period between 1979 and 2009. Examining data on finance, corporate governance, industrial relations, education, industrial policy and the welfare state, the consortium says it identified "critical junctures of institutional development and turning points" in each country's model.

Based on these case studies, the researchers report that they found no evidence of strong convergence among socio-economic models across institutional domains in Europe and observed no single overarching trajectory. Instead, their mapping exercise revealed a richly contoured European landscape.

Four main types of capitalism have been identified in Europe:

- Market-oriented (UK).
- Continental (Germany and France).
- Nordic (Sweden and Denmark).
- Southern/Mediterranean (Spain and Italy).

A fifth type, which ICaTSEM refers to as 'transition economies' (Hungary and Slovakia), has also been posited. For each of the five models the project developed a pair of national case studies, which at a later stage are to be contrasted with additional case studies exploring the United States and Asia (China and Japan). In their study of emerging countries the researchers extended the project's analytical grid to include agriculture, environmental issues and international integration. A new cross-sectional qualitative database was produced in the process. The results are expected to feed in to future studies of the trajectories of emergence.

ICaTSEM observed that several socio-economic models in Europe have shown "substantial shifts toward more liberal institutions", even though the pace of change and degree of impact vary from model to model. Nonetheless, these shifts appear to be having little effect on the models themselves: "it seems that institutional changes do not alter the fundamental distinctions among different types of capitalisms". Instead, the consortium concluded that "globalisation renews the diversity of socio-economic models rather than driving them towards a unique national scheme".

At the same time, the project suggests that Europe's five socio-economic models should not be regarded as inherently static. ICaTSEM informs us that each model has intrinsic features and an internal heterogeneity that raises stability concerns. Moreover, the project reminds us that the process of building institutional complementarities is progressive.

Environmental concerns (a crucial aspect of the overarching sustainability issue) received specific attention in the project. ICaTSEM found that countries that have different socio-economic models respond to environmental challenges in different ways. The researchers suggest that this "argues in favour of considering explicitly environmental regulations as an institutional domain per se" in understanding how these models operate. Complementarities with other institutional areas, however, remain to be explored.

Finally, relating their research to the process of globalisation and the worldwide financial crisis, the ICaTSEM team say their results do not support the thesis that 'financialisation' of the global economy is pushing Europe towards convergence. While some observers had expected financialisation to drive a general movement toward the market-oriented (neoliberal) socio-economic model (such as that associated with Ireland and the UK), the researchers say the diversity of models has not diminished.

It seems that while Greece's sovereign debt crisis has raised serious questions about the Mediterranean model, the continental European model (France and Germany) has proved more resilient. ICaTSEM confirms that the continental model has demonstrated high adaptability, adding that its regulation mechanisms have reduced the impact of the crisis.

ICaTSEM Institutional changes and trajectories of socio-economic development models

(duration: 1/1/2009 –31/12/2011). FP7 Socio-economic Sciences and Humanities, Activity 2 "Combining economic, social and environmental objectives in a European perspective", Research area 2.1 "Socio-economic development trajectories". Collaborative project (small and medium scale focused research project).

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Cultural diversity: An asset to Europe

October 2011

Cultural diversity is an untapped resource for social development policy in Europe, according to a recent EU-funded research project. Researchers involved with the **SUS.DIV** project have presented a new policy strategy based on a multidisciplinary understanding of how diversity can promote social and economic growth.

Researchers have proposed that globalisation – the worldwide exchange of people, goods and ideas – can in some cases accelerate cultural exchange and contribute to an economically and socially enriched society, but in others, it can serve to highlight and reinforce cultural divides, giving rise to fear, intolerance and conflict. This is the ‘double-edged sword’ paradigm of multiculturalism.

Through an extensive review of existing literature, interviews, observations and workshops, the SUS.DIV project investigated the role of cultural diversity in ‘sustainable’ European socio-economic policy. This involved examining how diversity affects, and is affected by, globalisation and how to take advantage of diversity to create a prosperous and secure society.

Diversity promotes economic and social sustainability

The primary policy recommendation from the research is to move away from the idea of distinct cultural *identities*, which may reinforce feelings of separation through stereotyping. Instead, recognising cultural *orientations* that are constantly in flux and which do not define a person’s complete identity will lead to greater standards of living (economic sustainability), social cohesion, housing and education (social sustainability).

It fosters innovation and creativity

Part of the SUS.DIV research investigated the benefit of diversity (through migration) in the European labour force. In case studies across the Netherlands, inadequate management of diversity was found to have a negative effect on communication within business teams. However, well-managed diversity enhanced productivity, innovation and decision-making. Across Italy, skill levels and income among native and non-native workers were also higher in more diverse regions.

This is attributed to the fact that an influx of migrants to an area helps to differentiate the labour tasks, similar to the ‘complementarity’ theory applied to natural ecosystems, in which a more diverse plant community should be able to use resources more completely, and thus be more productive.

- Businesses and organisations should express a commitment to diversity and include minorities as a key feature of their mission statement.
- ‘Cross-cultural’ education in the workplace can enhance stereotypes and should be avoided. Instead, businesses should openly accommodate all cultural groups.

Improve cultural dialogue

Whilst diversity *per se* can benefit societal development, regional events to ‘showcase’ different cultures, such as festivals, were found to be counter-productive if citizens felt categorised purely by ethnicity. Meaningful experiences by participants, on the other hand, had a powerful effect on social cohesion at the local level.

- Authorities should encourage *informal* social interaction by enabling all public areas (i.e. schools, markets, cafés, parks and urban spaces) to accommodate any cultural orientation.

- Policies should avoid referring to dialogue in terms of ethnicity as this could reinforce or construct barriers, as well as neglecting the fluid nature of cultural orientation.

Take advantage of globalisation

- Policy makers should encourage public participation in democracy by involving representatives in decision-making processes at the local, national and European level.
- Businesses and organisations should regularly 'self-assess' for diversity issues to avert inequality or prejudice in the workplace.
- Diversity policies should address, not mask, underlying sources of inequality, such as gender and socio-economic hierarchies.

Future diversity research

An important objective of the SUS.DIV programme has been to fundamentally change how diversity research is carried out:

The multidisciplinary nature of diversity research makes it difficult to publish in traditionally single-subject journals. Policy makers should support an overhaul of academic 'reward criteria' to promote multidisciplinary research.

Diversity researchers should acknowledge that they are part of the political process, and should disclose their own perspectives so that policy recommendations have a greater impact on policy makers.

The SUS.DIV project brought together economists, psychologists, sociologists, anthropologists, political scientists, artists and educators from over 30 research institutions in 16 countries (Sweden, Italy, Bolivia, the United Kingdom, India, Australia, Netherlands, France, Czech Republic, Bulgaria, Germany, Greece, Turkey, Belgium, Hungary and the United States).

Alongside SUS.DIV, a sister programme called EURODIV¹ has hosted summer schools, learning exchanges, conferences and training for stakeholders on cultural diversity in the globalisation era. Both initiatives have generated several journal articles, books, book chapters and conference proceedings, available from the website www.susdiv.org.

References

¹ EURODIV- Cultural Diversity in Europe. See: <http://www.susdiv.org/default.aspx?articleID=14052&heading=EURODIV>

(duration: 1/9/2005 – 28/2/2011) was a Network of Excellence funded under the 6th Framework Programme for Research of the European Union, Thematic Priority 7 – Citizens and governance in a knowledge-based society.

See: www.susdiv.org

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Positive thinking: Rural communities can benefit from globalisation

September 2011

Globalisation is an opportunity for the development of rural areas, according to new research. By tapping into rich environmental resources and promoting 'eco-economy activities', such as sustainable forestry, rural communities can become major players in international markets. The **DERREG** research project recommends practical and financial measures to help businesses connect with international partners as well as to take full advantage of skilled migrant workers. The EU can play a key role in promoting inter-regional learning across Europe and in facilitating social and economic development in rural areas.

Globalisation is often perceived as a threat to rural communities, with the assumption that economic growth and trading opportunities are likely to benefit urban areas, at the expense of rural development. The DERREG project looks at how rural communities across Europe can respond positively to the wide range of challenges they face from globalisation. They also evaluate how European policy could encourage and promote opportunities for these communities to participate in, and actively influence, global forces of change.

The key message of the research is that rural communities should take advantage of their natural environment to promote sustainable development within international markets and in turn profit from the economic opportunities these markets provide. This will rely on national governments encouraging the involvement of local people in regional-scale issues, rather than a top-down approach to rural development.

The researchers reviewed how rural businesses interact on the world stage in ten case study regions in Sweden, Ireland, Lithuania, Spain, Slovenia, Czech Republic, the Netherlands and Germany. The case studies were chosen to represent a broad spectrum of historic, social and economic communities (e.g. mining communities, tourist areas) and a range of geographical environments (remote, peripheral to major cities, well established/poor transport links).

In general, the impact of globalisation differs widely between the case study regions, reflecting its true multi-dimensional nature. This contrasts with the commonly held assumption that globalisation leads to homogenisation of the unique and diverse characteristics of rural communities.

International trade was found to play a significant role in around 35% of businesses in the case study region of Goriska (Slovenia), but less than 20% in Westerkwartier (the Netherlands) and Alytus (Lithuania). The research showed that reliance on local trade networks rather than international connections was largely due to limited financial capital, geographical location and foreign language difficulties. Businesses that traded in speciality foods or 'niche' products were the most likely to overcome these difficulties, for example with export of berries and wild mushrooms from Lithuania and Sweden, and wine from Slovenia.

An awareness of global environmental issues was prevalent in many of the case study regions, but particularly strong where the regional media were able to link them to rural interests, for example renewable energy to the introduction of wind farms into the rural landscape. Rural communities that are rich in environmental resources have an opportunity to tap into international markets through promoting sustainable production, according to the research. 'Eco-economy activities' – projects that both aid economic growth and are environmentally responsible – could include viticulture, sustainable forestry, eco-tourism and craft production.

Migration into the case study areas was mainly from within the EU and existed in many forms: cross-border flow of migrant workers, foreign homeowners and other seasonal residents, and individuals driven by a number of economic, social or historical motivations. The integration of foreign homeowners and returned migrants (those who leave to work abroad and then return) was generally smoother than for migrant workers, who were sometimes associated with a perceived loss of rural identity.

The pharmaceutical industry in Western Ireland and the mining industry in Northern Sweden provided particularly good examples of the wealth of technical skills and experience that migrants can bring to rural communities. In countries where integration was not as smooth, the difficulties tended to be due to a lack of formal initiatives to support specific international migrant groups and informal networks to encourage community activities and exchange.

Main policy recommendations:

Make globalisation an asset for rural areas

- *Attract foreign investment and entrepreneurship* - Rural development policy supported by EU Common Agricultural Policy should be designed to promote these.
- *Work closely with financial institutions* - Through collaboration with them, EU and national governments should provide support for international expansion of rural businesses.
- *Help build working relationships between rural businesses and international partners* - Regional governments could contribute by hiring 'network brokers' as advisors.

Take advantage of international migration

- *Actively promote technical, cultural and social benefits induced by migration* - Public authorities should launch advertisement campaigns on the positive role played by international migration.
- *Facilitate integration* - Rural regions should promote linkages with well-developed support networks.

Be proactive towards sustainable development

- *Prioritise the sustainable use of raw materials and the development of high-quality niche products* - Regional governments should actively promote these areas to tap into international markets.
- *Pay attention to local and global issues* - Regional development strategies should aim to reflect global and local concerns through public consultations.

Promote regional training and skills development

- *Facilitate stakeholder interaction* - Public authorities should allocate physical space for meeting rooms, local advisory groups, public consultations and informal discussion groups between businesses, regional government and the local community.

In the final six months of the DERREG project, the researchers will draw together their observations for a final evaluation of the defining factors behind a successful rural community response to globalisation, and to establish whether an overarching model for progressive rural development could be applied. A database and website containing the research outcomes are currently in preparation and are due to be available by October 2011.

(duration: 1/1/2009 – 31/12/2011). FP7 Socio-economic Sciences and Humanities, Activity 2 "Combining economic, social and environmental objectives in a European perspective", Research area 2.2 "Regional, territorial and social cohesion". Collaborative project (small and medium scale focused research project).

See: <http://www.derreg.eu>

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Employment and capability development: take the subsidiarity principle seriously

July 2011

Is Europe ready to radically overhaul its employment and social policies? If so, policy makers might draw inspiration from the **CAPRIGHT** research project which explores the relationship between labour markets, employment and welfare regimes. The four-year project has produced a bold catalogue of proposals advocating a new definition of full employment based on a politics of ‘work-and-life capability development’.

Here, full employment refers to a situation whereby everybody who wants to work is employed, and where an individual is able to achieve those goals and activities he or she values as accomplishment, both within the workplace and in life more generally.

The proposals include framing a set of capability-based fundamental rights, creating special courts to protect these rights and transforming European firms and markets through regulatory reform. For instance, European regulation should establish incentives which push firms to integrate the development of their employee’s capabilities as one of their strategy’s major benchmarks. It should go hand in hand with European policies that favour the development of future economic sectors, such as durable and green activities.

Arguing that European employment and social policies have become “abstract and disembodied”, the CAPRIGHT consortium urges European decision makers to bring those policies “back down to earth”.

Responsibility for decisions affecting employment should be shifted to the level that is closest to actual economic and social situations and put in the hands of those who are most familiar with the problems at stake. Exactly where that decision-making power should be located depends on the specific circumstances, the consortium notes. In some cases the right level may be the corporation or the industrial sector. In other situations it may be more appropriate to devolve decision-making power and appropriate resources to a particular geographic territory.

In their final policy report, the CAPRIGHT researchers appeal to European authorities to move away from the ‘distant governance’ mode of policy action and evaluation representing the European status quo. By sticking to this mode, the consortium argues, European authorities have removed themselves from “people’s urgent needs for social protection and employment”. Failure to adopt a more democratic and situated approach, the researchers say, has contributed to growing hostility toward both Europe and national governments. European policy makers are therefore advised to make situated evaluation of needs an absolute priority.

To illustrate the key differences between these two approaches to evaluating social protection and employment needs, CAPRIGHT produced the following diagram (Figure 1).

The top section of the diagram shows the preferred ‘Capability Approach’, described as a “triangular and reflexive scheme for public action”. The bottom part lays out the more conventional ‘Instrumental Approach’ associated with New Public Management – an approach which the researchers say is counterproductive and must be abandoned.

According to CAPRIGHT’s final policy report, the Instrumental Approach leads to serious shortcomings not only with respect to quality of life but also in relation to the labour market. For example, agencies dealing with the unemployed – whether they are focusing on social assistance, placement or training – are characterised as fixated on achieving quantitative performance objectives with little or no regard for job quality. With assistance for job seekers viewed as

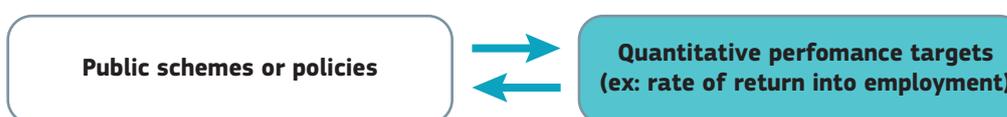
Figure 1: How to conceive policies – Two conceptions of the relationship between public policy and evaluation

Improving the power of conversion of means into achievement of valuable outcomes

THE CAPABILITY APPROACH (DERIVED FROM Amartya SEN)



THE INSTRUMENTAL APPROACH (DERIVED FROM THE New Public Management)



Maximising the statistical profile

Source: CAPRIGHT Policy Report, 2011¹

a cost burden, the unemployed are thus pressured to accept whatever job is offered, even if it is far below a person's true capabilities. Hence, say the researchers, the goal of full employment has been abandoned.

Highly critical of New Public Management practices, CAPRIGHT proposes a more integrated approach that seeks to struggle against 'inequalities of capabilities'. Daily experience reminds us, for instance, that women with child care responsibilities, disabled people and people from minority backgrounds face more obstacles to securing suitable employment compared with other groups. Instead of public policy pressuring job seekers into poorly paid, insecure short-term employment situations, the researchers suggest that policy be oriented toward assuring each person gets "put in a situation where she has the capability to achieve the goals and projects which she values as personal accomplishment".

The Instrumental Approach, the consortium asserts, ends up sacrificing important societal goals in order to improve bureaucratic performance indicators and ultimately results in increased precariousness and social exclusion. The Capability Approach, meanwhile, moves away from short-term budgetary management and favours "reallocation of public resources towards a work-and-life capability development for all people" - leading to what the researchers suggest could be new full employment.

Achieving full employment using the Capability Approach is perfectly feasible, the consortium maintains. This would require true commitment by central authorities, expressed through readiness to assign rights of deliberation to intermediate levels, in plants, firms, sectors or territories. These rights would allow all relevant stakeholders (not only employees, but also citizens, suppliers, subcontractors and their representatives) to have a voice over choices impacting employment and people's capabilities.

Public authorities and firms should bring resources to these levels to enable citizens and employees to have a larger voice relating to economic decisions. CAPRIGHT suggests that the European Union has "more techniques in hand to achieve these goals than one might think". What is needed to implement this approach is to simply take the "political philosophy of the subsidiarity principle" seriously. The subsidiarity principle is one of the central principles in the EU context, which ensures that political (and, in CAPRIGHT's view, economic and strategic) decisions are taken as closely as possible to the citizen.

References

¹ See: http://www.capright.eu/digitalAssets/115826_POLICY_REPORT.pdf

CAPRIGHT

Resources, rights and capabilities; in search of social foundations for Europe

(duration: 1/3/2007 – 28/2/2011) was an Integrated Project funded under the 6th Framework Programme for Research of the European Community, Thematic Priority 7 – Citizens and governance in a knowledge-based society.

See: www.capright.eu/

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Shrinking cities: implications for urban policy

March 2011

Much has been said about the world's growing urban population but many cities are in fact shrinking. This under-researched phenomenon has implications for urban policy. The **SHRINK SMART** research project is studying several shrinking urban regions in Europe and their governance systems. Its analysis indicates that shrinkage depends on the interplay of three major causes: economic decline, suburbanisation and demographic changes. In turn, these are influenced by contextual factors, such as the political system, regeneration policies and the physical structure of the city.

Around 40% of large European cities have experienced a decrease in population over the previous decades, especially in post-socialist countries. The cities that have experienced the greatest losses are struggling with underused infrastructures, housing vacancies, unemployment and low investment. The SHRINK SMART project aims to understand the triggers, impacts and challenges of shrinkage, and their implications for policy.

Seven case studies were chosen with a focus on disadvantaged urban regions in Eastern and Southern Europe. These were: Leipzig/Halle (Germany), Liverpool (the UK), Ostrava (Czech Republic), Sosnowiec/Bytom (Poland), Genoa (Italy), Timisoara (Romania) and Donetsk/Makiivka (Ukraine). The level of urban shrinkage was defined by population decline.

From examining statistical data and information at the municipal, regional and national level, the project identified three major causes for urban shrinkage:

- Economic decline and migration out of the city to find employment.
- Suburbanisation of cities and subsequent shifting of settlement.
- Demographic changes, such as an ageing population and fewer younger people.

The combination of these three causes varies according to the city studied. For example, a mix of economic decline and suburbanisation was more influential in Liverpool, whilst in Genoa demographic ageing and suburbanisation were the main drivers. The shrinkage also depends on intervening factors, such as the state of the housing market, national welfare policies, regeneration policies, the physical structure of the city and cultural factors. This is why there is no set path for shrinkage, and its trajectory varies depending on the city. For example, Leipzig and Liverpool are cases of long-term shrinkage which date back to the 1930s, whereas Bytom and Halle experienced rapid short-term shrinkage during the 1980s and 1990s, mainly due to the transition from socialist to market economies.

Just as the trajectories of shrinkage differ, so do the impacts. The SHRINK SMART project identified seven major areas of impact relevant to policy:

- **Segregation and social cohesion** – The case studies gave evidence of the possible impacts of shrinkage on segregation. When there is an increase in suburbs there tends to be an out-migration from the city centre of better-off social groups. However, some urban areas can be revitalised as in Liverpool where urban regeneration policies have supported the development of the service industry. In other cities there is ethnic and social segregation, especially if there has been economic decline leading to unemployment and low income, such as in Genoa.
- **Impacts on business and employment** – As mentioned above, shrinkage is often a consequence of economic decline and loss of jobs. Out-migration from shrinking cities is in many cases job-related. Shrinking cities have shrinking labour markets, especially old-industrial cities or cities suffering from deindustrialisation. It is particularly challenging for shrinking cities to attract new investment, and only some cities have been successful in this matter.
- **Social infrastructure and education** – In most cities studied among the project's case studies, shrinkage has had an impact on education. All cities have experienced a decrease in the numbers of children at school and have, therefore, closed or merged schools. At the same time, increases in the ageing population have triggered

a growing demand for medical and personal care services. In addition, decreasing demand for water, electricity and transport can lead to rising costs for local suppliers, which are passed on to those still living in the area.

- **Housing** – As populations decline so housing vacancies increase and real estate value decreases. The research indicates that this is a major problem only in the case study of the Leipzig/Halle city area which is addressing the issue by state-sponsored demolition of vacant housing and urban development plans. However, the research suggests that the consequences of demolition must be monitored closely as they may create more imbalances.
- **Technical infrastructure** – It has been difficult to provide clear and comprehensive results in this area due to a lack of data on water, waste and central heating. However, a number of impacts are predicted. For example, the underutilisation of water networks can lead to corrosion of pipes and possible contamination. Nevertheless, if dealt with correctly, adapting the infrastructure for reduced demand could be cost-effective but it would require initial investment.
- **Land use and environment** – The greatest impact in this area is the increase in ‘brownfields’ i.e. areas that were used for industrial production and that are now vacant. Of greater concern are ‘blackfields’, which are highly polluted areas of former chemical and mining industries. There are a number of initiatives to revitalise brownfields and blackfields but these depend on funding which varies from city to city. For most of the post-socialist countries there is very little funding available.
- **Municipal budgets and finances** – Most of the case studies suffer from declining tax revenues due to a loss of inhabitants, particularly those with higher incomes. Those municipalities with changing demographics are providing more support than they are receiving. Often those who live in suburbs use the facilities of the city centre without directly contributing to them.

Building on the information gathered from the case studies, SHRINK SMART will explore the possible governance systems for urban shrinkage. The evidence to date suggests that a one-size-fits-all approach will not be appropriate, but identifying certain combinations of causes and factors could help assess future risk of shrinkage. By holding workshops with local and European stakeholders, such as municipal politicians and planners, and spokespeople from civil society organisations, the project intends to examine how best to govern shrinkage. In particular, it will explore whether it is better to perceive shrinkage as a problem to be solved with growth policies and recovery, or to accept shrinkage and develop new strategies for the changed circumstances. It will also analyse which national policies can support shrinking cities to cope with the impacts, particularly in terms of fiscal gaps where local authorities are simultaneously burdened with low income from tax and high expenditures to support the city.

SHRINK SMART

Governance of shrinkage within a European context

(duration: 1/5/2009 – 30/4/2012) FP7 Socio-economic Sciences and Humanities, Activity 2 “Combining economic, social and environmental objectives in a European perspective”, Research area 2.2 “Regional, territorial and social cohesion”. Collaborative project (small and medium scale focused research project).

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Managing uncertainty in the labour market – Signposts for the future

February 2011

Although uncertainty is part-and-parcel of market economies there is a range of governance mechanisms to manage it. These are becoming more important in the light of the recent economic crisis. The **GUSTO** research project is studying the relationship between flexibility and security in labour markets and social policy during these uncertain times. Unlike previous research in this area, it does not just focus on industrial relations and human resources, but considers a wide range of policy areas such as immigration, welfare and sustainability.

In response to the belief that workers' security had to be traded off against measures to improve labour flexibility, flexisecurity strategies were developed in the mid-2000s to optimise both flexibility and security of the workforce. Recent economic crises have brought new sources of uncertainty and insecurity, requiring new forms of research into these changes and the possible responses.

The GUSTO (*Governance of Uncertainty and Sustainability: Tensions and Opportunities*) project brings together academic teams from ten European countries and Canada (which provides a useful, large non-European comparator). This three-year project is studying the impact of economic uncertainty and policy responses in a broad range of areas such as, pensions, immigrant workers, collective bargaining and regional governance.

Pensions

There had been increasing privatisation of pensions from 1981 to 2008, with governments encouraging individuals to take responsibility for retirement saving. The recent economic crisis has caused a reduction of this trend due to financial pressure on individuals and the institutions that administer pensions. Ongoing strategies to encourage people to take out private pensions received a particular set-back when people started to fear that their assets might not be safe.

Paradoxically, it appears that the more governments encourage private pensions the more they become involved in regulating them due to the vulnerability of pension schemes to stock-market crises. Instead of allowing the state to withdraw, the move to market mechanisms has given it new duties and obligations that go against the market signals that were their supposed advantage. There are now stricter rules on pensions regarding supervision and restriction on investments.

Migration

By taking on temporary work, migrant workers in the EU act as a buffer to employment uncertainty. GUSTO has investigated the extreme case of the construction sector in Spain and the UK where, until the last recession, foreign workers made up 30 and 10% of construction industry, respectively.

Spain has attempted to limit self-employment and agency work but this has produced more undeclared work. The UK has opened up legal employment to foreign workers but restrictions on Romania and Bulgaria has led to high self-employment of workers from these countries. A big issue is health and safety. Foreign workers tend to be concentrated in dangerous jobs and high turn-over means less familiarity with local conditions. In Spain, fatal and serious accidents tend to occur more frequently for migrant than national workers.

Trade unions have taken up different issues in the two countries. In Spain there has been inclusive political action and information centres, whilst British unions focus more on organising foreign workers to keep them in the formal economy.

GUSTO is also studying mobility of migrant workers in Spain, the UK and Canada. This indicates slow promotion for immigrant workers in Spain and the UK who appear to be assimilated into the labour force (i.e. achieve similar wages and contracts to national workers) after twenty years. In Canada, a selective immigration policy for highly skilled workers means that assimilation is much quicker (four years). This suggests that certain combinations of immigration, welfare and employment policies can result in fewer immigrant workers and longer times for them to assimilate into the labour force.

Collective bargaining

Through statistical analysis, GUSTO has analysed the responses of collective bargaining mechanisms to the economic crisis in the private sector of the EU-27 since 2008. The role of collective bargaining in uncertainty varies markedly across countries and sectors. For workers, there is often a trade-off between uncertainty of job loss and uncertainty of wages. Uncertainty over job loss has been addressed by implementing statutory short-term work and partial unemployment schemes, and enhancing the employability of those made redundant. However, this can come at the expense of greater fluctuation in wages. For employers, uncertainty has been addressed by short-term cost-saving and flexibility measures as well as measures aimed to retrain skilled workers. Employers tend to have a trade-off between cost-cutting and maintaining skilled labour in anticipation of the next upswing.

Which measures are adopted, depends on the nature of industrial relations institutions and public policy measures. For example, under multi-employer bargaining (where several employers are involved, often in the same sector) there is better coverage of different types of workers than in single-employer bargaining. Multi-employer bargaining is more common in northern European countries, together with France and Italy. The UK tends towards single-employer bargaining but has a clear negotiation framework so coverage is relatively high compared to central and east European countries. Public policy has played a role through implementing statutory short-term and partial employment schemes which allow more workers to stay in employment.

Industrial relations institutions and public policy measures also play a role in the variation between sectors. For example the agreements in manufacturing have entailed a trade-off between employment guarantee and employee concessions, whereas in services, employment guarantees feature much less. This could be because trade union organisation is higher in manufacturing and short-term public policy schemes are adopted to a greater extent.

Regional governance

Overall it appears multi-employer bargaining provides the most likely framework in which collective bargaining will address uncertainty, although it does not exist in certain sectors such as services. In general, there is an organised decentralisation of public policy, which is shifting from national to local level. Through interviews and document analysis in Italy, France and the UK, GUSTO, has identified two ways in which this is occurring. Firstly, through proactive measures which reduce uncertainty, such as economic and social regeneration, and secondly, passive instruments that maintain economic wealth through insurance. Policies are shifting from companies to places and territories and there is scope for local entrepreneurs, such as mayors, to lessen uncertainty by combining or co-ordinating policies from different fields such as environmental sustainability and social cohesion. However, it must be ensured that decentralised organisation does not merely redistribute uncertainty. For example, although regeneration programmes may reduce economic uncertainty in the short-term, if the financial support is not continued for an adequate amount of time the uncertainty may return. To insure against a redistribution of uncertainty local policies must be monitored and evaluated by national governments.

The GUSTO project is due to end in 2012. It will continue to study the above areas as well as analysing individual responses to uncertainty through national labour statistics and the European policy response. In particular, it will investigate the possible paradox that EU law created to govern insecurity can be a source of insecurity itself, in that Member States vary in how they implement EU legislation at the level of national labour law and social protection law. If there is a wide variation in the national interpretation of EU legislation then the outcomes on the labour market may be unpredictable and possibly insecure.

(duration: 1/3/2009 – 28/2/2012) is a Specific Targeted Research Project funded under the 7th Framework Programme for Research of the European Union, Thematic Priority 2 – Combining economic, social and environmental objectives in a European perspective.

See: <http://www.gusto-project.eu>

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FRIDA: Anchor firms contribute to regional development

January 2011

How can regional development policy help Europe achieve its goal of “smarter, more sustainable, more inclusive growth”? According to the **FRIDA** research project, part of the answer lies in understanding the nature of ‘anchor firms’. After studying regional development models in Europe for over two years, the team of researchers concluded that anchor firms and the networks they create constitute ‘key drivers’ of the European Union’s 2020 growth strategy. The ongoing project produced evidence indicating that anchor firms have the capacity to upgrade local economies and thereby contribute to a more dynamic economy in Europe overall.

Looking at companies representing three industrial sectors (biotech, nanoelectronics and aerospace) in six European countries (Italy, France, Poland, Germany, Ukraine and the UK), the researchers confirmed that anchors can emerge in virtually any industrial setting, including those that may be considered mature or ‘un-innovative’. Whether high-tech or low-tech, anchor firms have several distinguishing features that set them apart from a typical company. These features reflect the numerous ways that anchors shape new and existing organisations. According to the researchers, anchor firms affect not only the creation of new organisations but also the transformation of existing ones. They do this by:

- Spawning new firms (spinoffs).
- Generating knowledge spillovers.
- Serving as role models for other players.
- Building and coordinating inter-organisational networks.
- Attracting outside talent.
- Providing financing and markets.
- Diffusing global technological and market knowledge.
- Training and upgrading new generations of entrepreneurial managers.

The FRIDA project explains that regional anchors do not necessarily set out to achieve the above results deliberately. Instead, more often than not, these achievements result simply from the anchors going about their day-to-day activities. It is therefore imperative, say the researchers, that policy makers recognise an anchor’s specific economic incentives. The task for policy makers then is to ensure that they work *with* those incentives and not *against* them.

Unfortunately, while anchors may be enormously valuable for regional development, it seems these firms are very difficult for policy makers to identify and equally difficult to support. When it comes to spotting a potential anchor, FRIDA urges caution with respect to what some development officials might consider obvious candidates: large international research and development (R&D)-intensive firms. Such firms may appear to have anchor potential, but they could end up working in isolation without having any impact on regional development. Worse yet, some might turn out to be corporate predators, ‘cannibalising’ smaller firms in the region. To avoid this danger, the researchers stress the importance of integrating home-grown companies into any anchor development strategy.

FRIDA highlights the anchor’s role as visionary orchestrator, triggering entrepreneurship and operating in local, national and global networks. The networking component is critical to regional development as it carries the potential for sharing knowledge and other resources among various actors on different planes. It makes sense, then, for policy makers to nurture these exchange platforms and actively encourage local companies to participate in building them. As the researchers observe, “Simply focusing on generating more local firms is likely to generate more marginal firms. The key policy agenda is to generate high impact firms, where impact is seen at the network level, not at the level of the individual firm.”

At the same time, because innovative initiatives tend to move globally in search of knowledge, resources and opportunities, looking only at the restricted boundaries of the local cluster is reductive and likely to be ineffective as a guide to policy. Thinking both locally and globally is an imperative for both anchor firms and policy makers.

Finally, thinking ahead, the FRIDA consortium reminds policy makers that anchors may have limited life spans, and regional development authorities should not depend on any one anchor firm for future growth. Hence, instead of promoting a single regional 'champion', policy makers are advised to promote competition among anchors, by engineering ad hoc contests in which companies compete to obtain visibility and resources (both tangible and intangible). The policy focus, according to FRIDA, should not be on picking winners but rather on creating the conditions that allow winners to emerge.

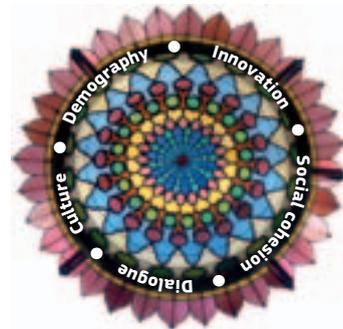
FRIDA

Fostering Regional Innovation and Development through Anchors and Networks

(duration: 1/1/2009 – 31/3/2011) is a Collaborative Research Project funded under the 7th Framework Programme for Research of the European Union, Thematic Priority 2 – Combining economic, social and environmental objectives in a European perspective.

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Schools: Key role in meeting Europe's social inclusion objectives

December 2010

In today's knowledge society, education can serve as a powerful means of achieving the key objective of the Lisbon Strategy for Europe to become "the most competitive and dynamic knowledge-based economy in the world, capable of sustainable economic growth with more and better jobs and greater social cohesion."¹ However, at present, many schools in Europe are excluding citizens from educational and social benefits that should be available to all.

The five-year research project **INCLUD-ED** (*Strategies for Inclusion and Social Cohesion in Europe from Education*), which started in 2006, identifies ways that schools can contribute to social inclusion. Research institutes in fourteen EU Member States study compulsory educational provision at pre-primary, primary, and secondary levels, including vocational and special education programmes within regular schools. In particular, they focus on five vulnerable groups at risk of social exclusion - women, young people, migrants, cultural groups and people with disabilities.

The project's main objective is to analyse educational strategies that contribute to social cohesion and those that lead to social exclusion. The research includes a review of educational actions that successfully reduce school failure and social exclusion; an analysis of educational systems and recent reforms in twenty-six EU Member States², and an examination of the data on educational outcomes provided by international datasets such as PISA³, TIMMS, and PIRLS⁴.

The project examines the interaction between educational systems, agents and policies; analyses the effect of streaming according to ability; studies the linkage between educational exclusion and employment, housing, health and political participation; analyses the overlap between educational policy and other areas of social policy, and identifies strategies which overcome social exclusion and build social cohesion in Europe. It also studies communities involved in learning projects which have achieved the integration of social and educational interventions that promote social inclusion and empowerment.

The project emphasises that family participation is vital and that training relatives to be involved in their children's learning is key to increasing school success and social inclusion.

The researchers found that educational practices that are oriented towards inclusion lead to greater academic achievement among students from vulnerable groups than those based on segregation or discrimination. They claim that as successful health policy is based on findings from the scientific community, educational policy which is based on scientific research findings significantly increases the achievement of all students.

They recommend five main types of inclusive policies that can contribute to overcoming educational inequalities:

- **Mixed ability classrooms with reallocation of resources** - students are distributed in small heterogeneous groups in classrooms to enable the interaction of different levels of learning, cultures, languages etc. At the same time, existing human resources within the school and community enter the classroom in collaboration with the teaching staff, allowing for vulnerable groups to remain in the mainstream classroom and increasing everyone's learning.
- **Inclusive split classes** - sometimes an additional teacher is provided for instrumental subjects, usually grouping students according to ability. This practice, however, involves different teachers being in charge of individual groups of students but does not involve any kind of ability grouping.

- **Extending learning time or the provision of extra activities** – as for example in Greece, Cyprus and Denmark, where students from underprivileged groups may stay at school longer to catch up with their classmates; or in France, where the open school system teaches young people in need of extra tuition on non-school days throughout the school year.
- **Individualised curriculum** – this is where teaching methods – but not the contents – are adapted to facilitate an individual student’s learning without decreasing the level of the curriculum being taught.
- **Inclusive choice** – where students can indicate their preferences in selecting subjects but where this does not lead to a reduction in further educational and social opportunities.

The project recommends that schools create the conditions that encourage increased participation of families and communities in learning activities, curriculum development and evaluation, and school decision-making. Participation and training of families from vulnerable groups, such as migrants, cultural minorities, and of students with disabilities should be particularly encouraged as it directly impacts on their children’s academic success. Schools need to involve female relatives or community members, to overcome gender inequalities, in activities such as interactive classroom groups, after-hours sessions or tutored libraries.

Evidence from schools where these community-based education programmes have been implemented, such as in a disadvantaged neighbourhood near Barcelona, shows that improved educational performance is not linked to the ethnic composition of the class but rather to implementing best practices and evidence-based methods.

References

- ¹ In 2010, an updated strategy – the Europe 2020 Strategy – was launched.
- ² The study does not include the case of Bulgaria.
- ³ PISA – Programme for International Student Assessment.
See: http://www.pisa.oecd.org/pages/0,3417,en_32252351_32235907_1_1_1_1_1,00.html
- ⁴ TIMSS – Trends in International Mathematics and Science Study and PIRLS – Progress in International Reading Literacy Study.
See: <http://timss.bc.edu/>

INCLUD-ED

Strategies for Inclusion and Social Cohesion in Europe from Education

(duration: 1/11/2006 – 31/10/2011) is an Integrated Project funded under the 6th Framework Programme for Research of the European Union, Thematic Priority 7 – Citizens and governance in the knowledge-based society.

See: <http://www.ub.es/includ-ed/>

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Social cohesion: a complex challenge for diverse policy makers

November 2010

Promoting social cohesion in Europe is a multifaceted task that cuts across several policy portfolios. In order to develop strategies for tackling this complex challenge, policy makers need to understand the relationship between several key socio-economic factors, such as employment, gender, education, welfare and urban planning.

Much of what we have learned about social cohesion in recent years has been generated by researchers from ten EU countries participating in a network of excellence known as **EQUALSOC** (*Economic Change, Quality of Life and Social Cohesion*), a project funded under the European Union's 6th Framework Programme. The network consisted of thirteen partners from Belgium, Estonia, France, Germany, Ireland, Italy, Netherlands, Spain, Sweden and the United Kingdom.

Reflecting the diverse nature of its subject, EQUALSOC was divided into six research groups, each with a different thematic focus:

- Employment and the labour market.
- Income distribution, consumption and income mobility.
- Education, social mobility and social cohesion.
- Family and social networks.
- Social and cultural differentiation.
- Trust, associations and legitimacy.

The network has focused its policy recommendations in the following domains:

Reconciliation of elderly care and employment

Over 6% of employed people in the EU are also busy caring for an adult person (usually an elderly relative). This creates significant strains on people's ability to participate in the labour market, particularly for women. One way of reducing this double burden on individuals, and improving their ability to work, is by increasing the role of public policy and the public sector in meeting the caring needs of dependant people. Two ways of doing this are through entitlement to time in order to meet caring commitments, and through the provision of non-family care, which the researchers argue, "must be granted similarly to what happens in the case of small children".

Parental separation and children's well-being

The number of divorces per 1000 people in the EU-27 has doubled since the mid-1960s. Despite this bleak picture, it is, fortunately, possible to design policies that improve the quality of family life and parents' partnerships, thus reducing dysfunction and minimising any negative effects on children within families that experience divorce. Positive examples include policies which prioritise financial and emotional support for vulnerable families, both before and after break-ups. There are long-term benefits in doing so, according to the research, because "family breakup can shape inequalities in children's life chances and put pressures on welfare states built on the premise of stable families".

Monitoring minimum income protection in Europe

Within the EU, there is wide acceptance that the state should provide a universal safety net by offering some form of minimum income protection to all its citizens. Yet these safety nets differ substantially, in terms of e.g. administrative

structures and procedures, conditions for eligibility and entitlement, benefits levels and associated rights. Relative to the EU-poverty line (i.e. 60% of equivalent median household income), only a handful of countries provide adequate minimum income protection. As a result, there are enormous differences in subsistence levels across EU Member States. In addition, relative to wages and living standards, minimum income protection generally exhibited a downward trend during the 1990s, a trend that was largely halted and in some countries partially reversed during the 2000s.

Important work remains to be done on this front, for two reasons. First, valid measures of minimum income protection are essential for the EU Open Method of Coordination process in the field of social exclusion to function as a process of cumulative 'policy learning'. Second, we still need to advance our understanding of the variety and development of minimum income protection schemes across Europe and beyond, in order to assess where significant problems of poverty remain and to identify what is to be done. The authors offer five concrete suggestions on improvements essential for a more accurate monitoring of minimum income protection systems in Europe and for gauging their impact on poverty.

Social inequalities in educational attainment

Most European countries witnessed massive educational expansion during the 20th century. As a result, the educational achievements of European citizens increased significantly. However, the influence of students' social backgrounds on their educational attainment remains significant. Such differences can be found in the educational performance of children of different social origins ('primary effects'). A possible powerful policy approach to address differences in academic performance between social groups would be intensive investment in early-years education and child-development programmes.

EQUALSOC researchers conclude that the individual choices made and ambitions demonstrated by children and/or their parents ('secondary' effects) are an important force in creating inequalities in educational attainment and help substantially to reproduce social background differences. This finding is stable across countries and over time. Eliminating secondary effects would require policies to encourage appropriately-qualified students from disadvantaged backgrounds to continue to higher levels of education.

Substantial reductions in inequalities could be obtained using relatively simple policy tools, for example the Educational Maintenance Allowance (EMA), which was introduced in England and Wales. In this scheme, children from low-income households are provided with financial incentives if they choose to take up post-compulsory educational courses, with bonuses for good performance. This relatively simple and inexpensive policy has great potential to reduce the size of secondary effects.

Research was just one part of the EQUALSOC network of excellence. Another important aspect of the project involved training. By the time the project concluded in the summer of 2010, it had staged a variety of training activities to extend its impact and establish momentum in the European Research Area. These activities included summer schools, methodology workshops and student/researcher visitorships. Thus, during its five-year life span, the project not only succeeded in deepening the pool of academic knowledge about social cohesion, it also helped lay the groundwork for the next generation of comparative researchers to explore the topic on a pan-European scale.

EQUALSOC

Economic Change, Quality of Life and Social Cohesion

(duration: 1/9/2005 – 31/12/2010) is a Network of Excellence funded under the 6th Framework Programme for Research of the European Union, Thematic Priority 7 – Citizens and governance in a knowledge-based society.

See: <http://www.equalsoc.org/2>

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Diversity of rural areas: A new typology for rural development policy

October 2010

Shifts in the EU Common Agricultural Policy (CAP) acknowledge the value of diversity of rural areas. The **RUFUS** project has created a new classification system to map the diverse combinations of economic, social, and ecological conditions of European rural regions. This could help target rural development policy and provide insight into the need for CAP's interaction with other policy areas.

The aims of CAP are no longer focused solely on agriculture but encompass wider rural development. This involves contact with other policy areas such as spatial planning, environment and energy. The RUFUS (*Rural Future Networks*) project aims to provide policy makers with an insight into how to combine policy regimes to ensure a multi-dimensional development targeted at the strengths and weaknesses of the regions.

The project uses numerical methods to classify and map regions in nine EU countries (the UK, Germany, France, Portugal, the Netherlands, Italy, Sweden, Poland, Hungary) using the concept of multi-functionality, which is the ability for an area to provide more than one good or service, for example intensive agriculture, off-farm employment (the possibility for employment outside the agricultural sector) rural tourism and nature conservation.

The typology is based on current and potential indicators, examples of which are: Gross Value Added from Manufacturing, inclusion in a Natura 2000 site¹, number of employees in agriculture, and number of hotels and campsites in a region. Using existing databases like EUROSTAT² (2005) and CORINE³ (2005), researchers collected values for the indicators, and five types of rural regions were identified and mapped (See figure 1).

Type 1 areas are the most socio-economically successful with low unemployment and high income. No sector dominates in its contribution to the economy and there are a low number of Natura 2000 sites. Agricultural employment plays a major role.

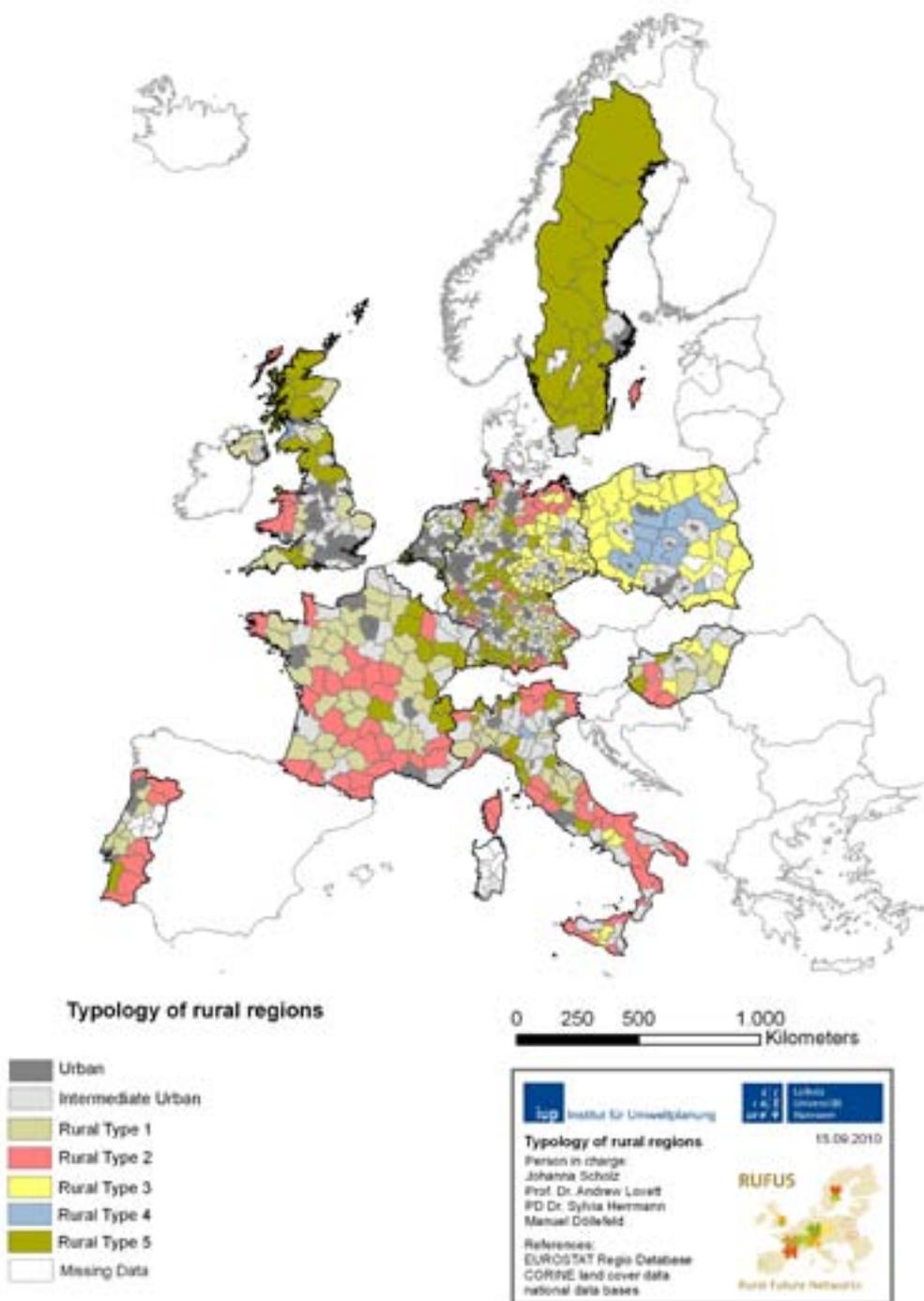
Type 2 regions have a medium level of economic success in which agriculture and the service sector play a major role. They have a low level of immigration and their share of Natura 2000 sites and tourism is high.

Type 3 areas tend to be economically lagging behind with high unemployment and low income. There is a high level of migration out of the regions and a decline in population. The regions contain a high percentage of Natura 2000 areas, although tourism is low.

Type 4 regions are relatively few in number. Similar to Type 3 they are economically lagging behind with a high level of unemployment and a low income. However there is no out migration and a small level of immigration. These regions are orientated towards manufacturing with little potential for nature and tourism.

Type 5 regions have the highest income but higher unemployment than Type 1. They are dominated by the manufacturing sector. Tourism is moderately important although it is not reliant on nature potential as there is a marginal number of Natura 2000.

Figure 1: Typology of rural regions, Scholz and Herrmann 2010⁴



The classification identified rural areas with common characteristics, development potential and needs. It indicated places where there was an accumulation of the same type of region as well as countries with a variety of region types. For example Poland consists of mainly Type 4 regions in the inner part surrounded by Type 3 regions, whereas Germany has all types of regions.

It also indicated potential for development and where this might need policy integration, such as Type 3 areas which could use their Natura 2000 sites to cultivate the potential for tourism. By comparing the advantages of regions this typology could help the targeting of EU funding and, at a Member State level, it could feed into the co-ordination of strategies in regions of the same type. The five-type classification is best suited to national and European policy makers, however RUFUS has identified three sub-categories for each type which could be more useful to local policy makers.

The project considered 12 case studies from six of the EU countries (not Italy, Poland or Hungary). These included an analysis of documents and regulations relevant to rural development alongside interviews and focus groups with local policy makers and stakeholders (e.g. NGOs and farmer associations). These verified the accuracy of the classification of the 12 areas by the new typology. They also provided some preliminary general recommendations for EU policy:

- The variety of potential in EU regions needs more consideration in EU policy.
- Greater consistency is needed between policy sectors involved in rural development. For example there is a conflict between spatial planning based on self-containment of villages and the economic strategy for connecting urban and rural areas.
- Regulations should be more flexible. When EU, national and regional regulations add up it can be too restrictive, especially in the Rural Development Programmes.
- Rules for application to the Structural Funds (European Social Fund and European Regional Development Fund) need simplifying and need to broaden their scope to encourage more innovative approaches.
- Environmental goals need to be more influential in policy. This could be done through the identification of good environmental indicators.
- There should be more building of EU competence and training in EU related matters within the regions.

The final step of the RUFUS project will be the development of a handbook covering all the 465 rural regions. This handbook will list the classification of a Region according to its type and subtype, and provide information on the development potential of the region, along with rough policy recommendations.

References

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² See: <http://epp.eurostat.ec.europa.eu/portal/page/portal/eurostat/home/>

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⁴ Scholz, J. and Herrmann, S. (2010). Rural regions in Europe: A new typology showing the diversity of European rural regions. Discussion paper. See: http://www.kubis-online.info/participation/38/cms_data/7675/files/de/DiscussionPaperNo4_Scholz.pdf

RUFUS

Rural Future Networks

(duration: 1/2/2008 – 30/4/2011) is a Collaborative Project funded under the 7th Framework Programme for Research of the European Union, Theme 8: Socio-economic-Sciences and Humanities, Activity 2 – Combining economic, social and environmental objectives in a European perspective.

See: <http://www.rufus-eu.de/>

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Post carbon communities: Linking climate change and energy use

September 2010

Policy should not assume that people directly link climate change to household energy use, according to new research. The **GILDED** project's analysis of five EU countries indicates that the public view climate change as part of a wider concern about sustainability, and individuals believe their own actions can have little impact. Advice on energy use needs to be clear and provide feedback on the impact of collective action.

Public understanding of climate change has been a popular area of research and, on the whole, results have recommended an improvement in education. However, awareness campaigns should not just fill the knowledge gap with information. If policy is aiming to lower carbon emissions, it must be based on a better comprehension of public views on climate change.

The GILDED project is using an innovative combination of methods in the United Kingdom, Netherlands, Germany, Hungary and the Czech Republic across both urban and rural areas. These include a survey of governance and infrastructure across the case study areas, semi-structured interviews with both key stakeholders and members of the public, a questionnaire survey incorporating the first carbon calculator to be devised for use across multiple EU countries (which will be used to assess the effectiveness of asking an experimental group to commit to reducing household energy use), and agent-based modelling of community energy demand based on the data collected.

The project is due to finish in 2011. Currently it has findings from 200 in-depth interviews, analysing public opinion on the link between energy consumption and climate change. Alongside this are preliminary results from an analysis of energy policy structure in the five countries and 75 interviews from key local stakeholders such as local authorities, energy providers and environmental protection agencies. Analysis of over 2,000 questionnaire responses has now begun.

Several policy-relevant themes have emerged:

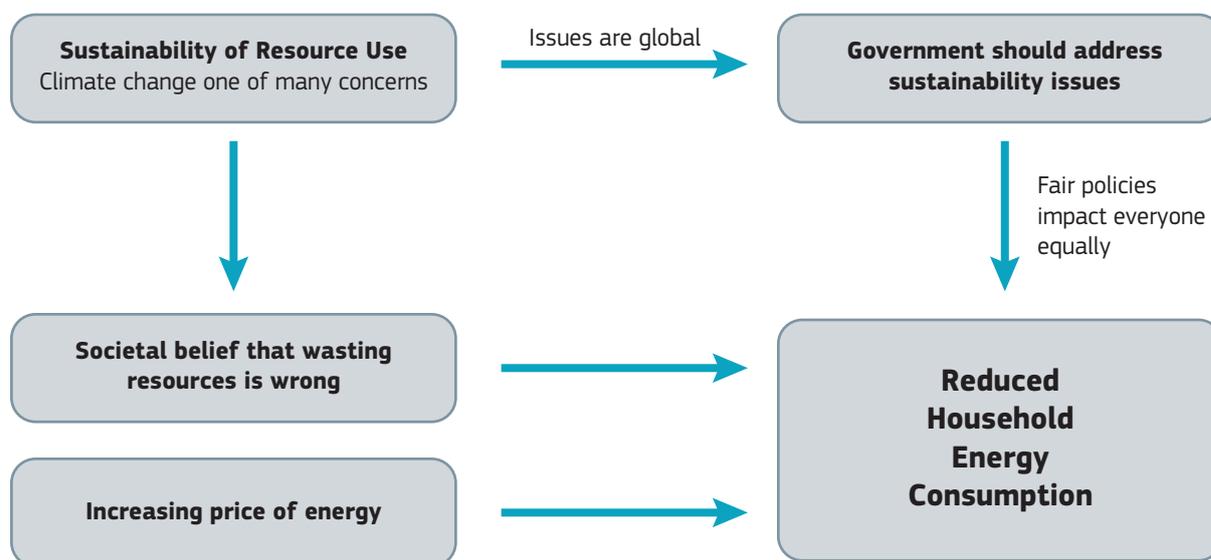
- Many respondents defined climate change differently from how it is portrayed in the media and did not always have an accurate perception. Policy cannot assume a level of public knowledge, for example when using concepts such as 'carbon footprint'. Stakeholders involved in energy tend to hold the view that education has an important role but it needs to include clear cost-effective suggestions for changing consumption patterns, for example turning down the thermostat by 1°C could cut heating bills by up to 10%, using energy saving light bulbs, investing in home insulation, washing clothes at a lower temperature, and not leaving appliances on standby etc.

In all countries and areas, the study indicated there was a range of funding sources for energy-saving behaviour but that the diversity often resulted in confusion. Better and more co-ordinated funding could improve energy saving behaviour.

- People tend to think about climate change as part of a bigger picture of sustainability, alongside other issues such as water, air pollution and waste management. Whilst not overly concerned about climate change as a single issue, they often expressed worry over the unsustainable way of living in their countries. This indicates it may be easier to instigate energy saving by relating to concepts like sustainability and energy efficiency. Some stakeholders suggested that external factors might provide an opportunity for change, for example the global recession and rises in fuel prices.
- Although 40% of all greenhouse gas emissions come from private households, most respondents see the link between climate change and their home energy consumption as indirect (see figure 1). Many respondents view

climate change as a global issue and feel their individual actions are inconsequential. They believe the government has the most important role in addressing climate change and that a top-down approach will ensure policies impact everyone fairly and eliminate 'free-riders'. The countries varied in their energy policy and each had strengths and weaknesses with no clear winner. However, it was suggested that legislation at the national level needs to provide both incentives (feed-in tariffs for renewables, grants for home insulation) as well as disincentives (e.g. taxes on fossil fuels) if local government and individuals are to bring about change in energy consumption.

Figure 1



- Interestingly, although the public showed concern about sustainable use of resources, respondents from four of the countries were not concerned about energy security, suggesting a weak link between wasting resources and running out of energy. Only in Scotland was there a concern about energy security, probably because its economy is highly dependent on the oil industry, making the energy security issue more prominent. Apart from energy security the emerging themes were similar across the five countries and across urban and rural areas. This suggests that the findings are reflecting European public opinions rather than national ones.

On the basis of the results so far, researchers from GILDED had three broad policy recommendations:

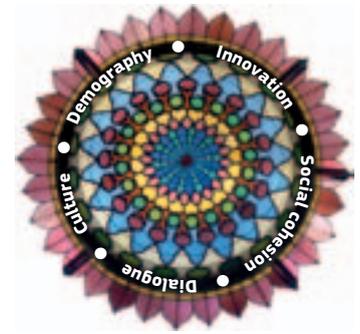
- Clear, consistent and easy-to-access advice is needed on energy saving in the home alongside feedback on the impact of collective action. For example, consumers show considerable interest in energy-efficient appliances: information about which kinds of appliances use most energy (consumers tend to estimate simply by their size), and clear and well-publicised labelling schemes for such appliances are important. If there are subsidies available for buying such equipment, or for insulation of the home, they need to be promoted, and advice on applying for them needs to be easy to find, online and in the appropriate retail outlets.
- Sufficient funds are required to ensure engagement by householders, communities and stakeholders in changing their behaviours.
- Examples of good practice by public body and stakeholder partnerships should be developed to demonstrate the benefits of CO₂ reduction. These could be in the areas of infrastructure, transport and energy planning. For example, in the Netherlands, the responsibility for cycling policies is mainly down to municipalities. Assen has many projects that are focussed on improving cycling conditions, including targets for achieving high quality corridors to and from the city, attractive recreational cycling routes and good storage facilities for bicycles at public spaces. There are two organisations that have a strong focus on improving cycling quality in the city: the environmental federation Drenthe and the cyclists union of Assen. In total, Assen has 108 km of cycling tracks as well as many neighbourhood streets which are used as part of a cycling route. There are on average 100 movements per day per 100 inhabitants by bike, which accounts for one third of all trips in the city. Compared to similar cities, the share of trips by bicycle is significantly higher in Assen.

The GILDED project has other research strands in development. These include a detailed evaluation of an initiative to encourage lower household energy consumption and a model that will simulate the interactions between people and groups to assess the overall impact of energy saving initiatives.

(duration: 1/12/2008 – 31/12/2011) was a Specific Targeted Research Project funded under the 7th Framework Programme for Research of the European Union, Thematic Priority 2 – Combining economic, social and environmental objectives in a European perspective.

See: <http://www.gildedeu.org>

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Social inequality in Central and Eastern Europe: Perception, reality and democracy

July 2010

A recent study of Central and Eastern Europe (CEE) countries has found that “citizens in less equal societies expect free markets to generate social conflict”. This finding could have significant implications for EU efforts to promote social cohesion. **EUREQUAL**, an EU-funded research project, led by the University of Oxford, has found that Citizens of CEE countries have experienced profound socio-economic change over the past couple of decades. While this change can be regarded as largely beneficial, in some cases the transition to democracy and a market economy has been accompanied by high levels of social inequality. Just how widespread perceptions of inequality are in post-Communist CEE states has been revealed in a recently concluded three-year study carried out by the EUREQUAL consortium.

Setting out to assess the “character, causes and consequences” of social inequality in CEE states, the EUREQUAL project conducted nearly 15,000 interviews during 2007. The survey respondents were drawn from the populations of 12 countries: Bulgaria, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Moldova, Poland, Romania, Russia, Slovakia, and Ukraine. In all but one of these countries (Romania), over half the interviewees said there was too much social inequality in their society (Table 1)¹.

Table 1: Views on social inequality

	Too much	Right amount	Not enough	No SI	DK
Bulgaria	83.40%	13.20%	0.90%	0.50%	2.00%
Czech	68.80%	28.40%	1.90%	0.10%	0.80%
Estonia	61.80%	30.00%	1.80%	1.30%	5.10%
Hungary	85.20%	11.70%	1.00%	0.40%	1.70%
Latvia	69.50%	23.90%	4.30%	0.50%	1.80%
Lithuania	71.90%	18.60%	2.50%	1.10%	6.00%
Moldova	51.50%	21.10%	9.90%	2.80%	15.20%
Poland	63.40%	26.20%	3.70%	2.00%	4.70%
Romania	44.60%	44.90%	5.70%	1.30%	3.50%
Russia	83.80%	8.10%	4.80%	0.70%	2.70%
Slovakia	71.10%	16.20%	8.30%	1.30%	3.10%
Ukraine	87.00%	9.80%	1.50%	0.30%	1.30%

Note: Response categories are: 'Too much' = there is 'too much' or excessive social inequality; 'Right amount' = there is the 'right amount' of social inequality; 'Not enough' = there is 'not enough' social inequality; 'No SI' = there is no social inequality; 'DK' = don't know/no answer.

Though the data gathered during the project are still being analysed, the preliminary findings clearly show that public perception of social inequality is widespread in CEE states, including those countries that are part of the European Union. In some post-Communist states, the researchers note, the overall extent of social inequality has “dramatically worsened”. Along with Russia and Ukraine, over 80% of respondents in Bulgaria and Hungary say there is too much inequality in their societies.

For most of these countries, the widespread perception that society is excessively unequal does not affect how people view democracy. Democracy “may not mitigate concerns about the social impact of unequal distribution”, the consortium concludes, “but it does not magnify them”. On the other hand, there does appear to be a correlation between the perception of excessive social inequality and the desire for ‘government with a strong hand’ to intervene in the market to curb excesses. Indeed, the researchers express concern that entrenched perceptions of social inequality in CEE states could have negative implications for economic competitiveness and long-term stability. In societies that are perceived to be highly unequal, the consortium observes, “perceptions of social inequality have the strongest influence on expectations of market-based social conflict, and these perceptions are stronger than normative views of the market”.

In terms of the character, causes and consequences of social inequality the research suggests:

- **Character:** Social inequality relates to the distribution of social goods such as access to health care, education, and broader cultural goods. Rather than a mere extension to income inequality, social inequality is defined by arrays of inequalities that work in concert.
- **Causes:** The causes of the *perceptions* of social inequality are largely linked to individuals’ views about ideal ways of organising economic systems – planned versus market economies – and by their perceptions of fairness in social mobility and access to broader social goods. Importantly, the consortium finds that there is little link at all between ‘objective’ measures of income inequality – national GINI coefficients – and perceptions of excessive social inequality. If anything, the results show that those in more equal societies in terms of income inequality may be somewhat more likely to perceive social inequality to be excessive.
- **Consequences:** Individuals’ *perceptions* of social inequality produce significant and clear attitudinal effects in the form of lower assessments of market, social atomisation, increased expectations of conflict, changes in political engagement, higher perceptions of official corruption, and lower support for membership in the European Union.

Dealing with perceptions of social inequality may be as important as dealing with the inequality itself for citizens’ preferences about market governance, expectations of conflict, political engagement and support for the EU. Action to improve the openness of societies and in particular to reduce citizens’ judgement that advancement is limited by corruption will have a significant impact on views of social inequality and therefore on its consequences.

When they began their project, the EUREQUAL consortium suggested that *reducing* social inequality in Central and Eastern Europe may have a significant impact on economic development. That hypothesis has yet to be tested. But the researchers have succeeded in deepening our understanding of the relationship between social inequality, democracy and the market economy. By identifying a link between high levels of perceived social inequality and negative attitudes toward the market economy, EUREQUAL has provided further evidence to consider in the development of social cohesion policy.

References

- ¹ Matthew Loveless and Stephen Whitefield, ‘Being unequal and seeing inequality: Explaining the political significance of social inequality in new market democracies’. *European Journal of Political Research*, Published Online: May 17 2010. (Forthcoming in 2010). See: <http://www3.interscience.wiley.com/cgi-bin/fulltext/123442717/HTMLSTART>

EUREQUAL

Social Inequality and Why it Matters for the Economic and Democratic Development of Europe and its Citizens: Post-Communist Central and Eastern Europe in Comparative Perspective

(duration: 1/5/2006 – 28/4/2009) – was a Specific Targeted Research Project funded under the 6th Framework Programme for Research of the European Union, Thematic Priority 7 – Citizens and governance in a knowledge-based society

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Growth intelligence: rethinking regional development

June 2010

Articulating lessons learned from the financial crisis, the European Union's Europe 2020 strategy calls for "smart, sustainable, inclusive" growth. With 'knowledge and innovation' topping the European Council's list of resources for boosting competitiveness, policy makers will appreciate the timely suggestions offered by **EURODITE**, a multinational research project which has spent five years investigating the dynamics of Europe's knowledge economy from a regional perspective. The project, which presented its final results in Brussels on 6 and 7 May 2010, has yielded a wealth of new information on the subject and produced a set of valuable policy recommendations.

After examining regional development policies in 22 EU Member States and conducting numerous case studies, the EURODITE consortium has suggested a fresh approach to knowledge-based economic development, one that begins by recognising that many forms of knowledge are inherently mobile while policies tend to have geographical limits. To counter this discrepancy, policy makers are urged to think outside organisational boundaries of the 'old industrial society' and promote innovation by connecting knowledge bases from different technological, sectoral and regional contexts. Relying on traditional development policies alone, the consortium warns, could result in an "inward-looking path dependency" that undermines success in the long run.

Aiding Europe's quest to develop a more viable knowledge economy, EURODITE offers a series of conceptual and practical recommendations. One of the project's main ideas is built around a process the consortium calls 'knowledge anchoring'. This involves knowledge coming into a region from outside and then being absorbed and re-circulated among firms and institutions within the region. A complex and continuous process, anchoring incorporates the twin activities of searching for knowledge (exploration) and sharing it. Ultimately, a few of the actors who share the knowledge should then succeed in exploiting it. Anchoring, however, is not a passive activity. An active agent or 'broker' is needed to set the process in motion, cultivate networks and keep things flowing. EURODITE sees a key role for knowledge brokers in regional development policy.

'Combinatory' knowledge also figures prominently in the consortium's new-knowledge economic model. Here, policy makers and firms are challenged to be more imaginative in combining various types of knowledge. Linking up bits of analytical, research-based knowledge will not be sufficient to assure Europe's competitiveness, the researchers argue. One should explore the merits of marrying more diverse kinds of *codified* knowledge (that which can be written down) and *tacit* knowledge (that embodied in people and articulated in skills). Moreover, EURODITE stresses the value of *symbolic* knowledge (e.g. the styling of a product or organisation in an appealing way).

The consortium also identifies a pressing need to address gender issues. Here, policies should aim to influence a wider range of knowledges by recognising that the so-called 'gender-neutral' policies are in fact 'gender-blind' and they thus do not promote inclusion. Policy makers are urged to open their minds to the economic potential of 'combinatorial' knowledge.

Looking ahead, EURODITE emphasises the evolutionary nature of knowledge development and suggests that policy makers consider the virtues of evidence-based policy making. To this end, the consortium recommends the creation of regional knowledge observatories. These centres would monitor knowledge-related capacities and needs, identifying bottlenecks and spotting trends. The data could then be collated, analysed and shared for mutual economic benefit.

These are just a few of the many interesting ideas put forth and discussed at EURODITE'S final conference in Brussels. Held in conjunction with the annual meeting of the European Association of Development Agencies (EURADA), the event brought together a diverse range of stakeholders from the knowledge economy. Representatives of EURODITE's 28-partner consortium presented their findings to regional development representatives from all over Europe. Panel sessions included contributions from the OECD, the European Investment Bank and various parts of the European Commission.

Pierre Valette from the Socio-economic Sciences and Humanities area of the Directorate General for Research recognised EURODITE as a 'best-practice' project example. Demonstrating exceptional effort to address the needs of the policy making community, the consortium won particular praise for its publication: 'Knowledge Dynamics, Regional Development and Public Policy'. The 124-page booklet is expected to be available soon on the EURODITE website: <http://www.eurodite.bham.ac.uk>

EURODITE

Regional Trajectories to the Knowledge Economy: A Dynamic Model

(duration: 1/9/2005 – 31/8/2010) was an Integrated Project funded under the 6th Framework Programme for Research of the European Union, Thematic Priority 7 – Citizens and governance in a knowledge-based society.

See: <http://www.eurodite.bham.ac.uk>

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Getting to the heart of Corporate Social Responsibility

May 2010

The term Corporate Social Responsibility (CSR) has become a buzzword in the business world. However its practical meaning and application are sometimes unclear. The **RESPONSE** project researched 20 companies and many more stakeholder organisations to investigate CSR and, on the basis of the results, proposed an extension of the EU definition of CSR and stronger measures to encourage its integration into all aspects of business.

Building a stronger partnership between business and society is an established objective of the European Commission, set out in its communication of March 2006¹ and also implicit in the Treaty of Lisbon². The three-year RESPONSE project involved over 300 managers in 20 multinational companies in 8 sectors, and representatives from over 180 stakeholder organisations. Examples of stakeholder organisations include NGOs, shareholders, employees, customers, media and industry associations.

The research compared the views of managers and stakeholders to investigate the concept of 'cognitive alignment', or shared view. This is the degree of alignment between companies and their stakeholders about CSR within their business. Results from 427 interviews indicated that there was a wide gap in the understanding of what constitutes CSR:

- Roughly 80% of managers see CSR as reducing negative impacts on society ('do no harm') rather than more proactively attempting to have positive impacts on society ('do good'). Stakeholders show a roughly 50/50 distribution between the two.
- Two-thirds of managers view the role of the firm in society as separate from the well-being of stakeholders and the global community. Only 20% consider the firm to be a network of independent stakeholders and 15% view the firm as a global corporate citizen. Stakeholders are divided equally between these three views.
- About 80% of managers believe stakeholders comprise just three groups: shareholders, employees and customers. 90% of stakeholders have a more diverse list including communities, suppliers and NGOs.

Further investigation indicated a link between the cognitive alignment and several measures of social performance. To understand this link better the research explored the influence of internal and external factors on the degree of cognitive alignment.

External factors of influence were type of industry, regional context and level of stakeholder pressure. High tech and banking industries have better cognitive alignment, as do companies located in Anglo-Saxon regions i.e. USA and UK compared with those in Northern and Southern Europe. Firms with greater pressure from external stakeholders also demonstrate better alignment between management and stakeholders.

Influential internal factors were business strategy, integration of CSR principles and motivation for CSR. Firms with tailored, high margin products have better cognitive alignment than those with standardised, high volume products, as do firms where CSR is integrated into many business operations. Companies that encourage CSR by highlighting its positive impact on a product have better cognitive alignment than those that use risk minimisation or cost-efficiency as motivations for engaging in CSR.

Finally the research compared the impacts of different types of managerial training on socially responsible behaviour. Results indicated that meditation-based coaching stimulated 'do good' behaviour and shifted decision making criteria from broadly self-interest minded criteria (profit, reputation etc.) towards prioritising social and environmental impacts. In comparison, traditional educational training was ineffective in producing a shift towards greater socially responsible behaviour.

RESPONSE provided recommendations for business leaders, stakeholder organisations, management education institutions, future academic research and for policy makers. The recommendations for policy and standards include:

- Extend the definition of CSR to: 'a concept whereby companies integrate social and environmental concerns in their strategic decision making processes in their business operations and in their interactions with their stakeholders on a voluntary basis'.
- Encourage firms to apply this definition to its full extent and integrate it into all aspects of business.
- Articulate and focus on concrete, desired outcomes of the partnership between business and society. This could be done in several areas: the establishment of partnerships, the integration of CSR in day-to-day work, the setting of clear goals agreed upon by stakeholders and companies, and the evaluation of CSR.
- Involve a range of stakeholders, including employees, customers, suppliers, business partners, shareholders and communities.
- Further develop the new model of academic research into CSR instigated by the RESPONSE project.

References

¹ See <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2006:0136:FIN:en:PDF>

² See http://europa.eu/lisbon_treaty/index_en.htm

RESPONSE

Understanding and Responding to Societal Demands on Corporate Responsibility

(duration: 1/6/2004 – 31/10/2007) was a Specific Targeted Research Project funded under the 6th Framework Programme for Research of the European Union, Thematic Priority 7 - Citizens and governance in a knowledge-based society.

See: http://www.insead.edu/v1/ibis/response_project/

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The future of farming in changing rural economies

April 2010

New research indicates that the number of EU farms will continue to decline in the next decade. It suggests that the EU Common Agricultural Policy (CAP) will have to re-specify its objectives, consider regional or farm differences and improve the evaluation of policy impacts in order to continue to support farmers and benefit society as a whole. This major survey of European farm-households indicates that the intention to continue farming is dependent on the CAP and that, without the CAP, the number of farmers abandoning the agricultural sector could double.

European rural areas are undergoing significant changes, as is the structure of farming. Currently there are about 12 million full-time farmers in the EU but an increasing number are abandoning farming. The CAP now accounts for 43% of the EU budget and is hence a major driver of rural area economies and one of the main components of EU budget discussion. The aim of the CAP is to ensure a fair standard of living for farmers whilst providing a stable food supply, protecting the environment and preserving rural communities. In 2003 the CAP reform cut the link between subsidies and production to prevent food surpluses, and in 2008 the CAP health check further modernised policy so farmers could better respond to the market and started addressing new challenges, such as climate change. The CAP will continue to develop and evolve in the future; a new CAP is expected to come into force in 2014¹.

By analysing the changes in rural areas, the **CAP-IRE** project aims to develop concepts and tools to inform future CAP design. Eleven case studies, involving a consultation with stakeholders from national agricultural institutions and local farming communities, as well as a survey of around 2400 farm-households were conducted in nine EU countries between April and September 2009.

The stakeholder consultation indicated that the relationship between farm households and rural areas has changed in two major ways. Firstly, the concept of a 'rural area' is less easily defined than before due to demographic shifts and the growing interaction of rural households with urban areas. For example, there are now more people living in rural areas than in the past who commute to urban areas to work. Secondly, there has been a shift from household farms to legal entities, sometimes producing a grey area between the two. For example, a farm may be a company although all its employees are from the same household.

Consultation with stakeholders highlighted a number of key issues for the CAP:

- The changes in the nature of rural areas and the links between farming and rural areas.
- The major differences in how farms are run between the different EU regions.
- The differences in the institutional form of farms, for example farms can be companies, co-operatives, partnerships, households or hybrids of these.
- The increasing entrepreneurial character of farms or farm management.
- The emergence of different levels of farm governance, for example at the regional, company or household level.
- The difficulty in identifying common European policy when local choices are becoming increasingly important.

The initial results of the survey of around 2400 farm-households indicated that the trend in the abandonment of farming will continue into the next decade and about a fifth of the current households are likely to stop farming. The intention to continue farming is dependent on the CAP and the results indicate that, without the CAP, the number of farmers abandoning the agricultural sector could double. The main reason for agricultural abandonment is a result of ageing rural populations; many of the current farmers will reach retirement age in the next decade. If CAP support

was abolished, the lack of public funding would reduce the profitability of farming, encouraging additional farmers to leave the agricultural sector.

The CAP-IRE project is continuing to analyse data and further results will be released later in 2010. However the intermediate outcomes suggest there will be three major challenges for policy:

- **Re-specifying policy objectives and role.** More attention should be given to supporting innovation and entrepreneurship rather than only offering income support. The connection between productive agriculture and environmental and social issues should be re-worked as smaller, less productive farms may struggle to incorporate environmental issues into farming. Finally there should be greater consideration of non-agricultural contributions to local economies such as farm workers with additional employment elsewhere and non-farming activities on the farm such as leisure/tourism etc.
- **Accounting for regional or farm differences.** Policy should consider the social differences between rural areas, also using indicators such as long-term unemployment and low education levels. Differences in farm management and the local or national institutions that deal with farming also need to be taken into account. Finally the weight of agriculture in the economy of rural areas should be considered and the possible vulnerability this may cause if there is a decline in farm production.
- **Improving policy evaluation.** If abandonment of farming does continue, the changes will require improved tools to analyse the effect of policy. For example, in many evaluations the potential of farmers abandoning the agriculture sector is not considered. Successful evaluation of the CAP must also include effects of other forces such as innovation or changes in the world market.

References

- ¹ See: http://ec.europa.eu/agriculture/cap-post-2013/index_en.htm

CAP-IRE

Assessing the Multiple Impacts of the Common Agricultural Policies (CAP) on Rural Economies

(duration: 01/01/2008 – 31/12/2010) was a Specific Targeted Research Project funded under the 7th Framework Programme for Research of the European Union, Thematic Priority 2 – Combining economic, social and environmental objectives in a European perspective.

See: <http://www.cap-ire.eu>

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Major trends in society and their implications





Pensions and productivity: The economic impact of an ageing population

July 2012

Europe's population is ageing at an unprecedented rate, faster than any other continent, and is economically unsustainable. Nearly 25% of the EU population will be over 65 by 2030, an increase from 17% in 2005. The number of people aged 65 and over compared to working-age people (aged 15-64) is expected to double by 2050, from one person in four to one in two.

With this prediction in mind, the **LEPAS** research project has tackled the urgent need to better understand how an ageing population is likely to influence the economy and whether or not those changes will be sustainable. To do this, the project integrated a detailed biological representation of individual ageing into modern dynamic models of economic growth. Without this extra level of complexity, previous studies using simpler economic models may have been misleading, say the researchers.

The main policy message from the project is that the current rate of ageing in the EU is economically unsustainable. Life expectancy is increasing but the retirement age is not, meaning that people are spending longer time in retirement, putting greater pressure on pension systems. An ageing population, where ageing is understood as the gradual deterioration of physical and mental health and abilities, is also likely to put greater pressure on national health services.

Some of the main results from the LEPAS analysis are presented below.

What factors affect ageing?

- Both child and adult mortality are lower in richer countries.
- In 2000, differences in prosperity between EU countries could account for differences in longevity of up to a decade, but this gap is expected to close in years to come as the differences converge.
- Higher income affects a person's decision to invest income in their health and diet, thus slowing down ageing and prolonging health. An increase in personal income of 100% increases life expectancy by 8%.
- Improving healthcare efficiency has a greater impact than increasing per capita income. In theory, increasing healthcare efficiency by 100% could increase life expectancy by around 50%, although other factors are likely to preclude humans living this long.
- Better-educated people generally live longer as, according to the study, they have more human capital to protect, which drives healthy behaviour. Every extra year of education increases life expectancy by approximately six months.

Why does ageing affect economic growth?

- Life expectancy is continually increasing while retirement age is staying the same. Thus, the number of years spent in retirement is increasing.
- Higher income affects longevity but not the age of retirement, therefore higher income is associated with a greater number of years spent in retirement. In Latvia, the average retirement period in 2003 was just ten years, compared to nearly 20 in Italy.
- A growth in real wages in the EU of 1-2% by 2050 would result in an average retirement period of 19-25 years.

- This means that the average EU citizen will spend an increasing number of years in retirement, and receiving a state pension, for every year spent as an active part of the labour force.
- As human frailty and disability increases with age, the demand for healthcare services will increase per person over their lifetime.
- Differences in the age and skill distribution of the workforce between countries will trigger migration, but the impact on productivity in the short and long term is still not well understood.

Policy recommendations and further work

Since variations in healthcare were found to have the most significant impact on longevity, the researchers suggest that efforts to increase longevity in developing countries should focus on improving the efficiency of healthcare technology, which will be more effective than re-distributing income. From a European perspective, their analysis suggests that improving education opportunities at young ages is the most promising policy approach to promoting health equality among adults within the EU.

Having presented a thorough investigation into the factors that influence ageing, the LEPAS project discusses how conventional theories differ as to the impact of ageing on productivity, as measured by Gross Domestic Product (GDP). One school of thought suggests that increasing longevity and decreasing birth rates will slow down economic growth by weakening the productivity of the labour force.

Add to this the fact that an ageing population will put greater pressure on healthcare and state pensions, (i.e. pensions may start to pay out more than they take in) and it is clear to see how GDP will suffer as a result. Alternatively, the incentive to save for old age may increase savings and investment, stimulating economic growth. This emphasises the importance of not oversimplifying the ageing process, as is the case in current economic models.

To extend the outcomes of the LEPAS project, further research should now focus on combining the updated life-cycle model with macroeconomic models to give quantitative predictions of the effects of ageing and related factors, such as health and migration, on national productivity and economic growth in the EU.

Methods - How do you estimate the economic impact of ageing?

The starting point for the LEPAS researchers, from Alicante (Spain), Copenhagen (Denmark), Hannover (Germany) and Vienna (Austria), was a current economic life-cycle model, which relates individual ageing to size and distribution of the workforce and productivity. The motivation for the project was the fact that ageing is over-simplified in such models and represented only as the probability of death at a given age.

Instead, the LEPAS researchers integrated a detailed representation of the physiological process of ageing and the fact that ageing can be influenced by external factors, such as income and healthcare efficiency, and by the choices we make, such as level of education, higher consumption at a younger age or investing in health through exercise and a well-balanced diet, and deciding between working longer or retiring.

LEPAS

Long-run economic perspectives on an ageing society

(duration: 1/4/2009 – 31/3/2012). FP7 Socio-economic Sciences and Humanities, Activity 3, “Major trends in society and their implications”, Research area 3.1 “Demographic changes”. Collaborative project (small and medium scale focused research project).

See: <http://www.lepas-fp7.de>

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Both *respect* and *tolerance* needed for intercultural cohesion in Europe

May 2012

Tolerance between culturally different communities is a seemingly implicit ideal in achieving social cohesion in a multicultural European society. However, the **RESPECT** research project highlights how in many instances, the reality of tolerance does not live up to these expectations with regard to access to public spaces for minority groups. The researchers call for an updated social policy to foster deep-rooted *respect* as well as *tolerance*, which can be achieved by promoting equal social and political standing.

The RESPECT project has found that despite pro-integration policies, discrimination is still widely experienced by minority groups across European cities, which challenges some of the EU's fundamental values. This occurs largely because appeals to tolerance, in their traditional interpretation, only require that the majority group in society grudgingly accommodates minority groups, without granting them equal respect. In these cases, disapproval and negative attitudes still persist.

As a result, the researchers stress the need for agreement at a conceptual level in terms of promoting a culture of *respect* to supplement one of simple *tolerance*. This ultimately means putting minority groups' claims for access to public spaces on an equal footing with those of the majority population, so that both are and feel like 'co-authors' of the policies affecting them.

Three case studies: Roma, mosques and urban regeneration

The RESPECT project investigated the concept of tolerance in three specific European case studies: the marginalisation of Roma communities; the building of mosques in Europe; and urban regeneration policies in areas inhabited by minority groups.

Roma communities

(Countries considered: Czech Republic, France, Hungary, Italy, Lithuania and the United Kingdom).

- Roma are considered the largest European minority (roughly 11 to 15 million people).
- Forms of exclusion include denial of effective political voice, economic poverty and insufficient access to jobs, health services, schooling and housing.
- Discrimination exists whether Roma are citizens/nationals of a country (around 90%) or recent migrants.
- Defining features, such as a common history, language or religion, vary between Roma communities which makes official recognition as a single entity difficult.

Policy recommendations:

- The right for mobile accommodation to be recognised as a domicile should be granted, as should the right to vote in local elections.
- Representatives of different Roma groups should be encouraged to have a stronger political voice in local and national institutions, to reflect the multi-faceted nature of their community.
- At the European level, there may be a case for European citizenship so that Roma are granted rights independently of the Member State in which they live.

Mosques in Europe

- In the Mediterranean area (case studies: Cyprus and Israel), Muslim populations have been established for many centuries and mosque-building is familiar and uncontested.
- In Western Europe (case studies: Germany, Denmark and Italy), the presence of Muslims is relatively new and objections have been raised towards offering up public space for mosques.
- Islam lacks the formal institutional body that Christianity and Judaism have, which makes it more difficult for claims to be met by institutional bodies.

Policy recommendations:

- At the national and local level, encouragement should be given for unified forms of representation among fragmented Muslim groups, with which the state can negotiate rights to public space.
- The EU should intervene if denying space to mosques constitutes a violation of the right to religious freedom and a safe place to worship.

Urban regeneration

(Countries considered: Czech Republic, Germany, Israel, Italy, Lithuania and Russia).

- More than 40% of the geographical area of developed countries is urban space and more than 30% of their populations live in urban centres.
- Socio-economic differences are more pronounced in cities and minorities' perception of marginalisation is typically higher, with a strong risk of 'ghettoisation'.
- From the researchers' case studies, there are several examples of good practices that are both respectful of minorities and conducive to social cohesion, e.g. multi-cultural gardens in Germany and 'mixed parks' in Tel Aviv, Israel where Jewish and Arab people mix informally.

Policy recommendations:

- Support a genuinely multicultural educational system that involves both the children and their parents.
- Incentivise local organisations and associations to include migrants as members, e.g. through a system of fiscal deductions or rent controlled premises.

According to the researchers, one of the biggest impacts of the project so far has been the awareness raised in case study communities of the importance of shared public space for intercultural relations. This was done through engagement with local home and business owners, councils, non-governmental organisations (NGOs) and the local media.

As a result of the RESPECT research, several special issues of academic journals will be published by the end of 2012, along with two collections of essays in 2013 on the normative treatment of groups and pluralism in public spaces. Information is available from the project website at: <http://respect.iusspavia.it/>.

RESPECT

Towards a 'topography' of tolerance and equal respect. A comparative study of policies for the distribution of public spaces in culturally diverse societies

(duration: 1/1/2010 – 31/12/2011). FP7 Socio-economic Sciences and Humanities, Activity 3 "Major trends in society and their implications", Research area 3.3 "Cultural interactions in an international perspective". Collaborative project (small and medium scale focused research project).

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Multilingualism can increase creativity in the EU knowledge economy

April 2012

The **DYLAN** research project explored the role of multilingualism in communication, with particular attention to its functions in knowledge creation and within the workplace. The project has produced guidance for European policy makers, businesses, educational institutions and the general public on how to make the best use of multilingualism.

Multilingualism has the potential to bring major advantages, in terms of creativity and effectiveness, for businesses, education and European institutions, as well as for individuals. However, these advantages are dependent on factors such as measures to accommodate people's multilingual repertoires in a flexible way.

Major changes can be seen in workplaces throughout Europe as companies acquire international partners, with an increasing number of staff from diverse cultural and linguistic backgrounds. DYLAN aimed to find out how a European knowledge-based society, designed to ensure economic competitiveness and social cohesion, can be created in a European Union with twenty-three official languages.

The project studied language policy in three terrains or areas - European institutions (such as the European Commission, the European Parliament and the European Council); higher education (a sample of universities in Belgium, Finland, other Nordic countries, Italy, Romania, Spain and Switzerland), and international or cross-border businesses. It also analysed actual practice using surveys, and audio and video recording.

Although in all three areas the importance of the English language was emphasised by many respondents, in reality day-to-day communication was found to be very multilingual. Audio and video recordings in various settings disproved the common assumption that everyone speaks English in order to communicate. Instead, participants were found to adopt a wide range of strategies including:

- OLON - one language only.
- OLAT - one language at a time.
- ALAST - many or potentially all languages at the same time.
- ALAAT - all languages at all times.

In addition, in different meetings and settings, participants' strategies varied according to whether they displayed greatly asymmetrical repertoires of languages (exolingual situation) or shared similar ones at a high level of proficiency (endolingual situation).

One solution chosen is a 'lingua franca' - a kind of hybrid, or 'rough-and-ready' version of a language. This could be based on English, or on Spanish - used by Portuguese and Italian speakers - or even North Sami in Polar regions. Another solution is the 'lingua receptiva' mode - in which everyone speaks his/her own language and is expected to understand those used by other speakers.

Other findings include:

- The choice of language(s) and whether a mono- or multilingual approach is adopted in meetings depends to a large extent on speakers' levels of competence, and on the extent to which participants are encouraged to take part or feel excluded from the activity.
- Savings generated by attempts to use one language only may be cancelled out by the resultant cost of language learning by participants and poor communication.

- Multilingual repertoires are a valuable resource for the construction, transmission and use of knowledge, providing access to, and helping participants retain and classify new information. Managers interviewed argued that teams that are mixed linguistically have greater resources, knowledge and experience, making them more efficient, dynamic, innovative and creative.
- Universities see multilingualism as a tool for integration, cohesion and mutual understanding, which may improve students' employability and make for more resourceful researchers.
- Areas of conflict may exist for universities where they wish to internationalise by using the English language as a medium, but also have a mission to use local languages. It is in areas of fragility and contradiction like this that positive action should be taken.

To take advantage of the potential for increased efficiency and creativity depends however on:

- Making optimum use of the 'intermediate space' that linguistic diversity creates between different languages and cultures.
- Effectively managing communication between people of asymmetric competence (exolingual communication).

The researchers suggest that measures are needed to assess and improve diversity of staff language skills and make representations more flexible. Policies are needed to create, and give preferential treatment to multilingual teams within companies and institutions, and to help individuals and organisations develop their ability to operate bilingually, or to use several languages.

One of DYLAN's outcomes is the development of a methodology for the design of a new set of linguistic indicators. Whereas the few existing indicator systems are essentially descriptive, the DYLAN project offers analytical indicators with which more or less multilingual modes of operation can be compared in terms of their relative degree of efficiency and fairness. They enable businesses, institutions and universities to compare different communication policies or strategies, and select the ones which are the most efficient and fair.

By combining theoretical perspectives on language policy analysis and detailed observations in the three terrains, DYLAN has designed a list of over 200 indicators, on which users can draw to design a system matching their specific needs. Unlike other indicator systems, this system takes account of the richly patterned complexity of actors' actual language practices as observed in various settings, and goes beyond other endeavours at the EU level that focus on actors' foreign language ability.

The proposed indicators also meet the standard requirements of indicator systems, namely validity, reliability, sensitivity, stability, feasibility, representativeness, intelligibility, timeliness, comparability and power. These indicators take into account two contradictory forces at play in language dynamics - on the one hand, progressivity and efficiency, related to immediacy and simplicity, and on the other hand, inter-subjectivity and fairness, related to participation, collaboration and decoding of complexity. Both are necessary components of successful communication.

DYLAN concludes that multilingualism can be successfully managed by exploiting synergies between different and mutually complementary strategies. This perspective opens the way to a renewed management of linguistic diversity, fostering unity in diversity.

DYLAN

Language Dynamics and Management of Diversity

(duration: 1/10/2006 – 30/9/2011) was an Integrated Project funded under the 6th Framework Programme for Research of the European Union, Thematic Priority 7 – Citizens and governance in a knowledge-based society.

See: www.dylan-project.org

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Job quality can suffer even during employment growth in Europe

March 2012

Employment in the EU increased by 7.9% from 2000 to 2008 (the period before the economic crisis). The **walqing** research project, however, has found that the quality of these new jobs was split almost 50:50 between those classified as lower quality and those classified as higher quality jobs. Therefore, employment growth does not automatically improve job quality. Active policy intervention is necessary to support better job quality through policy measures such as a minimum wage, standard setting, health and safety regulations, and regulating the informal part of a sector.

The Europe 2020 agenda sets the ambitious goal of an employment rate of 75% by the year 2020 for the population aged 20 – 64. According to the European Labour Force Survey (ELFS), the number of jobs in the EU rose from 209.874 million in 2000 to 226.552 million in 2008; an increase of 7.9%. During this time the proportion of service sector jobs increased from 65.9% to 70.45%, while jobs in agriculture declined from 7.3% to 5.6% and industrial sectors employment declined from 26.8% to 24%.

The walqing project has come up with new ways of understanding the consequences of the job creation process, enabling policy makers to find out which sectors are likely to grow, and where problematic working conditions are likely to develop. The researchers believe that although the economic crisis makes it harder to discern long-term job trends, the quality of employment growth is not purely market, and technology, driven but is amenable to policy initiatives.

walqing has now completed its first phases, which have created two new policy-relevant indexes:

- The **BART Index** (balanced absolute and relative trend index) on employment growth in various countries, which is innovative, since previous measures produced either a relative trend index (e.g. expressed in percentages) or an absolute trend index (expressed in numbers such as hours, workers or production output). Relying on either relative or absolute trends may lead observers to over-, or underestimate structural changes, and policy makers to misdirect interventions and investments in regional development or qualification. By balancing the trends, the BART index is able to avoid trends in large countries over-shadowing those in smaller countries.
- A **Job Quality Index** aggregating data on all aspects of job quality (work organisation, wages, security and flexibility, skills and development, engagement and representation), and weighting them according to their contribution to three aspects of employee well-being: physical well-being, psychological well-being and job satisfaction.

In creating these indexes, walqing provides a new way of utilising existing European level data, such as the ELFS and the European Working Conditions Survey (EWCS). Using these indices means that trends in larger countries do not obscure interesting developments in smaller countries, and allow for 'zooming in' on national particularities in growing sectors.

Findings from the initial phase of research:

- Of the new jobs created during the period under review, 8.19 million were characterised as high quality jobs and 8.48 million were low quality.
- Jobs are categorised as belonging to one of six job quality types – 'active', 'saturated', 'team-based', 'passive-independent', 'high-strain' and 'insecure' jobs. Typical examples of these groups would be: research scientist, senior manager, software engineer, night security guard, manufacturing operator, and temporary office worker.
- The job type with highest job quality is the active job type, and the job with the least favourable outcomes is the high-strain job type.

- Women are at greater risk of working in low quality passive-independent and insecure jobs, working in low quality growing sectors, and having difficulties in progressing in, or re-entering, high quality growing sectors.
- The shift in employment to the service sector has only resulted in 895,900 extra high quality jobs during the period under review, a small proportion of the overall number of high quality jobs (100.428 million), which suggests that the shift to the service sector cannot be relied upon to increase the proportion of high quality jobs.
- Growing sectors of the EU economy with higher than average levels of job quality include real estate, education and health, public administration and financial intermediation.
- Lower than average job quality is found in construction, retail, and the hotel and restaurant sector. These sectors are strongly segmented by gender and have gender-specific profiles of problematic job quality.
- Growing sectors with poor working conditions have aspects in common – they are labour intensive jobs in sectors increasingly shaped by outsourcing and cost-based competition, attending to basic societal needs such as food, care, shelter, or cleanliness, often with physically hard working conditions and a requirement to work in a mobile setting, for example on the road or at a client's site.
- In some countries, social partners as well as NGOs have come up with good practices and solutions to address issues, such as precarious work, working hours and social inclusion of vulnerable groups, but these are not extended across comparable sectors or countries.

Interim policy recommendations:

- Policy makers should pay attention to growth sectors outside the knowledge-intensive cores of the economy, to limit tendencies to poor job quality and support innovation through regulation, social dialogue and mutual learning.
- Policies should be geared towards the promotion of high quality jobs, especially active and team-based jobs.
- Remedies for improving low quality jobs depend on the job type, for example high-strain jobs would need increased job resources and autonomy, while passive jobs would need increased resources and more demands.
- Low quality sectors have gender-specific profiles of problematic working conditions, and also frequently hire migrants, ethnic minorities or other vulnerable groups, such as young or older workers. Policies are needed to address both issues of inequality and social inclusion.

Evidence from the first phases of the project has been used to select subsectors, such as 'green' construction, consumer waste removal, office cleaning, catering and mobile elderly care, which are likely to expand further and present particular challenges for job quality. In these sectors, walqing has investigated social partnership structures and practices in a range of partner countries.

walqing is currently conducting detailed case study analyses of companies, taking note of best practices improving job quality and productivity. The project is also investigating individual employees' trajectories of work and concerns of work and life quality, issues of representation of vulnerable groups, and possibilities of action research interventions in selected workplaces.

Further results of the second phase of walqing will be disseminated online as they are produced during 2012, as well as at the project's final conference to be held in Vienna on 19-20 September 2012.

walqing

Work and life quality in new and growing jobs

(duration: 1/12/2009 - 30/11/2012). FP7 Socio-economic Sciences and Humanities, Activity 3 "Major trends in society and their implications", Research area 3.2 "Societal trends and lifestyles". Collaborative project (small and medium scale focused research project).

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Social investment policies needed to integrate work and welfare

March 2012

Although there was an increase in the employment rate in Europe during the 2000s, the quality of jobs created has not kept pace. According to the **RecWoWe** network of excellence (FP6), quality and equality were forgotten in the rush to increase employment. The RecWoWe co-ordinators call for policy changes to reconcile and find a balance between the worlds of work and welfare.

Work and welfare are the most important domains that provide for individuals and influence their life chances. However, developments in the welfare states, which were set up in an industrial era, and changes to the labour market in Europe, have not been sufficiently integrated.

The labour market has been seen as inflexible in the face of increasing globalisation, technological change, the decline of industries, the growth of knowledge-based jobs, an increase in the service sector and a more dynamic demand for labour. At the same time, traditional programmes of welfare, modelled on male-dominated, full-time and continuous work patterns have become increasingly inadequate for a large section of employees engaged in non-standard types of work.

Reforms in recent years to Member States' employment and welfare policies have been primarily aimed at increasing employment levels – so-called 'activation policies'. These include placing conditions on the unemployed in return for benefits, such as signing contracts to agree to look for work, following a training course, or being obliged to accept offers of work.

In preference to activation policies are 'social investment policies'¹ aimed at giving individuals the necessary support to succeed in life, and in reconciling work and welfare, by investing in childcare and education, further education and training for those of working age, and introducing measures to enable older workers to continue to work.

RecWoWe, managed by MSH Ange Guepin, Nantes France, created a durable interdisciplinary network of over 200 researchers and 30 universities from 17 European countries, to overcome the fragmentation of existing research on employment and welfare, and study it from a comparative perspective. It has engaged with young researchers, as well as policy makers and stakeholders, and built up a valuable resource of people, data and knowledge, related to relevant policy issues, such as the Lisbon and Europe 2020 strategies, and to the economic crisis.

It was innovative in only funding research projects that focused on the interplay between work and welfare. It took a 'bottom-up' approach, accepting projects proposed by any member of the network rather than imposed from above, and combined simple rules with a consistent management approach.

RecWoWe's main goal was to integrate research on the labour market and on the welfare state, which would have been impossible to achieve from a national point of departure. RecWoWe has contributed to the evolution of a truly European research community, potentially the largest in the world in the field of social policy, welfare state and labour market studies, enabling researchers to work in a consistent manner and allowing for a better understanding of current developments in Europe.

The RecWoWe network identified and based its work around four main tensions between work and welfare:

- **Flexicurity** - Tension between a call for more flexibility in the labour market and a need for security for citizens.
- **Work-life balance** - Tension between work and family life, increased fluidity in family patterns, and enhanced flexibility in employment patterns and relationships.
- **Quality and quantity of jobs** - Tension between the number of jobs created and their quality.
- Tension induced by the development of 'employment-friendly' **welfare reforms**, i.e. political tensions created by the difficulties in matching welfare systems set up in the industrial era to the requirements of creating post-industrial jobs.

RecWoWe has achieved a large number of outputs, including the European Data Center for Work and Welfare², a meta-data shell which forms a harmonised portal linking most existing research in the area (at European and national levels). Other outputs include a substantial number of publications, including a Working Papers series, a newly created book series on 'Work and Welfare' (with Palgrave Macmillan) and journal publications (an impressive total of 25 collective volumes).

Among the network's key findings are:

- **In-work poverty** - Levels of poverty, inequality and social exclusion in EU Member States have remained stubbornly high over the last decade. Even during periods of employment growth, there was little sign of a reduction in in-work poverty, with migrants and women most at risk.
- **Job quality and tensions between work and private life** - Policies designed to ease the work-family conflict are mainly aimed at families with children but tend to forget the need to care for other dependents. Opportunities to engage in part-time employment are highly influenced by the views and prejudices of organisations, the productive sectors and nations as a whole.
- **Gender equality** - There has been only a slow increase in the number of women in top management roles during the last decades, with faster progress in some countries (primarily in Scandinavia).
- **Life courses** - The financial basis for different life course activities, such as education, child-rearing and retirement, is confined to a 'shrinking middle' phase of employment.
- **Performance of social investment policies** - Analysis of social investment policies, such as those found in Nordic countries, suggests that they can successfully combine social and economic goals. These countries display higher education levels, which translate into higher levels of social capital and social cohesion; greater learning and innovation capacity at work; more flexibility in the labour market; and good economic growth, including the creation of more and better jobs.

Policy recommendations:

- Include as many people as possible in the labour market and introduce measures to ensure high quality education, social and health care.
- Implement structural policies and incentives for companies to increase the demand for labour.
- Encourage more comprehensive pension provision for workers with atypical careers, such as those taking career breaks.
- Incorporate working time standards and other rights formulated by the International Labour Office (ILO) into EU guidance in order to improve the quality of jobs.
- Introduce measures to address tensions in the work/family interface, such as flexible work schemes, and provide more support for high quality care of children and the elderly.
- Introduce gender quotas if self-regulation fails to close the gender gap in top management positions.
- Improve job quality to reduce in-work poverty.
- Embed social investment objectives, such as reducing school drop-out rates, increasing the number of graduates and reducing the number of people living in poverty, into budgetary and macroeconomic policy.
- Implement an EU 'Social Investment Pact' that could guide budgetary austerity policies towards long-term ends.

References

¹ See: Morel, Palier and Palme, *Towards a Social Investment Welfare State?*, Policy Press, 2012.

² See: www.EDACWoWe.eu

(duration: 1/10/2006 – 30/9/2011) was a Network of Excellence funded under the 6th Framework Programme for Research of the European Union, Thematic Priority 7 – Citizens and governance in a knowledge-based society.

See: <http://www.recwowe.eu>

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Barriers and opportunities for young immigrants in Europe

February 2012

The **EUMARGINS** research project has found a wide diversity in the experiences of inclusion and exclusion among young immigrants, ranging from success in work and private life, to marginalisation and exclusion that can change over a course of a life time. Immigration status, class, ethnicity, religion, age and gender are all factors that interact and create segmentation, influencing inclusion or exclusion. Policy solutions should take account of the specifics of each country as well as immigrants' demographic, cultural and socio-economic background, and target the most vulnerable groups in each country.

Young adult immigrants to EU Member and Associated States can feel included in some aspects of life, while at the same time experiencing exclusion in others. Factors that lead to feelings of exclusion can be at the macro level, such as national and EU policies, or micro-structures such as neighbourhoods, schools, family networks and peer groups.

EUMARGINS analysed the life-stories of 250 young adult immigrants, or descendants of immigrants, in urban areas in seven European countries. These were Norway (Oslo), Sweden (Gothenburg), the United Kingdom (London), Italy (Genoa), France (Metz/Nancy), Spain (Barcelona) and Estonia (Tallinn).

A wide spectrum of immigrants participated in the research, from the elite to the unemployed, with a variety of educational and class backgrounds. Participants were recruited through universities, NGOs and other contacts to find examples of those experiencing the least or the most exclusion. Illegal immigrants were also included in the research. In addition, the project analysed data on the educational systems, labour markets, levels of socio-political activism, and the role of neighbourhoods and other networks for immigrants in these countries.

Although some factors causing exclusion were common to all seven countries, there were also factors specific to each country. The study provides an important means to understand common factors causing exclusion at European level as well as an objective observation of different national contexts.

Common factors

In all countries studied, the media and politicians tend to label immigrants as 'different' – this experience maintains a feeling of exclusion among young adults, even those who have higher levels of education or a high-status job. For example, in Estonia, even third generation descendants of immigrants reported being regarded differently.

Young immigrants in all countries experienced varying forms of social exclusion at school, such as teasing or bullying. This was less of an issue in areas where immigrant or ethnic minority background children were in the majority, but some immigrants avoid these schools as they are seen as a barrier to accessing higher education or satisfactory employment. In all countries, young immigrants reported having to perform better than the majority of young people to obtain the same results.

The most vulnerable young people were found to be those who had migrated on their own. Young immigrants not only cross boundaries into a new country, but also the boundary from childhood to adulthood. Rather than participate in political arenas which they do not regard as relevant, they tend to use informal methods, such as blogs or demonstrations. However, the project also analysed the ambivalent experiences of those young immigrants who participate in party politics.

Country-specific factors

Major differences between the countries studied ranged from assimilationist policies in France, to integrationist policies in Norway and Sweden, and multicultural policies in the UK. Multicultural or integrationist systems at school enable young immigrants to hold double or hybrid identities, while assimilationist policies do not facilitate this.

Access to social or political rights is related to the ease of obtaining legal residency or citizenship. The most liberal regimes on citizenship are found in Sweden and France; Norway and the UK are intermediate, while in Estonia, Italy and Spain it is most difficult to gain citizenship. However, citizenship alone does not automatically lead to a sense of belonging. Factors, such as low quality work or lack of employment, contribute to feelings of exclusion.

Labour market statistics showed clear segmentation in all countries, with specific ethnic backgrounds over-represented in certain jobs. Illegal immigrants find it easier to get work in informal economies, such as in Southern Europe, especially if they have low educational qualifications, but they are at risk of being exploited as cheap labour. Although illegal immigrants find it harder to get work in countries with a lesser developed secondary market, such as Norway and Sweden, for legal immigrants their participation in the labour market is higher and they are ensured social protection.

Policy recommendations

Policy solutions should take account of the specifics of each country, including citizenship legislation, migration policies, integration policies, educational systems and labour markets. They must also take account of immigrants' demographic, socio-economic and socio-cultural characteristics, and target the most vulnerable groups in each country. Recommendations for policy makers in education, employment, migration and citizenship include:

- Provide early language learning and language support as this is key to better integration and educational attainment.
- Strengthen school links with parents, for example employ special link workers with knowledge of the particular ethnic community to bridge the gap.
- Provide more resources to schools with high proportions of pupils from immigrant backgrounds.
- Create urban planning and housing policies to counter residential segregation which leads to school segregation.
- Implement efforts to tackle workplace discrimination and encourage employers to take on young immigrants. In certain countries, efforts are needed to ensure young immigrants do not end up in the irregular labour market with poor social rights.
- Enable faster accreditation and broader recognition of prior vocational or education achievements of immigrants.
- Young immigrants need to be better informed about their rights by anti-discrimination bodies and trade unions.
- Governments need to improve monitoring of discrimination by employers.
- Provide platforms for open dialogue among young people from a range of backgrounds along with an array of stakeholders. This enables young migrants to convey their concerns to a wider public audience, thereby helping to reduce existing stereotypes of particular immigrant groups.
- The EU should use success stories to depict young immigrants positively, and regard them as a resource in an ageing Europe, to counteract tendencies to blame immigrants for being a welfare burden.

EUMARGINS

On the margins of the European Community – Young adult immigrants in seven European countries

(duration: 1/10/2008 – 30/9/2011). FP7 Socio-economic Sciences and Humanities, Activity 3 'Major trends in society and their implications', Research area 3.2 'Societal trends and lifestyles'. Collaborative project (small and medium scale focused research project).

See: <http://www.sv.uio.no/iss/english/research/projects/eumargins/>

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Revitalising the role of the city through cultural integration

November 2011

Among the factors within a population's surroundings that can help or hinder cultural integration, the **GEITONIES** research project concludes that although the local neighbourhood is an important starting point to establish informal interethnic contact, more responsibility for promoting integration should be adopted at the city, national and EU level to develop meaningful, long-term relations.

The GEITONIES project (meaning 'neighbourhoods' in Greek) investigated how day-to-day intercultural relations develop within a population and the relative importance of the neighbourhood compared to larger scale surroundings at the city, national and European level. Theories have been proposed about the importance of neighbourhood integration, but there has been a lack of empirical data to date. The GEITONIES study was innovative in that it considered the needs of the whole population of a neighbourhood, i.e. native and immigrant, to facilitate integration.

The key message is that integration is a very time-dependent process. Findings show that second generation immigrants in a population have a greater number of close interethnic friendships than do first generation immigrants, but that the latter engage more over time. On a national scale, interethnic relations were more common in cities with a history of immigration, such as Vienna and Rotterdam, than for southern Europe, where immigration is a more recent phenomenon.

A policy approach therefore needs to be tiered to accommodate migrants in different phases of the integration process. Specifically, few intercultural relations in the early stages of settling in a country should not be interpreted as resistance to integrate or as a failure of social cohesion policies, rather that time will have a positive effect on the process.

Neighbourhoods – 'support networks'

The role of the neighbourhood is to provide immigrants with information, housing, language assistance and access to urban resources when they first settle in a country. Casual contact at the neighbourhood level promotes familiarisation and tolerance between different cultural and religious groups. However, the researchers found that relying solely on the local neighbourhood had a negative effect in terms of developing long-term, robust intercultural relations, as it tended to restrict contact to a small range of cultural and religious backgrounds. Encouraging wider participation in society should be the role of the city (see below).

Policy recommendations

- Language-teaching programmes should be developed to facilitate integration in the first years of settlement. This measure could specifically target recently arrived immigrant children, with additional language support in schools.
- Policies toward deprived neighbourhoods with high levels of unemployment should target the creation of new jobs for immigrant and native populations, to promote socio-economic equality within the whole population.
- Local development policies (i.e. transport links, creation of public spaces, such as parks, squares, libraries and community centres) should take into account specific characteristics, such as proximity to city, diversity of the population and existing infrastructure.

Cities – ‘broadening horizons’

Cities should provide a forum for intercultural dialogue, promote the positive representation of different cultural groups, and increase freedoms and opportunities – or ‘mobility’ – for both the native and immigrant populations. The researchers found that the media have an important role to play in the social representation of ethnic groups. In Portugal, the relationship was reasonably positive, since the media do not stress ethnicity in news pieces as strongly as other countries, for example Greece.

Policy recommendations

- Cities should define *common goals* between native and immigrant populations for urban development.
- Represent different cultural backgrounds on city councils, advisory boards and within the health and education sectors to develop ‘intercultural competence’.
- ‘Broaden the horizons’ of citizens by linking neighbourhoods through common goals and projects, therefore increasing the potential size of an individual’s social network. This will increase the likelihood of intercultural contact.
- Establish a professional and responsible attitude to reporting on ethnic groups in the media, promoting success stories and positive representation.

Nations – ‘an equal footing’

The key at the national level is enabling an equal footing between native and immigrant populations, and to facilitate acquisition of a legal status for long-term residents. The research findings highlighted the relationship between the legal status of migrants and the development of friendship networks with native populations.

Policy recommendations

- Nations need to guarantee equal legal rights to migrants, to facilitate the long-term development of resident status and, whenever relevant, to speed up the process of requesting asylum.

Europe – ‘building bridges’

Policy recommendations

- The EU can help discourage formal cultural education and encourage informal exchange by identifying common transnational interests and projects linking European institutions.
- The EU can promote local and city-wide initiatives across physical space and cultural backgrounds.

Methodology and context

To collect data for the GEITONIES project, a random sample of 100 natives and 100 immigrants (aged 25 and over) were selected in three neighbourhoods in each of the six cities studied: Lisbon, Bilbao, Thessalonika, Rotterdam, Vienna and Warsaw. The cities captured a range of different contexts, i.e. socio-economic conditions, history of immigration, fraction of population who are first and second generation immigrants, diversity of the immigration population and the national importance of the city (capital or peripheral).

The researchers stress that the study took place during a global economic crisis, which may explain some extremes in attitudes observed, either in enhanced solidarity across cultures or enhanced separation. GEITONIES represents the first comprehensive study of its kind in Europe and it is important now to maintain a process within each country to monitor the effect of economic conditions.

GEITONIES

Generating interethnic tolerance and neighbourhood integration in European urban spaces

(duration: 1/5/2008 – 30/4/2011). FP7 Socio-economic Sciences and Humanities, Activity 3 “Major trends in society and their implications”, Research area 3.3 “Cultural interaction in an international perspective”. Collaborative project (small and medium scale focused research project).

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Opportunities and barriers to active participation of older people in society

November 2011

Europe's society and workforce is ageing due to a combination of low birth rates and rising life expectancy. It is estimated that there will be only two people of working age (15-64) for every person aged over 65 in the European Union by the year 2060, compared to a ratio of four to one today. A peak in the number of retired people is expected to occur during the period 2015-35 when the 'baby boom' generation retires, leading to fears that retirees may become too heavy a burden on younger, working-age people, and increase pressure on public budgets and pension systems.

A key opportunity for tackling demographic ageing and preserving intergenerational solidarity exists in recognising the significant contribution that older people can make to society. However, data show that employment rates start dropping already between the ages of 55 and 59, and drop sharply after the age of 60 (Table 1).

Table 1: Employment rate, life expectancy and retirement age

	DA	FR	DE	IT	NL	PL	SV	EU (25/27)
Employment rate (2008)								
50-54 years	85.7	80.5	79.4	71	81.9	66.7	85.2	75.5
55-59 years	79.4	56.3	68.9	47.6	69.8	40.2	80.6	59.0
60-64 years	35.3	16.3	35.1	20.0	35.1	18.9	60.1	30.1
Parttime employment								
50-64 years (2008)	21.5	18.2	27.0	11.0	47.4	12.1	25.7	19.3
Life expectancy at age 65 (2006)								
Males	16.2	18.2	17.2	17.9	16.8	14.5	17.7	16.8
Females	19.2	22.7	20.5	21.8	20.3	18.8	20.9	20.4
Mean age of retirement (2005)								
Males	61.2	58.5	61.4	60.7	61.6	62.0	64.3	61.4
Females	60.7	59.1	61.1	58.8	61.4	57.4	63.0	60.4
Median age of retirement (2005)								
Males	62.2	58.8	61.6	58.4	60.5	57.0	63.9	60.7
Females	60.1	58.3	59.9	57.2	59.3	55.2	63.3	59.4

Source: ASPA European Policy Brief, January 2010¹

The **ASPA** research project studied organisational and public policies on recruiting and retaining older workers, and the influences behind organisational behaviour. It identified good practices among businesses and voluntary organisations that stimulate high participation rates among older adults and improve the investment in knowledge and skills throughout people's lives.

The research consortium consisted of countries with a range of different EU welfare state regimes - Sweden and Denmark (social-democratic), the United Kingdom (liberal), the Netherlands, Germany and France (continental/conservative), Poland (recently accessed post-communist EU Member State) and Italy (Mediterranean).

Employers' attitudes towards older workers and extending working life

A survey of 5410 companies, employing ten people or more was used to investigate employers' views of older and younger workers' skills, and whether the current economic climate is likely to affect labour force participation of older workers. Respondents were company owners, HR directors and other senior staff members who represented the organisations' views.

Survey respondents rated young workers poorly on the strengths identified for older workers, and vice versa. On the whole, older workers were viewed more positively regarding social skills, loyalty, reliability and accuracy, while younger workers were rated more highly regarding flexibility, creativity, willingness to learn and knowledge of new technology.

However, smaller firms viewed older workers as more creative and willing to learn than large firms, possibly because employers in small organisations know each worker individually and are better informed about an individual's talents and abilities. There is also a greater need for smaller enterprises to invest in employee retention.

Up to 70% of employers, in all surveyed countries apart from Denmark, were found to prefer early retirement as a way of reducing staff levels in the current economic climate. At the same time, research also shows that although the retention of older workers has improved over time, it has not become any easier for them to be recruited. Also, workers aged 55-64 who lose their jobs remain unemployed much longer than a workforce average. As a result, once made redundant, this can effectively signal the end of their working career.

Policy makers should be aware that this tendency could jeopardize efforts to raise participation levels amongst older people. In order to achieve this goal and to meet targets set for older workers' employment, governments need the active support of employers. Policy makers should therefore promote awareness among employers of the competencies of older workers.

To ensure that older workers can stay longer in the labour market and continue to be active participants in society, ASPA researchers also made a number of other recommendations. First, the more positive image of older workers held among small companies should be shared with larger companies in the same industry sector, and taken up as good practice in age management strategies.

Policy makers should adopt specific measures to support small and medium enterprises, which have fewer financial and personnel resources than larger ones, with measures to help them recruit, develop and retain older workers. In addition, health and safety procedures and working conditions, which are often overlooked, need to be further improved because this encourages and enables longer working life.

Older people as volunteers

Volunteering is an important part of active ageing in Europe and emphasis on this is likely to increase, with more 'young retired' volunteers expected to be available in the future. Case studies of 74 voluntary organisations found that while aware of the pros and cons of older volunteers, few managers implement formal age management or diversity initiatives. Where professional volunteer management strategies do exist, these can lead to practices that discourage older volunteers if they do not fit convenient profiles for recruitment and retention.

The pros of older volunteers are that they have more time, and offer continuity, life experience, authority and social skills. The cons include resistance to innovation, holding on to leadership roles for too long, displaying a lack of trust in the younger generation and having difficulty integrating newcomers. Barriers to volunteering among older people include their health, education levels, caring responsibilities for family members, including grandchildren, or a lack of knowledge about volunteering.

The project came up with a number of recommendations that could facilitate engagement of older people in volunteer activities. On a general level, voluntary organisations would benefit from greater professionalism in volunteer management for all ages, though care must be taken that this does not lead to practices that discourage older volunteers. Clear analysis of the costs and benefits of recruiting older volunteers needs to be made. As it is necessary to consider the motives and limitations of hiring/retaining an individual in paid employment, the same assessment should be made for voluntary work.

Initiatives that can expand opportunities for older volunteers include training, flexibility in deployment, involvement in decision making, and improved communication, though these must be tailored to the different country characteristics. Good practices include matching older and younger volunteers or older volunteers with paid staff. By encouraging different generations to collaborate, they can learn from each other.

Also, there is a role for companies to play. They can develop employee volunteer programmes, which are rare in the EU compared with the US, to provide continuity between working life and volunteering in retirement. If people are involved earlier, they are more likely to volunteer later when they have more time. Similarly, support should be given to women family caregivers to encourage them to volunteer when care giving ends.

Given the contribution of older people to the voluntary sector and the satisfaction they gain from voluntary work, it might help to postpone definitive and complete retirement if larger numbers of older workers have the opportunity to work part-time. This would enable them to engage in voluntary work and maintain paid employment (e.g. for 20 hours per week) thus facilitating a smooth transition to retirement. Voluntary action in older age is an activity benefiting society and older people themselves. In order to promote such activities the EU announced 2011 as Year of Volunteering² and 2012 as Year for Active Ageing and Intergenerational Solidarity³.

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Early interventions against social exclusion reduce the risk of youth homelessness

October 2011

The research project on 'Combating social exclusion among young homeless populations' (**CSEYHP**) investigated the routes to homelessness of 216 young men and women of diverse origin and ethnicity in four Member States (the Netherlands, the United Kingdom, the Czech Republic and Portugal). The research was ground-breaking and participative since many of the co-researchers who undertook the survey understood the issues from within, having experienced homelessness themselves.

The project raises the visibility of the problems confronted by young homeless people in the four partner countries, while also focusing on the positive possible outcomes of using early intervention models. Active prevention is key, as well as intervention at a very early age, when family problems are already becoming apparent. A range of policies in different countries have an impact on youth homelessness. Homelessness is triggered by family problems in the first place, and is rarely caused by structural factors alone, like poverty.

Key institutional agents such as education, justice and social services need to establish an effective partnership in support of young people at risk of homelessness in EU Member States. In order to prevent their social exclusion and help them to become independent members of society, engagement with trusted adults such as teachers, social workers, youth workers, health professionals, police and employers is particularly important for young people with family problems. They can support these young people by encouraging them to invest in their education, or assisting them in school or other informal learning environments.

Homelessness differs between the four countries studied. In the Netherlands, the UK and Portugal, although over half of the young people surveyed had no permanent home, they rarely had nowhere to stay, and lived either temporarily with friends and family or in social services accommodation. However, in the Czech Republic, 88% of those surveyed were living on the streets or in squats.

Poor education levels were found to be a major factor affecting young homeless people, although there were significant variations in their educational and employment situations. Young people in care or those with special educational needs are especially vulnerable groups. The average proportion of people leaving school early (before the age of 16) is 15% in Europe, but this level was found to reach 22% among the young homeless people in the sample.

A majority (70%) of the CSEYHP sample were at levels 0-2 educationally:

- 4% had not completed primary school (level 0).
- 18% had only completed the first stage of secondary school (level 1).
- 48% had completed level 2 (age 16).

Only 4% of the people surveyed had higher education (HE) qualifications (or qualifications to allow them to enter HE), compared with 30% in the EU as a whole.

Young homeless people were found to be seriously lacking in social capital, such as family support (e.g. also from grandparents). In some cases, family support was constrained by problems in the lives of parents, such as mental health issues, drugs or alcohol dependency issues, or the premature death of a parent. But people who maintained family contacts were not necessarily happier, if family obligations took precedence over young people's educational opportunities.

Overall, 26% of the sample had lived in care, and an additional 27% had received intervention from social services. 28% were single parents. Many of these were young mothers, dependent on state support and this was likely to mean inherited vulnerability for their children. 25% of the young men in the sample were fathers, though not all of these were taking parental responsibility. Intervention programmes like the Dutch Eight-Steps Model¹ (ESM) should include parenthood as one of the life stages at which young people may need support.

Around half of respondents reported that having someone to talk to, such as a key worker, was crucial – in extreme cases it had kept them alive. However, the researchers believe that the solution cannot be found in improving social services alone. For example, countries such as Portugal and the Czech Republic have to create new support structures aimed specifically at young people so that the pre-conditions exist for improvements at an institutional level.

Key recommendations from the research were:

- In order to break the cycle of intergenerational disadvantage and prevent the build up of the risk of social exclusion, there is a need for financial support and family mediation, and early support or intervention for families that are not functioning adequately.
- National and local levels should reinforce the guidelines in the EU Strategy for Youth² that call for the mobilisation of all actors in the life of young people (parents, teachers, social workers, health professionals, youth workers, police and justice, employers, and young people themselves) to prevent social exclusion.
- There is a need for joined-up policy for investing in and empowering youth, to enable young people to become independent from social services. Often, social support key workers lacked time and money to organise a coordinated approach and ongoing guidance for young clients, and the current situation is aggravated by the global economic crisis and likely future austerity measures.
- Policy interventions should build on the substantial resilience of these young people, but also take into account that they may have accumulated delays in their individual (educational, social) life paths. Therefore, standard age limits (for education, adulthood, social support, independent living etc.) may be inappropriate or counterproductive for homeless young people.
- Levels and risks of social exclusion differ in the four Member States studied. In Portugal and the Czech Republic, measures are needed at structural and institutional levels as well as at individual and relational levels. In the UK and Netherlands there is a need for more cooperation between services.
- Services must be designed to address the challenges attached to multiple life transition moments in young people's lives, from leaving education to living independently. The project has drafted dedicated policy briefs on intergenerational solidarity, education, and social inclusion policies.
- Examples of successful programmes are the Dutch **Eight-Steps Model** (ESM), which deals with housing, finances, social and psychological functioning, purpose, physical and practical functioning and daily activities, and the UK's **Early Intervention Model**, which includes three local linked services providing personal development, employment and education development, and family support to prevent exclusion and encourage reinsertion.
- Longitudinal research on pathways to homelessness and social exclusion would shed further light on this subject and offer deeper insights on the impacts and methodologies of direct / early intervention.

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Tackling youth exclusion and unemployment: Civil society organisations have their role to play

November 2011

New research on long-term unemployed or precariously employed young people reveals the very different opportunities they face, depending in which country they live. The **YOUNEX** research project emphasises that civil society organisations (CSOs) are effectively dealing with problems in this field, and should be more closely involved in the design and implementation of related public policies.

The project adopted an integrated approach to examining the effects of being excluded from society and politics on young people. It looked at the institutional and policy context on the labour market and unemployment; analysed the role of civil society organisations as mediators in this domain; and lastly, surveyed long-term unemployed youth and young people in unstable employment. This threefold approach provides practical insights into the potential routes for social and political integration of young unemployed people.

For the analysis of institutional approaches to unemployment, a number of indicators were developed under the five broad headings of: unemployment regulations, labour market regulations, structures for general public political involvement, specific opportunities for the unemployed and related issues.

The individual indicators for the institutional approaches to unemployment included aspects such as the availability of education and skills training, levels of unemployment or disability benefits, sanctions for failing to take up work, labour market regulations, rules on dismissal or redundancy, the roles of trade unions and other social welfare organisations, the relationship between national and local authorities, access to political rights, such as voting, access to childcare and the existence of anti-discrimination legislation.

Unemployment regulations are highly inclusive in France and Sweden and highly exclusive in Poland and Italy (with Switzerland and Germany displaying an intermediate situation). The analysis of labour market regulations shows a high level of flexibility in Switzerland and Sweden, and of rigidity in Italy (with Poland, Germany and France taking an intermediate position). The analysis of unemployment-specific opportunities shows high levels of openness in Switzerland and Germany and high levels of closure for Italy (with France, Sweden and Poland in between).

Addressing unemployment, or a lack of secure employment, is not just a matter of providing unemployment benefits and social aid. Labour market regulations as well as related policy issues, such as education and childcare, and assistance from CSOs, should also be taken into account.

At the local level, CSOs play a mediating role between government (at the national, regional or local level) and young people who are (potentially) at the margin of society. CSOs support the integration of unemployed youth in two ways: by fostering their engagement and raising public or political awareness of issues like unemployment, and by delivering services related to welfare provisions.

For example, CSOs can fill gaps, providing services where welfare state provisions are more poorly developed; they can work with local government to stimulate policy solutions; and they can offer concrete opportunities for improving social cohesion by engaging with young unemployed or excluded people, and increasing public awareness about their position.

Thus, CSOs have a privileged role and access to much practical knowledge. However, YOUNEX found that relatively few policy makers tap the knowledge of CSOs during the policy making process.

What should be done?

YOUNEX offers some practical insights aimed at helping both political and social organisations improve their policies on youth inclusion:

- Deal with unemployment or lack of social inclusion at all levels - international, national and regional - and include all relevant stakeholders.
- Coordinate policies on youth unemployment across Europe. At present, national and local governments adopt different approaches to deal with this issue.
- Foster more active participation among young people in politics and society. In fact, the YOUNEX project found that long-term unemployed youth tended to be more active in political and societal associations, and that this engagement enhanced their social inclusion.
- Make CSOs essential partners for policy change. They complement or substitute state provisions and have extensive knowledge of situations on the ground regarding unemployment. They should be involved in the design as well as the implementation of related policies.
- Problems of unemployment are best solved at the local level because local actors have better knowledge of the specific situation and local realities. At the same time, closer collaboration between actors at local, national and European levels could yield a more effective approach to youth unemployment and improve responses to their exclusion, because this improves coordination of efforts.

YOUNEX

Youth, unemployment, and exclusion in Europe: a multidimensional approach to understanding the conditions and prospects for social and political integration of young unemployed

(duration: 1/5/2008 – 31/8/2011). FP7 Socio-economic Sciences and Humanities, Activity 3 “Major trends in society and their implications”, Research area 3.2 “Societal trends and lifestyles”. Collaborative project (small and medium scale focused research project).

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Family-friendly policies should be at the heart of the future Europe

September 2011

Challenging trends facing societies throughout Europe mean that the needs of families should be taken into consideration as a key priority in setting future policies. The formulation of family policies should be aimed at supporting reconciliation of family and employment commitments. For that purpose, the **FAMILYPLATFORM** social platform developed a European research agenda to increase the wellbeing of families and encourage family cohesion across Europe. The research agenda highlights the importance of reconciling family life, including care responsibilities, with competing demands coming from outside the family, in particular employment.

Major societal trends and their impact on family life include globalisation, leading to increased mobility, migration, and increasingly precarious employment; a range of lifestyles and living arrangements including changes in gender roles; demographic changes, with decreased fertility rates, delayed family formation and an ageing population; longer periods of both education and retirement, and the development and spread of new information communication technologies (ICT).

Such changes can manifest themselves as stress, uncertainty and difficulties in managing everyday family life, requiring more complex care arrangements. They become even more critical at the so-called 'rush-hours of life', points when many transitions come together, such as when people decide to start a family, or when parents become grandparents.

Under these changing conditions it has become harder to establish sustainable family solidarity and cohesion, and European families are experiencing higher levels of separation and divorce as a result.

FAMILYPLATFORM involved 12 research institutes and family associations, promoting an exchange of knowledge between researchers and practitioners. At least 120 stakeholder representatives from the policy making community and civil society organisations were involved in all stages of the project. In its research it reviewed the policies of governments, civil society organisations and NGOs in 23 EU Member States, as well as Norway, Switzerland, the USA and Canada, and international organisations such as the OECD and UNICEF.

The project's key steps were stock taking and a critical review of existing family research; a foresight exercise to identify future challenges for families; and the drawing up of a research agenda for the EU and its Member States. Topics for review included care and social service, family life-course and transitions, family forms in Europe, changing gender roles, migration and mobility, living environments, equality and diversity, and the impact of ICT.

Four different scenarios for families in the future Europe were explored with stakeholders, to uncover crucial policy issues and research questions likely to have a major impact on family life today, and in the future. It is predicted that while families in the year 2035 might be very different in form, type and style, overall they will have to cope with the same everyday challenges that families face today, but in a much more complex world.

Throughout all scenarios, intact family bonds and bonds to local communities remained a crucial element of the wellbeing of the individuals when facing the challenges of everyday family life. Despite varied and complex family environments, on the whole, most families were valued by their members because, as a safety net, they reduce uncertainty and provide a framework for mutual support. First and foremost, these 'essentials' need to be addressed when family policies are formulated.

The main challenges and recommendations for families and family-related policy, and research, identified through the work of FAMILYPLATFORM, were:

- Acceptance of plurality, and the need for policies that support different family forms and lifestyles.
- Gender equality – The preconditions for male engagement in daily family life needs to be addressed by labour market regulations, such as legislation on part-time work, flexible working hours, leave schemes and lifelong learning, and incentives to employers to promote family-friendly policies.
- Ease the ‘rush hours’ of life, when transitions such as starting a career and family formation come together. Late acquisition of financial independence and stable employment means that young people remain dependent on their parents for longer periods, delaying the process of starting a family. Support is needed for young people to become autonomous, and policies are needed to reconcile family and work commitments.
- Sustainable care arrangements are needed to ensure that families can reconcile care for children, the elderly, or the disabled with other responsibilities. A wide spectrum of options, such as a combination of institutional and family care, is needed so care solutions appropriate for individuals can be found. Provisions, such as childcare facilities can help reconcile family and work life, as can respect from employers for family lives.
- Support for intergenerational communities – As women participate more in the labour market, informal support from the family and local community, and formal social services become more important. Local policies and thorough urban planning can support neighbourhoods and intergenerational solidarity, and encourage social networks.
- Family policies should be based on evidence, and family concerns put at the heart of decision-making processes, especially in Member States where there is no specific national ministry or dedicated policy/ies for families.
- Representatives of family organisations should be better integrated into policy making processes.

The research agenda that has resulted from FAMILYPLATFORM outlines the need for future research on sustainable care solutions, which are regarded as the greatest challenge facing the wellbeing of families; research into the phases of family life, how families cope with transitions such as divorce, and the effects of social policies on these transitions; and how employers and social services can help families cope with the everyday management of competing demands. There is also a need for deeper understanding of how policy can tackle social inequalities, especially given the increases in immigration and mobility.

As a result of consultations among stakeholders from civil society and policy backgrounds, the project calls for the development of new harmonised indicators in Europe, and more monitoring and evaluation of family policies. Stakeholders from civil society strongly suggest the setting up of a European observatory on national family policies.

The societal challenge “Families in transitions” under the 2012 SSH Work Programme (SSH.2012.3.2-1, with a minimum requested EU contribution of euro 5.5 million) builds on the research agenda developed by the ‘Social Platform on Research for Families and Family Policies’. Proposers are advised to take note of this preparatory work when drafting their proposals.

FAMILYPLATFORM

Social platform on research for families and family policies

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Arabic ethnic media promotes cultural identity in Europe

September 2011

The recent emergence of 'new media' sources, mostly via satellite and the internet, has transformed the way in which information, particularly news, is communicated internationally. New research shows that it is precisely this richness and complexity of media sources that promotes feelings of cultural belonging among Islamic newcomers to Europe. The research makes recommendations to policy makers at the national and European level to recognise the role of media plurality in debates about citizenship.

Over three hundred Arabic news channels exist in Europe. Some of these are national channels, originating from a single Arabic country, and some are broadcast across several nations, known as transnational channels. Due to the 'convergence' of old and new media, both news sources are rapidly accessible in Europe via the internet and satellite. The **Media & Citizenship** research project, conducted by a consortium of five European universities (University of Utrecht, University of Bielefeld, Örebro University, University of Sorbonne-Nouvelle Paris-3, and London School of Economics and Political Science), investigated the role of Arabic language channels alongside EU national channels in the perception of citizenship among Arabic speakers in Western Europe.

Based on quantitative audience-derived data, the research represents a considerable step forward in methods of analysis. In the past, little quantitative information has been available about viewing demographics of Arabic language channels in Europe, since they do not rely on advertising revenue.

Data were gathered from over 2,500 questionnaires across Arabic speakers in six European capitals: Madrid, Paris, Amsterdam, London, Berlin and Stockholm. A subset of 400 people was asked to record their viewing habits and preferences over the course of a week in a 'media diary'. Participants also discussed their attitudes to different media sources extensively in focus groups held in each city.

Results showed that television was the preferred news medium for 70% of the Arabic speakers sampled. Only 20% relied on newspapers and internet-based news providers. Overall, the single most popular Arabic language channel was the transnational Al-Jazeera, followed by Al-Arabiya.

The vast majority of Arabic speakers (more than 90%) watched a mixture of EU national, Arabic national and Arabic transnational television channels to keep in touch with events in their native countries. Only 7.8% of people exclusively watched Arabic channels. These results offer evidence to counter the widely held concern that a multitude of Arabic channels diminishes the newcomer's need to integrate into the host nation society. Typically, participants indicated that a multi-source approach offers them a balance of impartial information about news events alongside reaction and critical opinion from an Arab perspective.

Arabic speakers of North African origin (mainly Moroccan, Algerian and Tunisian) typically watched EU national channels and Arabic channels from their home nation in approximately equal proportions. This reflected a strong feeling of cultural identity in both their home and host EU nations, known as 'biculturalism'.

In contrast, Arabic speakers with Middle Eastern origins predominantly watched EU national channels and transnational Arabic channels, such as Al-Jazeera. This reflected an association with the worldwide Arab community in general, known as 'pan-Arab nationalism', which is largely independent of the country of origin.

As a result of their findings, Media & Citizenship proposed several key policy recommendations:

- **To clarify the law governing satellite delivered content** – Existing EU law¹ to regulate television content is not enforceable for satellite and internet delivered channels. While this may be of concern, it is critical that the plurality of media available to Arabic speakers is maintained.
- **To recognise the wide viewership of EU national channels** – Media & Citizenship recommends that policy makers embrace the existence of a multitude of Arabic channels as a positive aspect of cultural integration and exchange. In doing so, this should temper any fear of a so-called ‘clash of civilisations’, sparked by extremist events in Europe and the United States.
- **A review of national citizenship tests** – Increasingly stringent national citizenship tests, particularly in the Netherlands, Germany and the UK, are largely counterproductive to the EU vision of transnational citizenship of Europe, say the researchers. Since the evolution of European media allows a transnational framework of cultural integration, the project proposes that citizenship tests should reflect the same ideology by recognising the distinction between political, legal and cultural forms of citizenship.

The proliferation and globalisation of media sources has undermined national control of the news agenda. EU citizens have access to a wide range of media and may well adopt perspectives and consider issues independent of those set by national public media. This is not in itself a danger to a peaceful (transnational) society. The project has found that while Arabic speakers, with access to Arabic language television, do seek alternative explanations to those offered by Western European and US media, particularly in relation to Middle Eastern events, they also follow the mainstream media in Europe. What characterises this group is the interplay between media sources of precisely the type that EU policy, in promoting media pluralism, should applaud.

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Media & Citizenship

Transnational television cultures reshaping political identities in the European Union

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Migrant rights could enhance intercultural tolerance

June 2011

New research assessing the impact of migration as a driving force for social and cultural development in South East Europe has called for a modernised approach to migration policy, where free movement across borders is considered as a *resource* for Europe, not perceived to be a problem that requires a solution.

The **GeMIC** research project explored the role of migration in cultural interaction in eight countries of South East Europe and the Mediterranean: Bulgaria, Greece, Cyprus, Italy, Romania, Spain, Turkey and the Former Yugoslav Republic of Macedonia (FYROM).

Among other things, the project findings and policy recommendations support a recent EC initiative¹ to improve efficiency of travel through an amendment to the existing border regulations, established under the Schengen Borders Code (2006)². The project also endorses a forthcoming Call for proposals, under the framework of EU programmes, to promote social inclusion and eliminate xenophobia through education³.

The aims of the research were thematically driven and covered a broad section of social and cultural life, encompassing both the 'sending' and the 'receiving' nation. This is in contrast to earlier studies where research has typically investigated the perspective of the receiving nation only.

An interdisciplinary team, composed of social scientists and researchers working across a range of disciplines, such as education, urban geography, sociology, media studies, literary criticism and political theory, collected data through a variety of methods: extensive literature reviews, direct observation and analysis of social behaviour, interviews and focus groups, discourse analysis and examination of national media attitudes to migration-relevant issues, such as perceptions of crime and employment.

Some of the project's key findings and recommendations are summarised below:

Education

Critical evaluation of the persistent problems engendered by the application of ethnocentric, homogenised and culturalist – as opposed to anti-racist – curricula in Greek and Cypriot schools, as well as alternative examples of multi-ethnic educational reforms promoted in the Former Yugoslav Republic of Macedonia (FYROM), provided a model for proposed changes to European national curricula and education practices.

Policy recommendations:

- To introduce historical migrations, minorities and race relations to European school curricula.
- To develop ongoing training and knowledge exchange schemes, such as travel, peer-tutoring and neighbourhood collaboration.
- To expand the range of foreign languages taught in schools.
- To guarantee the right to education for all under-18s, regardless of legal status.

Racism, xenophobia and social infrastructure

In parts of Athens, Bologna and Barcelona where funding for public facilities was restricted, or non-existent, the incidence of hostility towards migrant populations was found to be higher, often with the blame for the devaluation of the area placed on the migrant population.

Policy recommendations:

- To invest in renovations of free-access public areas, i.e. parks, squares, community centres, to create mutual meeting grounds.
- To implement migrant-sensitive housing policy, including social housing, access to loan facilities and temporary shelters for people in transit.

Intercultural violence

Many migrant women working in the domestic, care or cleaning sectors have no official status and therefore, no rights or legal protection against exploitation, poor conditions or abuse by an employer. The GeMIC researchers call for as much recognition for these gendered issues of inter-cultural violence as for sex trafficking and other more visible concerns.

Policy recommendations:

- Inclusion of domestic and care workers into health and retirement insurance systems.
- Reduce the vulnerability of migrants in domestic and care work, particularly women, through funding of self-help networks.

Religion

A lack of national support for the practice of different faiths severely hampered the desire by religious groups to be included in the community. For example, no official mosques are permitted in Greece, encouraging forced segregation of Islamic worshippers.

Voluntary women's groups in Italy and the Netherlands offering language courses and education to all, including those outside their religion, demonstrated where direct funding could benefit 'bottom up' integration.

Policy recommendations:

- Promote inter-faith networks and collaboration, particularly between women's religious groups.
- Encourage participation of female representatives of minority religions in EU public debates and bodies.

GeMIC highlights the importance of not looking solely at tensions and problems related to migration, but also at identifying where migration has been successful in establishing cultural ties across borders. The media are identified as an important tool that can encourage positive perceptions of migration, and direct EU funding of collaborative schemes and partnerships within national media organisations is recommended.

The researchers also called for a modernisation of the 'gender-neutral' approach to migration policy. This allows the consideration of multiple, overlapping sources of potential discrimination alongside each other, not as separate, additive issues. This represents a more complex but realistic 'intersectional' approach that is more appropriate to the modern situation.

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Enhancing the education attainment of young people in care

May 2011

Increasing the educational achievement of young people is an important EU goal. Young people who have been in public care are more likely to leave school early and the **YIPPEE** research project has explored the educational pathways of this group. The research has identified a striking invisibility in terms of national statistics and a lack of recognition of young people in care as socially disadvantaged. Amongst the project's recommendations are the need for routine collection of EU-wide statistical data, more co-ordination between education and care services, and fewer changes in young people's placements and schools.

Using national statistics and literature, the YIPPEE (*Young people from a public care background: pathways to education in Europe*) project has mapped current knowledge about the educational participation of young people in care in five countries: Sweden, Denmark, England, Hungary and Spain. The researchers interviewed 36 managers and practitioners in care services alongside a sample of 170 young people aged 19-21 who had been in care and showed educational promise.

After interviewing the young people, researchers also conducted interviews with 112 adults nominated by the young people as supportive in their education. The major aim was to explore the conditions within care and education systems that facilitate or hinder young people in pursuing education after the compulsory age of schooling.

National statistics on the educational participation of young people who have left care were only available in three countries – England, Sweden and Denmark – which is indicative of how easy it is for this group to slip through the educational net. In the three countries where data were collected the number of young people going into higher education was much lower for the population in care, compared with young people from non-public care backgrounds. In Sweden, 6% of those who were in care entered higher education, compared with 26% of young people not in care. The figures were nearly the same in England. In Denmark, only 7.3% of those who had been in care completed higher education by the age of 30, compared with 34.7% of those who had never been in care.

Unsurprisingly, there were differences between country data due to differing political and social contexts. Nevertheless, there was a broad agreement on what does and doesn't help young people from a care background to continue into higher levels of education. The research identified five different areas where barriers and facilitators can occur:

Welfare regime of the country - Sweden and Denmark are both socio-democratic states with universal benefits based on redistribution of resources, whereas England is a neo-liberal welfare state that provides a safety net to those most in need.

It is England where there is most recognition of care leavers as a disadvantaged group and which has the most available statistics. Sweden and Denmark do not recognise young people leaving care as such a problematic group, whilst Spain takes a limited state role expecting instead that the family will provide for members who are not economically independent. A 'strong family' based system, such as Spain, may present additional difficulties in accessing higher education for young people leaving care for whom family support is often absent or unreliable.

The lack of statistics reflects the limited involvement of the Spanish government in providing financial support for continuing in education. Post-communist Hungary has retained a legacy of universal services in some areas, such as childcare, but lacks monitoring and statistics for the education of children in care.

Policy and legislation – Countries vary considerably in the extent of the control of central government over local governance. For example, in England policy making relating to young people in care is centrally driven whilst in Sweden large numbers of small local authorities generally make their own decisions. The small size of these authorities means there is a lack of specialised teams, unlike the UK.

Institutional level – This consists of local authority children’s and young people’s welfare and advice services, schools, youth organisations and health bodies. Responsibility of institutions and provision of services varies with country. For example, in England care and education services work relatively close together whereas in other countries they are more separate. The research indicated that the division between child welfare or protection and education acted as a barrier. Inflexible education systems can also hinder access to further education by not allowing students more time to ‘catch-up’, especially if they have suffered a disrupted education. This is particularly the case in England.

Family and care – This level includes the professionals and carers who provide first hand care and education. It is important that social workers and foster carers are knowledgeable about education. From the other side, schools and teachers must understand the care experience better and the needs of this particular group. Instability in schooling and care placements can be particularly detrimental to the continuation of education and it is important for young people in care to have a constant mentor in their life.

Individual – A combination of high self-esteem, stable schooling and personal support all influence the likelihood that a young person will want to continue with education.

The project made country-specific recommendations as well as a number of general recommendations for EU policy makers, national governments and care/education professionals, including:

EU policy makers

- Create EU-wide indicators to record the educational qualifications of young people whilst in care and when they have left care.
- Collect and publish comparable statistics that bring together care and education data.
- Ensure the special mention of this group when drawing up social inclusion, higher education, youth, family and childhood policies.
- Develop a Europe-wide policy to highlight the education of young people in and after public care as a key issue for social integration.
- Encourage further study into young people in public care.

National governments

- Record annually the number of young people in care and their educational qualifications.
- Ensure better coordination between care and education systems, especially around important times such as examinations, the end of secondary education or leaving care. Ideally care and education should be the responsibility of the same administrative body as it is in England.
- Provide ongoing financial support for young people in care to continue education.
- The child/welfare system should give education a more central status and recognise the inequality of educational opportunity as a children’s rights issue.
- The education system should recognise young people in care as a group with additional educational needs, which may require individual tuition, mentoring and a longer period of education to compensate for gaps in schooling.
- Transition from care to independent living should occur when the young person is ready and not at some arbitrary cut off point.

Care and education professions

- Discussion of career and educational options with young people should start from a young age.
- Changes of care placement and school should be reduced to a minimum and, if unavoidable, the new school should help the student adapt to their new environment.
- More attention should be given to education in the selection of foster carers i.e. carers should be knowledgeable about the education system and aware of opportunities.
- Rather than just focusing on risks and problems in the lives of young people, carers and educators should recognise the strengths and competences, and have high expectations of the young people in care.

(duration: 1/1/2008–31/12/2011). FP7 Socio-economic Sciences and Humanities, Activity 3 “Major trends in society and their implications”, Research area 3.2 “Societal trends and lifestyles”. Collaborative project (small and medium scale focused research project).

See: <http://tcru.ioe.ac.uk/yippee/>

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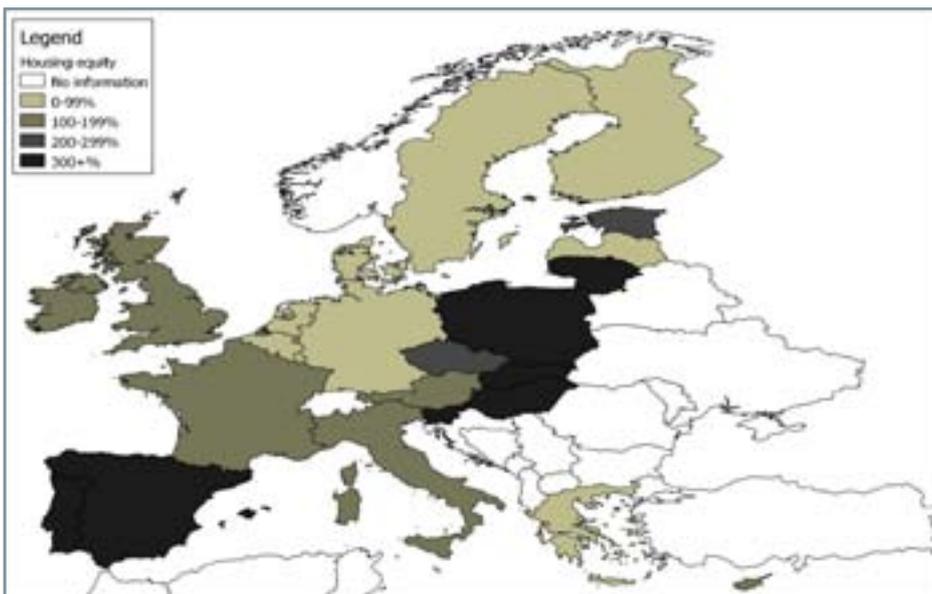


Can home ownership help finance an ageing population?

April 2011

Across the EU the trend towards a shrinking and ageing population is accompanied by a significant increase in the extent of home ownership, with some two-thirds of European households now owning their homes. The net value of these properties is estimated at Euro 13 trillion in the 15 older Member States, and almost Euro two trillion in the 10 Member States joining in 2004. Housing equity within the EU25 as a whole is some 40% higher than total GDP, the figure being particularly high in New Member States and in some Southern countries, and lower in North and North West Europe - see Figure 1.

Figure 1 Housing equity as % of GDP (EU25)



Source: DEMHOW Project Final Publishable Summary Report (forthcoming).

The **DEMHOW** research project investigated the links between demographic change and housing wealth, assessing the extent to which home ownership could remedy some of the financial consequences of ageing populations. Anticipated economic consequences, resulting from additional costs of pensions and social care, include a reduction in GDP growth (compared to expected growth in the absence of an ageing population).

In a cross-section of EU Member States, retirement planning was not found to be the primary motive for buying a home, although most households view owning a home as a good investment. Fluctuating house prices are not generally seen as a risk, especially where people plan to stay in the house for many years if not a lifetime. Country-specific factors may influence the speed at which home owners pay off their mortgage. For example in the Netherlands, significant tax incentives, alongside adequate retirement pensions/incomes, mean many people keep a mortgage into retirement.

DEMHOW found that pension planning is approached differently by older and younger generations. Younger households believe it is increasingly unlikely that the state will provide for their old age and that individuals will have to take more responsibility for their own pension provision. Older people see the state as having a more central role - having paid taxes throughout their working lives, they believe the state is responsible for providing them with a pension. Of all cohorts, those in middle and late middle age appear to be most worried because they may not have enough time available to adjust to new policies.

The wealth held in the form of home ownership could contribute to people's incomes in two ways. The first is an income in kind whereby those who own their home outright enjoy the standard of living conferred by the house without having to pay rent. In comparison with a tenant of a similar property and similar income, they are better able to enjoy a higher standard of living. The second way is through converting some or all of the value of the house into an income, perhaps by using a financial product such as a reverse mortgage that allows the household to go on living in the house, having 'sold' a proportion of its value to a bank.

Financial products to release housing equity are often met with a lack of enthusiasm by older homeowners. Three key barriers identified are: firstly, the desire to leave a bequest is important in some countries (e.g. Hungary), although people without children may be more open to mortgage equity release in old age than people with children; secondly, a lack of trust in the providers of equity release products makes them unattractive, although government-related financial institutions such as the *Sparkasse* in Germany are regarded as more reliable; and thirdly, the products sometimes seem expensive, appearing to offer a small income relative to the amount of the equity transferred.

The challenge for policy makers is to develop fair and sustainable policies in the fields of pensions, housing, fiscal policy and social policy that take housing equity assets into account. One approach would be for governments to be centrally involved in the reverse mortgage market, for example by offering guarantees that would have the consequence of bringing down costs, or by providing a convincing regulatory framework that would provide consumer confidence.

Such policies would need to consider that:

- There are pension-related reasons for encouraging people to become home owners - this encourages them to save during their working years and enables them to live rent free when they retire. But present levels of home ownership are only sustainable with large subsidies (in the form of tax incentives) which may not be the best use of public funds.
- If reverse mortgage products were more widely available, older people could continue living in their homes and boost their cash income. This would require considerable adaptations to existing legal arrangements and possibly public subsidies, such as guarantees. People seem reluctant to use their housing equity, particularly if state pensions and social protection measures do not seem robust, so the use of housing equity appears conditional on, and not a substitute for, state spending.
- While housing equity could boost the living standards of some older people, those with the most housing income tend to have the most non-housing wealth and the largest pensions. This limits the impact of home ownership as a means of reducing poverty. Housing equity is irrelevant to the income needs of those older Europeans - frequently the very poorest - who rent their homes. Moreover, providing equity release mortgages involves risk to financial institutions in areas with shrinking populations or for older people in less well-maintained dwellings. This may reduce their willingness to offer these products in such circumstances.

The DEMHOW researchers conclude that housing equity can boost the income of older people but it may not be a fiscally cheap option.

(duration: 1/3/2008 - 31/12/2010). FP7 Socio-economic Sciences and Humanities, Activity 3 "Major trends in society and their implications", Research area 3.1 "Demographic changes". Collaborative project (small and medium scale focused research project).

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Europeans want children: Can policies help?

March 2011

Which factors determine fertility rates in Europe? How do people decide to have children? Why do many people postpone or abandon their childbearing plans? Coordinated by the Vienna Institute of Demography, the **REPRO** research project has spent the past three years exploring these and other compelling questions concerning Europe's demographic development. Its findings reveal a great deal about Europe's fertility challenge.

Childbearing intentions and their subsequent realisation are the main focal point of REPRO's research. To this end the project has made extensive use of the socio-psychological Theory of Planned Behavior (TPB), which explores the links between intentions and behaviour. The TPB defines three main factors related to an individual's fertility intentions: personal attitudes towards having a child; the influence of social norms and opinions of friends and relatives (subjective norms); and the extent to which the individual is able to control childbearing and its consequences for his/her family.

Intentions are the result of a combination of these three factors. Parental leave and child allowances and other key policy instruments enhance the third factor: personal control. However, they have a lower influence on attitudes and perceived norms. So, traditional policies may fail where negative attitudes to childbearing prevail and where one's social network is not supportive of one's decision to have a child, since these factors may outweigh the effect of the policy instruments.

The results suggest that policy approaches should be more sensitive to the ways that different subjective norms and personal attitudes affect the intention to have a child. REPRO contends that fertility strategies must take multiple factors into account, such as economic, social, institutional and psychological factors, and consider a web of (often conflicting) policy influences. For example, family policies support a decision to have a child while social policies enhancing work may act as a disincentive for childbearing desires.

While the consortium acknowledges that conventional family policies (such as child allowances and parental leave) may be helpful in supporting the realisation of an intention to have a child, the project's findings indicate that other policy instruments should be considered as well. Job insecurity, gender equality and the reconciliation of work and family are identified as possible key areas for policy intervention. It is suggested that intervening in these policy areas "*may help particularly in alleviating obstacles ... which impede the realisation of people's intentions to have children*". And there seem to be plenty of these obstacles.

The realisation of fertility intentions was examined using panel data– see Table 1. Respondents who had declared in wave 1 that they intended to have a child during the subsequent three years were classified into three groups according to the way their childbearing intentions were realised three years later:

- **Intentional parents** are respondents who had realised their intentions to have a child.
- **Postponers** are respondents who did not fulfil their intention to have a child but indicated in the second panel that they intended to have a child during the subsequent three-year period.
- **Abandoners** are respondents who did not realise their intention to have a child and declared in wave 2 that they no longer intended to have a child during the subsequent three-year period.

Table 1: Fulfilment of fertility intentions

Fertility outcomes in %	Netherlands	Switzerland	Hungary	Bulgaria
Intentional parents	77	60	46	45
Postponers	10	25	34	32
Abandoners	13	15	20	23
Total	100	100	100	100

Table 1 shows the distribution of respondents in these three groups. It reveals a striking contrast in the fulfilment of intentions among the four countries: the Dutch are the most likely to realise their intentions while less than 50% of the Bulgarians and the Hungarians are able to do so. A possible explanation is that the dynamics of societal change in Bulgaria and Hungary is very high and hence less predictable.

As the REPRO team note, the decision whether or not to have a child is quite complex and depends on numerous socio-economic and cultural factors. Indeed, the 27 Member States of the European Union display a high degree of heterogeneity, so there can be no one-size-fits-all approach to addressing the union's demographic challenges. In its efforts to explain why some policies appear to promote fertility in one country but not another, the REPRO initiative recognises the considerable role played by social norms.

To highlight the power of social norms, the researchers present specific data from the European Social Survey regarding rates of disapproval of female voluntary childlessness. The survey shows, for example, that while 86% of people in Ukraine disapprove of voluntary childlessness, the figure in Sweden is just 4%. This radical difference, the researchers argue, has little to do with country differentials in terms of socio-economic or political factors *per se*. Instead, it is almost entirely attributable to cultural differences, and differences in social norms and values, in particular. In this case: "individuals who are highly educated, less religious and value personal autonomy highly are less likely to disapprove of childlessness". These norms may happen to be more prevalent in some countries than others, but the researchers stress that they are specific to individuals.

Making an effort to provide practical orientation for policy makers interested in fertility levels, the REPRO consortium has produced a set of factors to keep in mind when analysing and responding to fertility challenges:

- Policies should broaden their scope and pay more attention to the realisation of intentions to have a child. However, policy makers also need to ensure that family planning options are available for those who do not wish to have a child.
- Fertility intentions are formed through a combination of three main factors: personal attitudes, subjective norms, and perceived control over having a child. When constructing policy instruments, all three factors need to be taken into account: policies which neglect one or two of these factors may ultimately be ineffective.
- Fertility decisions are affected by many different policies simultaneously, such as policies related to decreasing unemployment, enhancing education, improving housing conditions, promoting gender equality, and, above all, family policies.
- Many relevant policies do not usually aim to influence fertility, but are motivated by different objectives and, therefore, have an indirect effect on childbearing decisions. For example, policies that aim to decrease unemployment may contribute to a rise in family income and hence alleviate economic problems associated with having a child; these same policies may prompt women who have secured employment to postpone their childbearing plans.
- Policies may be analysed one by one, but it is the combination of policies and their coherence that matters for reproductive decisions.
- Stability is an important policy feature, improving predictability of the consequences of individual reproductive decisions.
- The impact of policies on fertility may differ widely by social group, age and the number of children already born. For example, the intention to have a first child and the important transition to parenthood raises different support needs compared with those associated with the desire to have a second or a third child, which are mainly economic in nature.
- Institutional context - including prevailing norms and attitudes in a country - influences the way a particular policy may be accepted and how it will influence reproductive decisions. Wide public discourse on family support provided by policies may inspire a positive disposition towards childbearing.

- It is important to distinguish short-term from long-term policy effects, also with respect to the timing and level of fertility. Frequently, the introduction of new or improved policy instruments results in an increase in the number of births, but this is simply a timing effect. People decide to have their planned children earlier on in order to make use of these instruments. Policies should aim towards a long-term increase in births, beyond this short-term timing effect.
- Well designed policies signal that a) having and rearing children is valued and b) that parents will be supported in this endeavor.

Undoubtedly, much work remains to be done in this challenging policy area. But the REPRO project has enhanced our understanding of the problem, stressing a need to consider subjective norms and individual attitudes when designing policy responses.

REPRO

Reproductive decision-making in a macro-micro perspective

(duration: 1/2/2008 – 31/1/2011). FP7 Socio-economic Sciences and Humanities, Activity 3 “Major trends in society and their implications”, Research area 3.1 “Demographic changes”. Collaborative project (small and medium scale focused research project).

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Are the needs of the ageing population different for men and women?

February 2011

The ageing European population has large implications for policy. The **MAGGIE** (*Major Ageing and Gender Issues in Europe*) research project has analysed the quality of life among older people, focusing on gender to inform policy development and identify the most vulnerable groups. The project involved ten research teams across Europe to analyse various indicators of quality of life among the population aged over 60. Its main sources of data have been SHARE (*Survey of Health, Ageing and Retirement in Europe*)¹ and GGS (*Gender and Generation Survey*)². This has been supplemented with data from the ECHP (*European Community Household Panel*)³ and from the EU's 5th Framework project, FELICIE (*Future Elderly Living Conditions in Europe*)⁴.

The main influences on quality of life are health, financial situation and family relationships. However, the impact of these factors is different for men and women, depending on living arrangements (alone or in a couple) and on societal and political context. Good health, good finances and family integration positively influence the well-being of all older people. However, in general, life satisfaction of women is more dependent on home ownership and leisure pursuits, whilst men's quality of life relies more on having children. The current pension reforms may have major consequences, particularly for older females living on their own who have not contributed to pensions throughout their life.

Living arrangements and marital status

In general, variation in life satisfaction depends more on financial issues for people living alone and more on family issues for couples. Women who live alone are less favoured than men in terms of their socio-economic situation, i.e. they have lower levels of education and income. However, they are more favoured in terms of family relationships and more likely to receive social support from the family. This appears in part to be governed by social norms about the vulnerability of elderly mothers.

Life satisfaction is higher in couples for both men (42% are very satisfied compared to 31% who live alone) and women (39% compared to 28% who live alone). Women in a couple have better economic living conditions and health than single women, whereas men have a better family situation, i.e. elderly men benefit from their wives' continued presence and support since wives usually outlive their husbands.

Both women in couples and those living alone are less satisfied than men with their lives. The life satisfaction of women is positively linked with home ownership, leisure activities or quality of nearby transport and shopping facilities. For men, having a child is more influential on life satisfaction. Due to the traditional division of labour tasks, with women as homemakers and men as the main (or sole) earners, this trend could be seen as a desire to 'make up for lost time'. The female focus on economic security could also be due to their lower personal pensions, especially for those living alone.

Societal and political context

The MAGGIE study identified three broad distinctions across nations:

- **German speaking countries (Austria and Germany)** - older people are generally better off financially than in other countries, but the gender gap between men and women is wider than elsewhere.

- **Northern and Western Europe (France, Belgium, the Netherlands, Denmark, Sweden)** - elderly people are more oriented towards friends and leisure activities than in other countries and less oriented towards the family.
- **Southern Europe (Greece, Italy, Spain)** - elderly people declare better health in these countries and are more family-centred.

Irrespective of living arrangements, the life satisfaction of older women is more influenced by the social and political context. Looking at the patterns across different countries, there is greater variation in quality of life for women. The lesser heterogeneity in men may be due to the uniform male model of socialisation across societies, whereas for women the balance of career and family life produces more diversity. In Northern countries, leisure and quality of immediate environment are most important for the life satisfaction of women. They are more attached to independence, to the extent that daily contact with children tends to have a negative impact on satisfaction. In Central and Southern Europe, satisfaction is dependent on material security and contact with family and others. In Southern Europe, women tend to be less satisfied if they have less than daily contact with their children.

Vulnerable groups in the ageing population

MAGGIE has identified several subpopulations that are at a risk of low quality of life and who may require special attention from policy makers:

- People in poor health.
- Men and women without children in Central Europe, women in precarious financial situations in the North and women with less frequent family contact in Southern Europe.
- Those who do not have access to or do not take part in leisure activities.
- Those who may be hard hit by pension reforms, particularly those groups for whom material security is a priority in quality of life, such as women living on their own.

Possible future trends

The ageing population is not static and as subsequent generations grow older the issues may change. MAGGIE has analysed possible trends for future ageing generations. It suggests that male and female models will probably converge in the future since women have been increasingly active in the labour market. However, the current reforms of pension schemes could still discriminate against women as they are more likely to have been engaged in part-time employment or taken breaks from work for family commitments. As such, there is a large amount of uncertainty around pension impacts on the ageing population.

The elderly population could benefit from improvements in health, either from better infrastructure or behavioural changes through diet and hygiene. However, the future of the gender gap in relation to health is uncertain and this influences patterns amongst those in institutional care, which is currently a much greater percentage of women. The interaction of different policies such as pensions, health and social security will influence gender differences in quality of life.

References

- ¹ See <http://www.share-project.org/>
- ² See <http://www.unece.org/pau/ggp/data.html>
- ³ See <http://circa.europa.eu/irc/dsis/echpanel/info/data/information.html>
- ⁴ See <http://www.felicie.org/>

(duration: 1/9/2006 – 31/8/2009) was a Specific Targeted Research Project funded under the 6th Framework Programme for Research of the European Union, Thematic Priority 7 - Citizens and governance in a knowledge-based society.

See: <http://maggie-project.org/>

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Coping with a multifaith Europe: differing approaches to religious education

January 2011

All European countries are multicultural entities, and growing religious diversity is an important dimension of this. Analysis of the role of religious and moral education¹ (RME) in schools can lead to a better understanding of the challenges and opportunities of dealing with multicultural societies.

The **REMC** research project explored the perspectives of young children on religious identity formation. REMC also yielded insights into the role that parental religious affiliation plays in the choice of school and the influence of schooling on religious socialisation more generally. The project focused on primary education because of its potentially crucial role in the formation of religious beliefs and values among children.

The multidisciplinary project REMC drew on insights from sociology, education, theology, comparative study of religion, equality studies and economics and analysed existing data such as the European Values Study². In addition, it involved in-depth qualitative interviews with a total of 69 teachers, 127 parents and more than 35 groups of children in Malta, Ireland, Scotland, Germany and Flanders (Belgium). The proportion of separate faith schools³ in these countries ranges from 2% (in Germany) to 98% (in Ireland) of all primary schools. The researchers also interviewed key stakeholders such as religious groups, education management bodies and teachers' unions to explore the changing institutional context within case-study countries.

Religion is one of several factors guiding a parent's choice of school for their children. Not surprisingly, religion is a more dominant factor in choice for families from minority faith groups – but even here it is complex, as parents may wish not only to preserve their religious tradition but also to maintain their cultural identity or to provide a 'safe haven' to protect their children from being treated as different.

The nature of religious and moral education (RME) is influenced by the type of school. In faith schools, RME is devised by the relevant religious authority, whereas in state schools, the nature of RME varies widely. For example in Germany and Flanders, families can choose from a number of different faith options, including (in the case of Flanders) a secular ethical education strand. However, not all religious groups are encompassed by this system, and in both countries access to an Islamic education strand is rare. In Scotland state schools provide a RME curriculum which emphasises 'learning about religions' and exploring ethical values.

The researchers emphasise that in all countries studied, the communication of religious/moral values is not confined to RME lessons. Faith schools engage in practices including prayer, attending religious services and celebrating religious festivals. Despite the 'neutrality' of state schools, tacit Christian values and assumptions may be embedded within the school ethos.

Potential challenges for European societies are:

- Educational systems provide for faith formation for Christian groups to a much greater extent than for non-Christian groups, even when faith formation is not an explicit goal of schooling.
- There is a mismatch between the fixed categories under which faith schools and RME provision are generally organised (Catholic, Protestant, Muslim etc.) and the complex and fluid way that parents and children define their own religious identities.

- Children attending faith schools and receiving instruction in a specific religion reported less knowledge of and contact with other religious/moral belief systems, except in Germany where the intake into some state-maintained faith schools was fairly multi-religious.

The main implications for national and EU policy are:

- Dress was found to be the most difficult issue for schools to deal with, and all countries adopted different approaches for managing this. However, many countries found it relatively easy to deal with issues of diversity relating to food practices.
- There are potential clashes between EU equal opportunity legislation (which prohibits discrimination on grounds of religion, belief or sexual identity) and faith community demands concerning employment of teachers. For example, in Scotland all teachers, of whatever faith, in Catholic schools are expected to support the church's philosophy of education.
- EU human rights legislation underpins the right of parents to have their children educated in accord with their religious beliefs. Therefore, children's rights to choice are usually subservient to those of their parents. This is contrary to the UN Convention on the Rights of the Child, which emphasises the right of children to participate in decisions that affect them.
- Children are active agents in their own religious formation and schools must attempt to balance parents' and children's rights to choice and autonomy, respecting the wishes of parents while at the same time allowing children to have a say in issues affecting them.
- It is important to recognise the ways in which dominant religious and moral ethos permeates all aspects of school life, and the considerable variation in how schools treat diverse groups.
- Teacher education plays a vital role in ensuring that parents and students of all religions, as well as those who do not practice a religion, feel their beliefs are respected. It must incorporate knowledge and awareness of religious diversity and prepare teachers for inclusive education. Schools can be supported by the availability of relevant resources and curriculum materials.

References

- ¹ **Religious and Moral Education (RME)** – In the context of this project, the term RME was used to represent a subject area in primary schools that deals with religion, morals and values. REMC acknowledges that there are differences between countries with regard to the use of the term, with some countries differentiating between 'religious education' and 'values education'. However, the term RME is used to facilitate cross-country comparability.
- ² See: <http://www.europeanvaluesstudy.eu/>
- ³ **Faith schools** – In this project, the term 'faith school' was used to refer to a school owned and/or managed by a specific religious group. Countries differ in the terminology used with some countries adopting the term 'denominational school'.

REMC

Religious education in a multi-cultural society:
school and home in comparative context

(duration: 1/1/2008 – 31/12/2009) was a Collaborative Research Project funded under the 7th Framework Programme for Research of the European Union, Socio-economic Sciences and Humanities, Activity 3 – Major trends in society and their implications.

See: http://www.esri.ie/research/research_areas/education/Remc/

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New survey to measure impact of change on EU employees

December 2010

Globalisation, rapid changes in technology and demographics, such as an ageing population and migration, together with the economic crisis, are putting considerable pressure for change on organisations and their employees. Organisational change can be highly disruptive, resulting in a decline in productivity and lower economic performance or even company failure. These challenges are recognised in the Europe 2020 Strategy, which calls for change to be managed positively, and for innovative and flexible forms of work to be promoted to improve the quality of employment and company performance.

Understanding how organisations adapt to changes in technology and markets while preserving their essential dynamism is essential for the effective management of organisational change. However, there is currently a lack of comparable data that can be harmonised across Europe to show how EU enterprises organise their work and coordinate processes such as design, production, purchasing and sales. This leads to an incomplete understanding of the impacts of organisational change on productivity and employee working conditions.

MEADOW (*Measuring the Dynamics of Organisations and Work*) has developed guidelines and survey questionnaires for collecting and interpreting internationally harmonised data on organisational change, and its economic and social impacts, from both private and public sector organisations.

The researchers believe that reliable information on organisational change would provide a sound basis for effective benchmarking of best practice across EU Member States. It would contribute directly to the success of European policy initiatives aimed at increasing the flexibility and adaptability of organisations and employees, while simultaneously improving the quality and security of jobs, employee skills and equal opportunities.

The multi-disciplinary consortium of 14 partners from 9 European countries designed an innovative linked employer-employee survey to study the dynamics of organisational change. The indicators measured through the employer and employee level questionnaires include degree of innovation, use of ICT, working conditions, human resources (HR) management, and developments in skills and training.

For example, the survey can show:

- How work organisation and HR policies affect job characteristics and performance of employees.
- Whether innovation at organisation level has an impact on employee well-being indicators, such as stress or days of absence.
- How changes are communicated and made visible to employees.
- How employees react to and cope with different types of change.
- How many employers are innovative or flexible.
- The types of flexible arrangements, further training or job design which are best suited to maintain older workers in employment.

The MEADOW survey has been designed for organisations of twenty employees or more. The survey can be conducted over the telephone, taking around 30 minutes, and tracks changes over a two year period through retrospective questions. By using a linked employer-employee survey, a richer set of complementary information can be collected to establish causal relationships. Employers can characterise the organisation's overall strategy and structure, including the nature of relations with other organisations and external actors, while employees can

provide information about job characteristics, work organisation, skills development and utilisation, work-life balance and well-being at work.

The survey was translated into seven languages and subjected to cognitive testing to ensure the feasibility of producing harmonised statistics on organisational dynamics across a range of different cultures. Almost 250 interviews were undertaken in 11 European Member States with private and public sector organisations from a variety of sectors and establishment sizes, together with more detailed pilot testing in Sweden and Denmark.

The researchers believe the survey can be used to determine whether planned organisational changes, designed to improve innovation and performance, are compatible with the security of high quality jobs and reducing inequalities. It can distinguish which types of organisational design are best adapted to introducing new skills, innovative work methods, promoting gender equality, or maintaining the employment opportunities of older workers. By aggregating individual data collected in the survey at employer and employee levels, it can be used to construct relevant sector, national or EU-level indicators of states and change.

The MEADOW survey design complements work undertaken by organisations such as Eurostat, OECD and the European Foundation for the Improvement of Living and Working Conditions. The 'Guidelines for collecting and interpreting harmonised data on organisational change and work restructuring and their economic and social impacts at the EU level', together with a range of documents, publications and activity reports on the MEADOW network, can be downloaded from: <http://www.meadow-project.eu/index.php?/The-MEADOW-Guidelines.html>

MEADOW

Measuring the Dynamics of Organisations and Work: proposed guidelines for collecting and interpreting data on organisational change and its economic and social impacts

(duration: 1/3/2007 - 28/2/2010) was a Coordination Action funded under the 6th Framework Programme for Research of the European Union, Thematic Priority 7 - Citizens and governance in a knowledge-based society.

See: <http://www.meadow-project.eu>

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Bridging the generational gap

November 2010

How is demographic change affecting intergenerational solidarity in Europe? What policies are best suited to promoting social integration among an ageing population? These are among the key questions being explored by **MULTILINKS**, an EU-sponsored research project led by the Erasmus University Rotterdam. Although the project is still ongoing, it has already yielded significant findings that could provide EU and national-level policy makers with orientation on a broad range of socio-economic issues from childcare to retirement.

One of the project's main achievements so far has been the creation of an overview of relevant legal and policy frameworks in all 27 European Union Member States. The database of comparative indicators focuses on two essential areas: firstly, legal obligations to support and care for children and needy older relatives, particularly one's own parents, and secondly, public support (income transfers and services) for young children and the elderly. Researchers, Chiara Saraceno and Wolfgang Keck assembled this database in order to ascertain how specific institutional frameworks support both individual autonomy and a willingness to be responsible towards one's children and frail parents.

MULTILINKS operates on the premise that demographic ageing affects people of all ages, not just the elderly. The researchers assume that critical interdependencies between family generations (and between men and women in families) are built and reinforced by legal and policy arrangements. The project then sets out to identify what those arrangements are around Europe. These intergenerational indicators are dispersed over a wide range of sources in the various Member States and data are rarely harmonised and readily comparable, since those gathering the data may not use the same definition or the same unit of reference.

Also the main EU effort at collecting social policy data, the Mutual Information System on Social Protection (MIS-SOC) is far from having succeeded in achieving a good level of standardisation and comparability in all areas. In this respect, the project has revealed a pressing need within the EU to better monitor the process of data collection in the areas which concern family policies and intergenerational interdependencies.

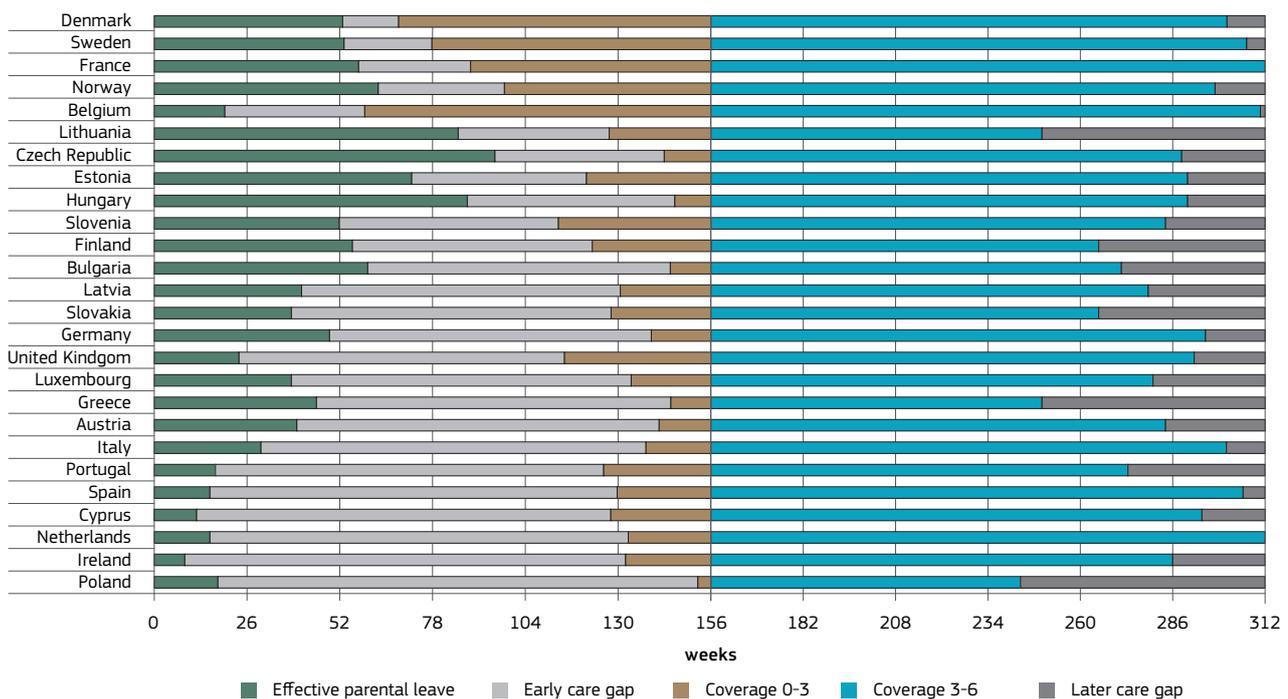
Despite the problematic nature of their data pool, the researchers have succeeded in constructing a number of informative charts that illustrate the diversity of intergenerational policy regimes in the EU. The following provides an excellent example.

Figure 1 shows the duration (in working weeks) of childcare coverage provided in all EU Member States (except Romania and Malta) as well as Russia. The earliest phase of coverage concerns effective leave (i.e. maximum leave duration weighted on the basis of level of compensation) from work, allowing parents to care for their young children at home. In most countries, given the incomplete coverage through childcare services for the children aged less than three, leave is generally followed by an 'early care gap'. However, the chart shows enormous policy differences with respect to childcare policy. While some countries, such as Denmark, provide high levels of support in all forms, others, such as Poland and Greece, offer "very low levels of support in any form". The researchers note that in those societies where families end up assuming full responsibility for childcare by default, social inequalities are reinforced.

Helpfully, even in its early stages, MULTILINKS has formulated concrete policy recommendations for specific target audiences. EU statistical offices and the Social Protection Committee, as well as national statistical offices should:

- Make a substantive effort at improving the quality and standardisation of information on a number of social indicators.

Figure 1: Child care coverage through “effective leave” and publicly financed services, in working weeks



Note: Children 0-5. EU27 2003-2007 and Russia.

Romania and Malta not included because data on childcare for the under 3s are missing.

Source: own calculations using various databases. See Saraceno and Keck, 2008.

- Effectively address the care needs of elderly people and develop comprehensive policies to meet these needs. Currently, despite increasing concern about an ageing society, this area is amongst the least documented and most outdated in terms of EU data collection.

Recommendations for national and EU policy makers include:

- In order to support intergenerational responsibilities in families within a framework of gender equality and a concern for countering social inequality, policies should ease the burden of responsibilities through a balanced mix of income support (e.g. child benefits), time to care (e.g. paid leave) and provision of non-family care.
- Expectations of intergenerational support should not be at the expense of individual autonomy and dignity for all involved.

Employers and trade-unions should ensure that:

- Policies related to working time and practices need to take account of workers' care responsibilities. Policies should consider such responsibilities as likely to recur and should be assumed to affect equally male and female workers.

MULTILINKS

How Demographic Changes Shape Intergenerational Solidarity, Well-being and Social Integration: A Multilinks Framework

(duration: 1/3/2008 – 28/2/2011) is a Specific Research Project funded under the 7th Framework Programme for Research of the European Union, Thematic Priority 3 – Major trends in society and their implications.

See: <http://www.multilinks-project.eu/>

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Linguistic diversity: Opportunities and pitfalls

October 2010

'Multilingualism' is prone to contradictory interpretations, which presents serious challenges to policy makers in their quest for an integrated, knowledge-based European society. Linguistic diversity is promoted as valuable and positive by European policy makers; however while it can be culturally enriching, multilingualism is often perceived as an obstacle to social integration and cohesion. If Europe hopes to utilise the potential of its linguistic assets productively, policy makers should acknowledge the contentious nature of language diversity, and address it with coordinated and consistent education and integration measures.

That is just one of the many policy-relevant insights to have emerged so far from **LINEE**, an EU-sponsored research project investigating linguistic diversity in Europe. Combining the interdisciplinary strength of around 80 individual researchers at nine European universities, LINEE (*Languages in a Network of European Excellence*) has been examining language and multilingualism in four thematic categories: identity and culture, policy and planning, education and the economy. The researchers conducted studies at over 30 locations around Europe, gathering a broad empirical sample.

One of the fundamental conflicts identified by the researchers concerns two kinds of discourse being pursued simultaneously in Europe with respect to linguistic diversity. Official EU discourse champions human rights issues associated with non-discrimination, protection of minorities and cultural preservation. The focus of this discourse is clearly on 'equality' as a shared cultural value in Europe (consistent with the EU's official motto 'unity in diversity'). Many people who are coping with Europe's linguistic diversity in their everyday lives, however, are engaged in a very different kind of discourse, one driven not by a quest for equality but by competition in the linguistic marketplace. Europeans are perfectly aware that 'big' languages (especially English as a *Lingua Franca*) have far greater economic value than languages spoken by relatively few people. While the human rights discourse regards all languages as equal and valuable, the economic discourse recognises that some languages are more valuable than others.

The LINEE researchers acknowledge that these two discourses cannot be easily reconciled, but they claim that misunderstandings could at least be avoided if greater effort is made to explain the meaning of the term 'multilingualism'. That word, it turns out, is very complex, meaning different things to different people, depending on the context. For some interlocutors 'multilingualism' might refer to either *or both* of the discourses described above. Alternatively, some may employ the term when referring to the use of more than one language by a society. Others apply it to the use of more than one language by a single person. Still others feel 'plurilingualism' is the more precise term to describe the latter. Based on the findings of the project, the researchers suggest:

- The meaning of the term 'multilingualism' needs to be made explicit in each context.

Education, particularly at the elementary level, is among the project's core concerns. The research partners consider that much work needs to be done if Europe is to avoid wasting its linguistic resources. The following policy recommendations are made:

- Teachers should be trained to recognise the benefits of linguistic diversity for the learning process. To this end, teacher mobility should be promoted. Currently, many teachers seem to regard multilingualism among children as an obstacle to learning.
- Education policy makers are further advised to advance an *integrative* approach to teaching languages and avoid the traditional tendency to treat them as separate objects of learning.

The LINEE consortium concludes that the fast pace of change in European society (including immigration) may demand that local authorities be given greater support in order to respond directly to changing linguistic conditions, for example when confronted with minority languages from outside Europe. In general, the project recommends:

- A need to better coordinate cultural-linguistic policies through all tiers of governance.

On the basis of the project's analysis, other key policy suggestions include:

- "The recognition and promotion of the authenticity of non-native speaker English (English as Lingua Franca)" at a European level.
- Policy makers are urged to create more opportunities to use foreign languages.
- Promote the learning of a second or foreign language at a national level. The researchers describe this as a "distinctive necessity" for intercultural understanding and European citizenship.

LINEE

Languages in a Network of European Excellence

(duration: 1/11/2006 - 31/10/2010) is a Network of Excellence funded under the 6th Framework Programme for Research of the European Union, Thematic Priority 7 – Citizens and governance in a knowledge-based society.

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International migration transforms both sending and receiving countries

September 2010

Around one billion people worldwide cross national borders each year and an estimated 200 million people live outside their original home countries. Of these, around 90 million work outside their countries of origin. As a result, new patterns of international migration and new kinds of transnational migrants are emerging.

The three-year **TRANS-NET** project started in March 2008 to contribute towards better understanding of the underlying dynamics of international migration among policy makers and academics. TRANS-NET is coordinated by the University of Tampere, Finland and involves partners from Estonia, France, Germany, India, Morocco, Turkey and the United Kingdom. The research focused on trans-border contacts and the ties and networks migrants have in these pairs of nations - Estonia/Finland, India/the UK, Morocco/France and Turkey/Germany.

The research found that migrants may be long-term or temporary, seasonal or irregular, and may move back and forth between states, in some cases circumventing state controls on borders and taxes. They may move between developing and developed countries, especially at times of global recession. Sometimes they inhabit transnational spaces between the countries. For example, many Indian high-tech professionals see themselves as citizens of the world, driven by market forces, whose main objective is to seek career opportunities that will enable them to maximise their earnings and savings in as short a time as possible.

In addition to labour and family-based migrants, asylum seekers and university students move across territorial boundaries. This range of phenomena challenges clear-cut distinctions between emigrant and immigrant, and also between countries of emigration and immigration. High rates of return mean that a country of origin may in the future become a country of immigration again.

The study focused on the transforming effects in participating countries on a range of institutions such as citizenship, economic enterprise, welfare services and the family.

Among the findings were:

- Although a number of studies have been published on transnational networks, transnational social spaces, migrant remittances and transnational (or hybrid) identities, etc., research conducted so far has failed to generate an adequate understanding of the ways in which new forms of transnational activities affect people's daily lives. Particularly with regard to cross-border political activities, and economic and educational relations, at present the challenges and opportunities of migrants' transnational relations are not extensively considered.
- In 'migrant-sending countries' (Estonia, India, Morocco, Turkey) the border-crossing transfer of financial and material remittances plays a central role in the local/national economy, helping to structure wider socio-cultural practices. For example, in India, migrants' remittances play an important role in producing economic and social development. In addition to major socio-economic changes, this has led to thriving 'boom' economies and new forms of transnational lifestyles (IT professionals, university students, etc). Transnational mobility between India and the UK is mainly prompted by employment and family concerns, and has recently become increasingly important, in spite of the long distances involved. Technological development is a precondition for this increase in people's transnational activities.
- A parallel case with a colonial background, Morocco/France, provides an example of how migration has profoundly changed the social structure in sending communities. In Morocco, the remittances sent by migrants have a strategic value for the national economy. Yet the 'brain drain' (the large-scale emigration of individuals with technical

skills or knowledge) causes the Moroccan society severe difficulties. In France, one particular aspect currently causing concern is the relatively large number of undocumented migrants of Moroccan background. A further problem regards cases of social exclusion among the representatives of the Muslim minority.

- Throughout the world, an increase in people's transnational mobility has given rise to an increasing interest in multiple state memberships. In some participating countries, for example Finland and India, attempts have recently been made to facilitate the attainment of dual citizenship. However, the concept of dual citizenship should be further examined, i.e. whether and to what extent dual citizens actually exercise their rights connected to their citizenships.
- Finally, as transnational social support practices are increasing, the potential for social security practices to expand across national borders should be explored. In addition, future research in this area should focus not only on immigrants and their family and kin networks, but also on organisations providing transnational social support, as well as benefits, services and politics provided by the nation state. The interdependences between private and public care benefits systems, and transformations in both areas, could be of particular interest.

The TRANS-NET project is ongoing and will produce preliminary recommendations in a policy brief in autumn 2010. So far, it has found deep and far-reaching transformative processes which within a relatively limited time span are changing societies and people's living conditions. By investigating transnational phenomena such as these, the project provides insights into the conditions under which cross-border relations and transnational processes can benefit social integration, economic innovation, social security systems and cross-border educational relations. These insights will provide the basis for future policy decisions.

In the meantime, the study recommends further global research collaborations to address issues such as:

- Ongoing changes in migration patterns and the emergence of transnational social spaces.
- Increasing patterns of individuals establishing social fields that cross geographic, political, social and cultural borders.
- The increasingly transnational nature of people's working and educational contexts.
- The increasingly transnational nature of people's social support practices in the globalising world.

TRANS-NET

Transnationalisation, migration and transformation: multi-level analysis of migrant transnationalism

(duration: 1/3/2008 – 28/2/2011) was a Specific Targeted Research Project funded under the 7th Framework Programme for Research of the European Union, Thematic Priority 3 – Major trends in society and their implications.

See: www.uta.fi/projects/transnet

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Advantages of migration in the European Union

July 2010

International migration into and within the EU is a key issue with far-reaching consequences for Member States and the EU as a whole. It affects the integration of resident immigrants, how institutions can adapt to preserve social cohesion, and the management of demand-and-supply-driven migration.

Halting or significantly reducing immigration to Europe is seen by **IMISCOE**-researchers as undesirable and unrealistic.

IMISCOE was a major European Network of Excellence and brought together over 500 researchers from 23 European institutes, to provide a robust research base for policies on migration. It was funded by the EC from 2004 until 2010. Since 1 April 2010 IMISCOE has become an independent research network financed through institutional fees. Its main themes were and are:

- International migration: the spatial movement, voluntary or forced, of persons across political borders.
- The process of settlement and integration of immigrants and their descendants in the society of destination and the consequences for the receiving society.

Networks of Excellence were not designed and financed to conduct actual research, but to gather the critical mass of knowledge on selected topics, disseminate current knowledge to policy makers and catalyse new research projects. A wide range of policy briefs have been produced for this purpose on topics including:

- Family migration, transnationalism and diaspora politics.
- Diversity, equality and discrimination in working life.
- Human smuggling.
- The acquisition and loss of nationality in 15 EU states.
- Innovative concepts for alternative migration policies.

Unemployment rates were found to be higher and work conditions worse for immigrants and ethnic minorities than for native populations. Education levels and migration background only partly explained this socially and economically undesirable exclusion from the labour market - discrimination was an important factor. Researchers noted a current trend towards new restrictions in accessing citizenship in countries with large and settled immigrant populations.

Recommendations for policy makers, NGOs and migrant organisations include:

Family migration in Europe

- The system of legal status should avoid locking people into precarious positions.
- Family migration policies should recognise gender inequalities, especially as regards resource requirements.

Transnationalism and diaspora politics

- Migrants should be regarded as individuals responding to opportunities and challenges in both sending and receiving countries.
- Transnational ties should be accommodated, rather than expecting migrants to maintain exclusive loyalties.
- Policies on immigrant integration and sending country development should be combined within a single coherent framework.

Diversity, equality and discrimination in working life

- Strong anti-discrimination laws are needed at both the EU and national levels.
- Employers and trade unions should commit to combat discrimination and promote good practice.
- Data and indicators are needed to diagnose the labour market situation and the economic and social consequences of discrimination.

Towards a better understanding of human smuggling

- International cooperation is very effective.
- Policies should be consistent with other factors that shape migration.
- Improved border control can lead to increased and risky illegal migration and displacement of smuggling routes.
- Policies must be comprehensive, consistent and anticipatory.

An IMISCOE workshop suggested alternative and innovative approaches to the management of migration. These included temporary employment migration with enhanced options for return migrants; confining the role of governments to supervision and acting as linchpins in decision making; the inclusion of stakeholders in migration policy making; new forms of mobility and circular migration (back and forth rights); new approaches to migrant remittances; free movement rights for the over 50s; open borders, coupled with an internal control system of close monitoring, and selling legal entry permits as part of a new incentive scheme.

These proposals represent new 'policy-mixes' of policy instruments and control tools, aimed at finding a better balance than the current systems provide. They signal a shift away from border controls and physical exclusion towards new forms of regulating, tracking and monitoring the activities of migrant populations.

For example, liberalising access to labour markets and expanding temporary work programmes would require closer control at the workplace; pricing entrance fees or selling visas would necessitate increased document security; providing return incentives involves tackling corruption and opening up borders implies stricter internal controls.

The Network of Excellence, funded by the 6th Framework Programme for Research of the European Commission from 1 April 2004 – 1 April 2010, is now continuing as an independent network funded by institutional membership.

IMISCOE

International Migration, Integration and Social Cohesion in Europe

(duration: 1/4/2004 – 1/4/2010) was a Network of Excellence funded under the 6th Framework Programme for Research of the European Union, Thematic Priority 7 – Citizens and governance in a knowledge-based society.

See: <http://www.imiscoe.org/>

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Flexibility and security in the workplace are key to a European work-care balance

July 2010

Investment in family support is needed to enable parents to combine their care responsibilities with their right to work, according to the **WORKCARE** project. It indicated that a key aspect to successful policy is the provision of flexibility and security in the workplace for both men and women. To do this, policy will need to consider current national and gender differences.

Through the Lisbon Strategy and the Renewed Social Agenda¹, the European Commission is trying to encourage more people to be part of the workforce. However, in the face of an ageing population, it is also important to encourage families to have children. These seemingly contradictory policies can put pressure on families to combine work with care responsibilities.

The three-year WORKCARE project brought together social research experts from seven European countries to describe the patterns of welfare, work and care and to analyse social policies at both a European and national level. The project used large scale data sets such as the European Social Survey and the International Social Survey Programme to look at patterns across the whole of Europe. These were supplemented by in-depth interviews with parents in seven countries: Denmark, Austria, the UK, Poland, Hungary, Italy and Portugal. There were a number of important findings:

- Families with both parents working are becoming the normal pattern across Europe, which is congruent with EU policy. Some of the countries with the highest fertility rates are those where public policies enable parents to combine paid employment with care for their children.
- Countries with the highest degree of childcare support are those with the greatest continuity of employment for men and women over time. However, in many European countries there is a shortage of good quality affordable child care, especially for children less than three years' old. In the absence of affordable childcare it is usually the women who take time out of work or take on part-time or insecure employment. The extended family and friends provide an important source of support, especially grandparents, and in those countries without affordable childcare there is a higher reliance on the extended family.
- All European countries provide maternity leave and paternity leave but the length of leave for mothers and fathers varies significantly, as does the level of remuneration. Although fathers report a desire to be more involved in caring for their children, paternity leave is under-utilised and tends to be taken only when there is a high level of compensation.
- Flexisecurity policies provide both flexibility and security in the labour market, for example part-time and flexi-time work combined with job and income security. Currently these tend to provide flexibility and security for men, but only flexibility with little or no security for women.
- Gender inequalities exist, for example in flexisecurity policies and parental leave. There are also inequalities between the levels of the occupational hierarchy. Professional and managerial workers have more flexibility in how they organise their work, whilst those in working class employment have much less ability/bargaining power for negotiating flexibility.
- Several types of welfare regimes were identified across Europe. Closest to European policy objectives was the 'extensive family policy' regime that exists in Sweden, Denmark, Belgium and France. Here mothers are back in employment after three months to one year parental leave and rely to a great extent on state provided childcare. Surprisingly this was not always the most expensive, and was comparable with the 'long-leave, part time' model in Germany, Austria and Luxembourg where mothers have parental leave for up to three years.

Based on the findings of the project there were a number of policy recommendations:

- Flexisecurity is a key aspect of European policy to enable a balance between work and care. However, these policies must ensure flexibility and security for both men and women. At present flexicurity policies in Denmark and the Netherlands tend to provide more flexibility for women and more security for men. Flexicurity therefore needs to take into account a gendered perspective.
- Policy should take a life course perspective and consider the consequences of periods of leave on careers, social security benefits, pensions etc for both men and women.
- A 'gender lens' must be used to evaluate all policy proposals. There must also be further progression in gender equality in the workplace, especially in terms of the pay gap between men and women.
- Employers need to be encouraged to adopt family friendly policies so that both men and women feel able to take their entitlements. Well-paid maternity and paternity leave are essential and men must be encouraged to take paternity leave. At the end of parental leave both mothers and fathers should be able to return to their previous job.
- There should be greater provision of affordable, high quality childcare. Reliance on informal care may come into conflict with other policies. For example encouraging older women to enter the workplace could reduce the availability of grandmothers to provide care. Those who provide informal care should be supported in ensuring they meet the children's developmental needs.

References

- ¹ See <http://ec.europa.eu/social/main.jsp?catId=547>

WORKCARE

Social quality and the changing relationships between work, care and welfare in Europe

(duration: 1/10/2006 – 30/9/2009) was a Specific Targeted Research Project funded under the 6th Framework Programme for Research of the European Union, Thematic Priority 7 - Citizens and governance in a knowledge-based society.

See: <http://www.abdn.ac.uk/socsci/research/nec/workcare/>

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How do Europe's schools treat minority ethnic youth?

June 2010

Compulsory education in Europe shows signs of failing sizeable groups of children who are either not receiving primary education, leaving school without learning basic literacy and numeracy skills, or dropping out of secondary school before gaining any of the qualifications needed to get a job. As children from poor families of minority ethnic backgrounds are most at risk of these outcomes, the **EDUMIGROM** project investigates the extent to which ethnic differences in education lead to inequalities in future prospects among different urban youth groups.

The collaboration, launched in March 2008 under the EU's 7th Framework Programme, is led by the Central European University in Hungary, and involves nine partners from old and new Member States – the Czech Republic, Denmark, France, Germany, Hungary, Romania, Slovakia, Sweden and the United Kingdom.

The three most important aspects of educational systems that impact on the school career and life prospects of minority ethnic youth are institutional infrastructure (who manages, finances and maintains quality), regulations on admission and attendance, and dominant school practices. Substantial segments of ethnic minorities are becoming the low-performing users of schools, resulting in limited potential for life-long learning, while 'white flight' (white nationals fleeing urban communities as the minority population increases) reinforces patterns of educational segregation, intensifying tensions between schools and communities.

The project recognises that legal arrangements on compulsory education vary considerably throughout Europe. Some countries specify a school leaving age; some, like the UK, make 'education' rather than schooling compulsory, allowing home schooling; others define the number of years of compulsory schooling without specifying a leaving age. Some European Member States regard the right to education as belonging only to citizens and strictly-defined groups of non-citizens; some embrace legal immigrants but exclude 'undocumented people', while others cover all children on the country's soil at any given time.

Educational systems across Europe have diverse ways of tracking students into different areas of study. Vocational tracks attended mainly by minority ethnic students do not provide the necessary skills for successful entrance to the labour market. Early tracking works to the detriment of minority ethnic groups, who often experience conflicting values, norms, and practices between their home and school environments. Thus, distorted identities may limit their aspirations for successful inclusion in society and contribute to attempts at ethnic separation.

Segregation in education also often leads to a downgrading of the quality and content of teaching and results in lowered school performances and poorer labour market opportunities. Segregation in education tends to contribute to early ethnic enclosure and isolation, as well as to the reproduction of inequalities.

In addition to a series of reports based on original research in the partner countries, the project has produced three major international comparative studies: 'Comparative Report on Education', 'Comparative Report on Education Policies for Inclusion', and 'Comparative Report on Ethnic Relations' which examine the similarities and differences in 'hot ethnic issues' across different national contexts. Common issues include:

- Migrant children usually have poor access to pre-school facilities.
- Minority ethnic students tend to become concentrated in certain schools and in certain classes within schools.
- In separate schools, minority education pupils face less tension but often perform to lower expectations.
- Overall, educational attainment of minority ethnic youth is less favourable but with some important internal variations.

Country variations include:

- In the UK, Pakistani pupils feel the most isolated, Caribbean pupils are more integrated but feel aggrieved at their treatment in school, while white middle class pupils deny the significance of race as a marker of identity.
- In France, the most relevant factor for students in deciding to stay on beyond compulsory schooling was their academic stream, not their ethnic identity or social origin.
- In Hungary, few Roma students reached the elite top stream of secondary schools, meaning that advancement to higher education was extremely rare and in the Czech Republic, Roma girls in particular have a high drop-out rate from secondary schooling.

Forthcoming reports will cover the impact of segregation/inclusion on student performance, self-esteem and aspirations, and a comparative survey report examining educational systems' impact on minority ethnic youth will be prepared by the beginning of the summer 2010.

Researchers recommend that policies for compulsory education should take account of the complexity of socio-economic factors and how these interact with different ethnic backgrounds. Education policies should act in concert with policies on employment, welfare and housing, which are the most important areas where inequalities by class and ethnicity are evident.

While recognising the great variations in school systems, and the differences in socio-economic conditions and inter-ethnic relations in an enlarged Europe, the researchers hope their recommendations will help establish some common principles of a European-wide policy to make compulsory education accessible for all.

EDUMIGROM

Ethnic Differences in Education and Diverging Prospects for Urban Youth in an Enlarged Europe

(duration: 1/3/2008 – 28/2/2011) is a Specific Targeted Research Project funded under the 7th Framework Programme for Research of the European Union, Thematic Priority 3 – Major trends in society and their implications.

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Restrictions do not halt flow of undocumented workers

May 2010

EU Member States are trying to restrict undocumented economic migration by means including quotas, restrictions on access to welfare rights such as healthcare and tightening controls on family reunion, according to recent research. However despite these measures, undocumented migration continues and workers without papers are driven to take the most marginal and dangerous jobs.

A research project called Undocumented Worker Transitions (**UWT**) was carried out by a consortium involving seven EU Member States – the UK, Austria, Belgium, Bulgaria, Denmark, Italy and Spain – and aimed to understand the factors that underlie flows of migrants, and both legal and illegal pathways that they followed into work. The findings were based on testimonies from 200 workers who were or had been undocumented, and on interviews with EU and national experts on migration.

Policies in all the countries studied were aimed at restricting undocumented migration and limiting the numbers of documented migrants. However, they did not eliminate undocumented work, but rather pushed workers into informal sectors of the economy such as cleaning, caring for the elderly, food preparation and construction. Some groups of migrants were found to have been displaced by later groups and there was a significant shift of undocumented migrant workers into self-employment. Undocumented workers were found to earn less than documented workers, were forced to accept low-skilled jobs, were more vulnerable to exploitation and experienced poorer working conditions.

The existence of a pool of undocumented workers provides employers with an opportunity to circumvent existing laws, recognising that these workers are unable to enforce employment rights. In all seven countries the researchers observed growing restrictions in relation to welfare rights, with increasing emphasis on the denial of basic rights, including healthcare. Female migration, even more than male migration, was found to be caused by extreme economic necessity.

The project defined undocumented workers as foreign citizens present on the territory of a state in violation of the regulations of entry and residence, who had either crossed the border illicitly, who had overstayed their visa or work permit, or who were failed asylum seekers. Exact numbers of undocumented migrants based on this definition were difficult to calculate, and there was a lack of internationally comparable data on undocumented migration.

The researchers point out that a worker's legal status is not fixed or clearly established, but can change over time. Few of the people they interviewed started their migration journey with a particular status – either documented or undocumented – and maintained this status consistently. For example in the UK, expiry of visas or changes to migration laws meant that some currently undocumented migrants had arrived as documented migrants. In contrast, in Spain, most of those interviewed had arrived as undocumented workers but many had managed to regularise their position, either through state regularisation programmes, obtaining work permits or by marriage.

They conclude that despite the tightening regime of immigration controls, the high numbers of undocumented workers in some of the countries examined is a consequence of poor conditions of life in their countries of origin and occurs regardless of the immigration regime in the destination country.

The research recommends the separation of migration and employment regulations to allow all workers, regardless of migration status, to benefit from the protection that labour laws are set up to provide. This would also mean that the economic advantages to employers of using undocumented labour might disappear. In particular, they recommend:

- A sustainable regularisation process to enable undocumented workers to gain regular status, through a 'pathway to citizenship'.
- Cooperation between trade unions in the host country and unions in the home country of undocumented migrants.
- Greater efforts to specifically target women migrants working in private homes or in more 'hidden' conditions.
- Better relations between state institutions and migrant networks.
- Extension of 'labour search permits' (as used to a limited extent in Spain) to allow migrants a three-month period of seeking employment.
- Improved healthcare and education for migrants and their partners/families.
- Improved access to information on services, such as welfare and health services, emergency accommodation, language courses, civic engagement and creation of support networks.
- Ratification of the convention on migrant rights.
- Since immigration controls are shown to be ineffective in preventing undocumented migration, destination countries need to increase their support to the economies in countries of origin.

UWT

Undocumented Worker Transitions: Compiling evidence concerning the boundaries and processes of change in the status and work of undocumented workers in Europe

(duration: 1/1/2007 – 31/12/2008) was a Specific Targeted Research Project funded under the 6th Framework Programme for Research of the European Union, Thematic Priority 8 – Scientific support to policies.

See: www.undocumentedmigrants.eu

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Fewer irregular migrants in Europe than previously thought

May 2010

The actual number of irregular immigrants entering and staying in the European Union is largely unknown, and the reliability of figures varies considerably. However, a new country-by-country analysis estimates that in early 2008, 1.9 to 3.8 million irregular immigrants were living in the 27 EU Member States, lower than previous estimates of between 4 and 8 million. The robust review, carried out by the CLANDESTINO project, provides a database and a critical appraisal of the reliability of available data and estimates.

It is unsurprising that figures are either downplayed or exaggerated. A realistic assessment of the size and structure of irregular migrant populations is vital both for policies aiming at their inclusion in health care, schooling or legal assistance, and for border and visa control policies seeking to prevent irregular entries.

CLANDESTINO assessed the different methods used to estimate irregular migrant populations in Europe and makes recommendations regarding the ethical aspects of research on irregular migrants. It provides a database on irregular migration in Europe supported by twelve country reports and policy briefs on 12 EU Member States - Austria, Czech Republic, France, Germany, Greece, Hungary, Italy, the Netherlands, Poland, Slovakia, Spain and the UK. It also produced three country reports and three policy briefs for three EU neighbouring countries - Morocco, Turkey and Ukraine. Among the comparative analyses produced by the project is one on the links between irregular migration and informal work in Central Eastern and Southern EU member states.

CLANDESTINO found that there is no commonly agreed upon definition of irregular migration in the legislation of the European Union's Member States. The CLANDESTINO project uses the term irregular foreign residents (IFR), defined as foreign nationals without any legal residence status in the country they are residing in, and persons violating the terms of their status, which basically concerns 'irregularly working tourists' from third countries. Asylum seekers and similar groups as well as regular residents working in the shadow economy were explicitly excluded from this definition.

The research shows that irregular migrants face risks of poverty and social exclusion, are vulnerable and often marginalised from society. Their situation is exacerbated by restricted access to basic social services.

The researchers conclude that there is no single explanation for irregular migration. Rather, it results from a complex interplay of individual migrants, economic forces and employer practices, politics and law. Despite the political objective of managing, preventing and reducing irregular migration, some legislation has, in fact, contributed to the emergence of irregular migration through unintended side-effects, policy gaps, such as an absence of implementation and enforcement, and unrealistic policy goals.

Key messages for policy makers

Size of irregular migrant populations residing in the EU:

The database created by CLANDESTINO provides reliable and transparent estimates of irregular migrant populations in the EU27 in 2008. The database can be updated as estimates or data for specific countries become available. The revision of available country estimates and enhancing the quality of data will result in more robust estimates for the entire EU.

A realistic assessment of the size and structure of irregular migrant populations is particularly relevant for policies focusing on inclusion of irregular migrants. Political actors and NGOs who lobby for effective inclusion of undocumented migrants in basic social systems, such as health care, schooling or legal assistance, are confronted with the question of how many people are affected, as this has major implications on costs and organisation. When new regularisation policies are introduced, it will be even more important to have a realistic assessment of how many people may apply and may be eligible, both to administer regularisation adequately and to get an indication of the impact on labour markets and social systems.

Impact of regularisation:

The effects of regularisation on the size of irregular migrant populations seem to be highly dependent on internal and external circumstances. If national policies fail to address the circumstances that lead to irregular migration in the first place, irregular migration will continue to grow, and perhaps even surpass prior levels. If they are accompanied by major changes in other policies, as has recently been the case in Spain, it could result in a reduction in the level of irregular residence.

Regularisation through EU enlargement and effects on informal work

The EU accession of new Member States has also led to a substantial legalisation effect in many old Member States. However, only the residence status (and not the work status) of migrants from these countries has been regularised. Instead, migrants continue to work in the shadow economy.

Irregularity can be prevented by:

- Introducing more legal migration channels, including access to legal representation for family members and asylum seekers.
- Allocating adequate resources to and monitoring of immigration/permit issuing/appeal authorities.
- Addressing the phenomenon of the informal economy by eliminating unduly legal, bureaucratic and fiscal regulations; increasing incentives for regular employment; eliminating barriers for foreign workers and monitoring and enforcing the rules.

Border controls

For control and enforcement policies seeking to prevent irregular entries, such as border control and visa policies, a realistic assessment of the size of undocumented migrant populations is much less important since policies are concerned with those who plan to enter rather than those who are already resident. However, declining *trends* in irregular residents suggest that there is no need for hasty 'emergency' interventions and budget increases for control agencies. Whether or not this tendency will prevail, it is a good time to evaluate entrance control policies and to consider well-observed experiments, liberalising selected practices.

The need for better data to support policy making

Self-evaluation and internal research is not sufficient for such purposes. Even if research departments within organisations like FRONTEX were increased to the size of universities, they cannot avoid an institutional viewpoint. On the other hand, external academic research, as presented here, often suffers from a lack of data access or data understanding. Collaborative research between research institutes and research departments in authorities, with clearly defined roles, is probably the best way forward to understand the size, characteristics, causes and consequences of irregular migration.

CLANDESTINO

Undocumented Migration: Counting the Uncountable.
Data and Trends Across Europe

(duration: 1/9/2007 – 31/8/2009) was a Specific Targeted Research Project funded under the 6th Framework Programme for Research of the European Union, Thematic Priority 8 – Scientific support to policies.

See: <http://clandestino.eliamep.gr/>

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Europe's workforce needs improved knowledge to compete globally

April 2010

Strategies aimed at developing better quality workplaces and allowing workers to develop their abilities in a more secure employment environment are needed to help industries remain competitive. Action is needed at EU level to monitor working conditions across industries and state boundaries to prevent rising inequality between regions, sectors and worker categories, according to new research.

Research conducted through the **WORKS** (Work Organisation and Restructuring in the Knowledge Society) project shows that workers need more skills to be able to respond to rapidly changing business processes and to be able to collaborate across the boundaries of their organisation. The research suggests that industries in all 27 Member States are tending to become more specialised and increasing workers' skills is now closely related to work intensification rather than more interesting jobs with greater learning opportunities.

The WORKS project comprehensively brings together knowledge and data on changing work practices throughout Europe. It compares 13 major surveys in Europe on organisational change and includes three major EU-level employee surveys on changes in employment and the quality of work. WORKS undertook 58 organisational case studies from 14 EU countries covering business functions such as research and development, production, logistics, customer service and IT in a range of manufacturing, private and public services. A further 30 occupational case studies were carried out in the clothing, IT, food and customer service sectors. The project takes into account employment, equality and industrial relations regulations and gender issues.

The researchers found fragmentation of employment conditions even within the same company, with workers employed under different terms and conditions. The threat of outsourcing of jobs previously associated with manual work is now spreading to white-collar work. Trends toward standardisation and intensification of jobs are experienced by employees as stress, insecurity, feeling overqualified, a lack of control and a deterioration of well-being. For women, although new knowledge work has opened up new opportunities, this can mean adopting a 'masculine' lifestyle, with long hours and sacrificing the work-life balance.

The current financial and economic crisis is having an ambivalent effect – while it may speed up business decisions to outsource activities to low-cost destinations, it could result in work being brought back in house to reduce overcapacity or to retain qualified staff.

Recommendations for industries include:

- Introducing learning organisation models, to develop the ability of employees and to enhance the capacity to innovate.
- Basing innovation on an educated workforce.
- Improving workers' representation and increasing their input into restructuring processes.
- Paying urgent attention to Health and Safety issues to address the stressful impacts of restructuring on workers.
- Preventing inequality caused by the fragmentation of value chains by establishing a common set of terms and conditions for workers.
- Promoting skill development in low skilled work and upgrading jobs, reducing insecurity and supporting better work-life balance in service industries.

Many regulations defined at the EU level are meant to achieve equality, decrease discrimination, improve the quality of work life, educate the workforce, ensure job security, and govern restructuring and its effects. However, in practice such regulations are often not adopted or selectively implemented.

Recommendations at policy level in the fields of Health and Safety and work quality include:

- Monitoring working conditions across industries and state boundaries more effectively.
- Action at EU level to prevent rising inequality between regions, sectors and worker categories.
- Encouraging new structures for employee participation.
- Supporting European level worker representation initiatives and EU legislation to support national systems to protect workers and working life along the value chain.
- Supporting regional and sectoral vocational and educational training infrastructures to promote and support lifelong learning for all citizens.

According to the researchers, by understanding what is happening at the workplace level, policy makers will be better able to uncover the gaps between how regulations are meant to function and how well they function in reality. The four year project has published a comprehensive glossary of key concepts in book form and on the website.

WORKS

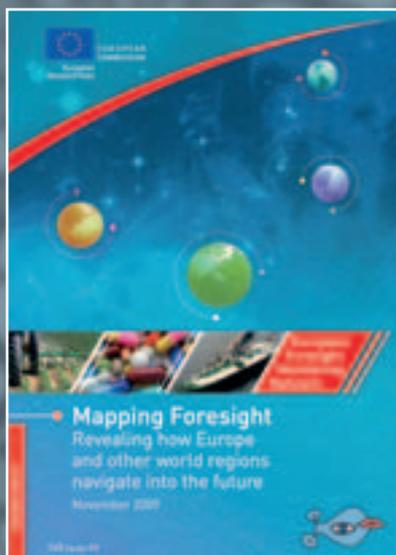
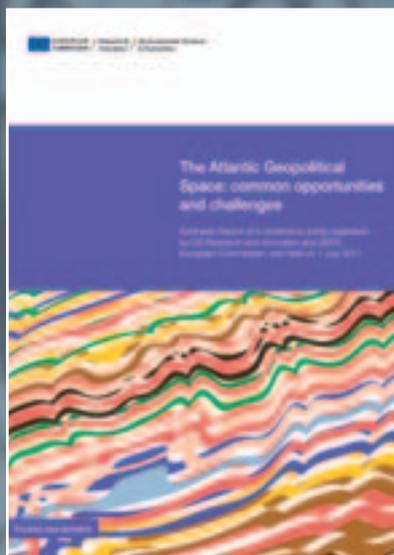
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See: www.worksproject.be

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Europe in the world





Clarifying the EU's external role in a multi-polar world

September 2012

One of the key challenges faced by the European Union in its external relations is the extent to which it can act in a coordinated way towards third countries and global networks. The **GR:EEN** research project seeks to clarify, at a time of rapid change in the global order, whether and why Member States wish to act separately, or in concert, in their relations with external partners. The project's analysis focuses on the extent of EU power, and its recognition and legitimacy to act in three key areas: human rights and security, energy and the environment, and trade and finance.

Current and future challenges facing the EU include the ongoing financial crisis, climate change and shifts in the energy market, and the emergence of new centres of power in a multi-polar world. The response to these challenges has often been issue-based, with networks forming according to the challenge in question. The main aim of this four-year project is to uncover the part that European insights can play in securing reform and innovation in the changing global order.

While networks within Europe have been well-researched, there has until now been a lack of analysis on networks that cross EU boundaries. GR:EEN is unusual in that it involves as many non-EU partners as EU ones, including institutions from Argentina, Australia, Belgium, China, Denmark, Hungary, Italy, Japan, the Netherlands, Norway, Singapore, South Africa, Spain, the United Kingdom, the United Nations University (UNU-CRIS) in Belgium and the USA.

As part of its stock-taking analysis, GR:EEN has come up with the innovative concept of case-study integrated fora, where an issue is formulated by stakeholder communities, researched, and the findings brought back to ensure learning is successfully embedded. Knowledge and evidence from these fora is shared at executive briefings, which bring together academics and researchers, international policy experts and practitioners, the business community and civil society to discuss matters of concern.

Executive briefings have so far been conducted on 'The EU and the Arab Spring' and 'EU Common Foreign and Security Policy (CFSP) in a Multi-polar World'.

The EU and the Arab Spring

This briefing found a lack of unity and coherence in EU policy towards the Middle-East. The Arab Spring was viewed by participants as the beginning of a long-term process of change. Other transformations in this region include the expansion of influence of regional players such as Turkey and the Gulf monarchies. The group emphasised the importance of continuing to research and monitor the situation on the ground in the Middle East and North Africa.

EU Common Foreign and Security Policy in a Multi-polar World

This briefing highlighted divisions between Member States when devising a common European foreign policy response. For example, there was no common EU position on the human rights situation in the Ukraine in the run-up to the Euro 2012 Football Championships. Participants also believed that the EU's financial crisis affects its image in the world, and that within this context it is paramount for Member States, and especially members of the Eurozone, to tackle the underlying causes at the origin of the debt crisis.

A key message from GR:EEN's research is that new global networks have emerged as a reaction to real, and perceived, failings in the ability of formal international organisations to take forward collective problem-solving under conditions of increasingly complex interdependence in international relations. For example, China is promoting changes to the interpretation of norms underpinning the concept of human rights, which were previously defined by the West, in international fora such as the United Nations Human Rights Commission/Council.

Other initial findings from GR:EEN include:

- The importance, in understanding potential poles of global influence, of examining how so-called 'intermediate' countries respond, such as Australia, Japan, Singapore and Argentina. These countries are thought of as natural allies of the West, but may feel pulled both ways if they are next to regional powerhouses.
- Countries like Australia and Brazil are performing well economically, despite the global recession, due to their relations with China.
- There is a mismatch between the EU's view of itself as a global actor, and the views of those outside the EU.
- The EU should not underestimate the impact of the financial crisis on the views of people outside the region.
- There is a lack of clarity externally about what the EU's role is in global affairs and which body represents it. Externally there are perceived to be multiple sites of authority or technical competence within the EU depending on the issue under discussion.
- There is a need to re-establish credibility as external expectations of the EU's foreign and security policy are not necessarily being met. Efforts are needed to interact with the next generation of decision-makers involved in the Arab Spring.
- Member States still tend to prioritise their national interest in their relations with major and emerging powers acting, at times, in competition with each other.

One of the major outputs of the GR:EEN project will be a participatory foresight exercise within the time horizon of 2020, focusing on changing socio-economic and political relationships between the EU and the world. The foresight exercise is helping to develop visions of the future and design pathways towards these visions to improve regional and global cooperation policies. Indirect effects include better-informed decisions, generation of broader consensus, promotion of strategic and long-term thinking, and the accumulation of policy-relevant knowledge.

The GR:EEN researchers start from the assumption that while multi-polarity, with Europe as one pole, is a possible outcome of changes in global power, two alternative scenarios may include either a shift from a trans-Atlantic to a trans-Pacific locus of power, or depolarisation and fragmentation of authority. Both of these scenarios could marginalise Europe, and they are thus subjects that require further study.

GR:EEN

Global re-ordering: Evolution through European networks

(duration: 1/3/2011 – 28/2/2014). FP7 Socio-economic Sciences and Humanities, Activity 4, "Europe and the World". Collaborative project (small and medium scale focused research project).

See: www.greenfp7.eu (project website); http://www.greenfp7.eu/work_packages/videolibrary (video library)

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Rethinking EU foreign policy for the 'Asian Century'?

September 2012

With a rapidly growing economy, Asia is emerging as a major player on the world stage and the EU needs to reassess how it views the region, as both a partner and a competitor. But poor communication in the past has meant that research on Asia has not always reached EU policy makers. The **IDEAS** project has made some critical first steps towards bringing European policy makers and the Asian studies research community in Europe closer together. Looking to the future, the researchers have also proposed new, proactive ways for diplomats to stay in tune with rapidly evolving Asian politics, including specialising in one region and using social media.

In 2011, China accounted for a third of global GDP growth and economists predict that at the current rate of growth, China's GDP will overtake that of the United States by 2018¹. However, with vast cultural, religious and historical differences across nations, the economic rise of Asia presents a number of political uncertainties. A deep understanding of the factors that drive Asian geopolitics is critical if the EU is to continue to be accepted as a global power alongside Asia and the US.

The IDEAS project emerged from the recognition that the transition from *theory* to *practice* in Asian foreign policy is very poor, particularly given its mounting significance. In other words, even though social sciences and humanities (SSH) scholars in Europe are developing rich cultural and historical insights through research, EU diplomats and policy makers have not been aware of such research, have not drawn on it or have been unable to access it. If this continues, it could have a critical impact on the quality of EU foreign policy in Asia, say the IDEAS researchers.

Step by step: Bringing researchers and policy makers closer together

In the first part of the IDEAS project, a workgroup from the University of Turku looked at how cooperation could be improved within the European Consortium for Asian Field Study (ECAAF), which comprises more than 40 research institutions across Europe and Asia. At the same time, the British Academy carried out an assessment of the network of 23 field research centres run by ECAAF members in Asia.

A set of recommendations, which is now being piloted, include encouraging scholars to form new networks across disciplinary boundaries by setting up joint-research programmes and co-hosting conferences, lectures, workshops and seminars, and offering a number of fellowships to enable early career researchers to make field visits to the ECAAF centres.

But how does their research get through to policy makers? Another outcome of the IDEAS project has been the creation of an online web portal where policy makers, diplomats, civil society and any other interested parties can access a database with the names and contact details of more than 1,800 scholars within the ECAAF network (<http://www.ideasconsortium.eu/databases.php>). This makes it easier for policy makers to contact experts in specific areas and to form new connections with the research community.

What about other research coming out of Asia? The creation of a European Digital Research Infrastructure on East Asia has been recommended by IDEAS partners, whereby access to the huge amount of digital data and resources being produced in Asia, outside of the ECAAF network, could be granted on a European level and made available to all research institutes and universities. The current situation is that national institutions have to pay for individual licenses, resulting in many without access to the data they need to carry out cutting-edge research, leaving Europe at a disadvantage. Such a system already exists in Germany, which the IDEAS researchers recommend expanding to cover all EU Member States.

A 'new generation' of EU diplomats

The two major religions in Asia, Buddhism and Islam, play significant roles in shaping politics in the region. Two policy dialogues, held in June 2011 and 2012, organised by the University of Hamburg, assembled European and Asian experts and representatives from the European External Action Service (EEAS), the foreign policy branch of the EU set up in 2010, to discuss how the EU can meet future challenges in Asia.

Achieving better EU-Asian relations means becoming more culturally sensitive, concluded the IDEAS consortium. In Asia, where warmth, humility, sincerity and engagement on a personal level are highly valued in business and politics, EU diplomats should be prepared to engage with public authorities, local businesses and civil society in new and unconventional ways, to open discussion out to a wider sphere rather than restricting it to ambassadors behind closed doors.

With this in mind, approximately 40 participants from the EEAS, Member States' Ministries of Foreign Affairs, Asian Embassies in Brussels, the European Commission, the European Parliament and European think tanks gathered in Brussels in June 2012 for the final meeting of the IDEAS project, to discuss the qualities and qualifications that would be desirable in the next generation of EU diplomats.

Some recommendations included:

- A stronger emphasis on diplomats' in-depth knowledge of history and culture, especially shared historical experiences resulting from past European presence in Asia.
- Changes in recruitment to introduce diplomats who are trained intensively for a specific region or country, i.e. to become *specialists* not *generalists*.
- Initiating a one-year 'European Master of Asian Cultures and Diplomacy', pre-posting training and follow-up training once on duty in Asia.
- Strong linguistic skills to allow diplomats to follow local debates, to monitor public opinion and to engage with communities via, for example, social media.

In March 2011, the French School of Asian Studies (EFEO) organised two briefing sessions in Hong Kong and Vietnam, in close collaboration with local EU delegations. The first looked at *Religion as a test to the "One country, Two systems" principle* and the second at *The Long Wall of Qu ng Ngãi - Binh Đ nh: Politics, Poverty and Ethnic Relations in the History of a Central Vietnamese Province*.

Both events met with considerable interest and brought together a wide range of participants - including Asian and European diplomats and policy makers, SSH researchers and leading figures from civil society. They represent a first step in an initiative to explore various approaches to develop synergies between long-term oriented humanities research and the ongoing exigencies of policy making.

With the project now at a close, the IDEAS researchers are optimistic that not only has the exchange of information between researchers and policy makers been improved over the lifetime of the project, but also that bringing the latest research to policy makers' fingertips presents an opportunity to kick-start a fundamental change in attitude towards Asia, which will be essential in what is fast becoming known as the 'Asian Century'.

References

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IDEAS

Integrating and developing European Asian studies

(duration: 1/1/2010 – 30/6/2012). FP7 Socio-economic Sciences and Humanities, Activity 4, "Europe and the world", Research area 4.1 "Interactions and interdependence between world regions and their implications". Collaborative project (coordination and support action).

See: www.ideasconsortium.eu

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World views of the EU vital to enlargement and boundaries debates

June 2012

Understanding how Europe is viewed, both by European Union Member States and by external countries, is vital for issues such as the enlargement process, setting EU boundaries, trade and external economic influence. The **EuroBroadMap** research project believes the EU could better succeed on the world stage in terms of diplomacy, finance and trade, if it had a coherent and shared vision of its place in the world, both inside and outside Europe. Unlike other world powers, the EU faces major difficulties in attempting to combine the visions of Member States, each of which has a different historical, political and cultural heritage.

The countries of Europe have experienced a continuous decrease in their share of world population and wealth during the period 1950–2000. It is only due to the enlargement process that the EU has maintained a constant share of around 6% of the world's population and 20% of the world economy.

EuroBroadMap found that many different visions of Europe's place within the world currently exist within EU Member States. This leads to external countries or groups of countries pursuing different strategies towards it, which in turn have varying impacts and outcomes on the EU. The project also assessed the view of Europe's place in the world held by non-European countries, such as Cameroon, Turkey, Russia, Brazil, China and India, and charts the implications of these external visions for the future development of European Union society.

The study was carried out by an international consortium from France, Belgium, Portugal, Sweden, Malta, Romania, Turkey, Brazil, Cameroon, China, Russia and India, and was multi-disciplinary in nature, bringing together geographers, sociologists, anthropologists, historians, political scientists and economists.

EuroBroadMap analysed three types of non-Eurocentric visions of Europe in the world:

- **Subjective**, or how Europe exists in people's minds, by quantitative analysis of the 'mental maps' of 9300 undergraduate students in 43 cities and 18 countries from both inside and outside the EU, and qualitative analysis of the perception of migrants from different migratory channels toward Europe (Latin America, Africa and Southern Asia).
- **Political** – The institutional visions of Europe produced both by states and by supranational or transnational organisations, and what norms are transmitted to children through education.
- **Functional** – Flows and networks, such as trade, finance, migration and diplomatic relations, and an objective analysis of the position of Europe within them.

EuroBroadMap has produced two novel interactive tools to present its results:

- **Subjective mapper** (see: <http://www.eurobroadmap.eu/content/new-reports-maps-all-eurobroadmap-results-online>) shows in clear, visual terms the views of migrants and students, the visions of international organisations such as NATO and the United Nations, and flows such as trade, finance and diplomatic relations. Its interactivity means that researchers, stakeholders and policy makers can choose from a range of themes and make comparisons of the views held by different groups in different countries.
- **Terra-cognita** (see: http://www.terra-cognita.fr/?page_id=5&lang=en) is a website for geography teachers which uses some of the project results to provide resources and activities for courses on European issues.

Main findings

EuroBroadMap produced evidence that four visions of Europe currently exist:

- **Europe as a world economic power** – Results support the existence of a functional region much larger than the EU, including those areas covered by the European Neighbourhood Policy¹ and neighbouring countries like Russia. However, without a firm commitment towards a common external policy for deepening bilateral relations with EU neighbours, the EU's global economic power could be dramatically reduced.
- **Europe as a continent with borders** – Although people inside and outside Europe divide the world using the concept of continents, in practice such borders are 'fuzzy'. The borders are well defined towards the South, but not in an easterly direction – Russia and Turkey are sometimes included or excluded depending on the country of origin of the respondent or their education. The 'fuzziness' of mental borders has not been an obstacle to the creation of international organisations or trade blocs, such as NAFTA (North American Free Trade Agreement) and ASEAN (Association of Southeast Asian Nations), which do not fit exactly with mental maps of continents.
- **Europe as a normative 'soft' power** – Despite or because it is relatively weak in military terms, the EU considers itself a 'soft' power, supporting democracy and human rights. However, the image of the EU as a 'soft' power, and a leader on issues such as global warming, is not necessarily shared by people outside the EU, whether by foreign students, potential migrants located outside the EU, or non-EU delegates in international institutions.
- **Europe as an attractive cluster of nodes in global networks** – A vision of Europe as a cluster of advanced global cities, firms and universities, ensuring a flow of innovations in the knowledge economy to balance the decline in traditional activities. The north-western part of the EU is more likely to attract highly qualified migrants, which could increase the internal disparities of the EU. Geographical, historical and linguistic proximity is crucial in migrants' choice of destinations. Therefore, the EU should consider developing partnerships in Higher Education with neighbouring countries rather than trying to attract people from a long distance.

The researchers believe these four visions are contradictory rather than complementary, each requiring different definitions of the geographical entity called 'Europe' and different strategic choices regarding political priorities. No single vision can provide a sustainable future for the EU's development as an institution. EuroBroadMap therefore recommends a fifth vision, exploring different strategic paths or scenarios for the future of the EU, some of which could be combined, but which are based on the existence of a 'secularised' EU, unconstrained by the myth of an eternal Europe. These are:

- The West scenario - the contraction of the EU to a 'giant Switzerland'.
- The North scenario - the strategic alliance of old industrial countries.
- The East scenario - the dream of a great continent from the Atlantic to the Urals.
- The South scenario - the building of an integrated Euro-African region.

EU citizens will be better able to decide on their future if they are aware of these different possible paths. The EU needs a broader perspective on its position in the world and roadmaps for a sustainable future. Any enlargement of perspective implies a dramatic change in EU citizens' current perceptions, which will not be possible without abandoning 'fuzzy' and contradictory notions of Europe.

This research is a continuation and deepening of questions and methods explored in a previous research project called 'Europe in the World', part of the ESPON programme².

References

¹ See: http://ec.europa.eu/world/enp/index_en.htm

² See: http://www.espon.eu/main/Menu_Publications/Menu_ESPON2006Publications/europeintheworld.html

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See: <http://www.eurobroadmap.eu/> (project website); <http://halshs.archives-ouvertes.fr/EUROBROADMAP/> (scientific reports)

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Energy and minerals: Does the EU's strategy to resource security need to change?

May 2012

Competition, collaboration and conflict have characterised the oil, gas and mineral industries since the 19th century. The early conclusions of the **POLINARES** research project are that the availability of resources in Europe up to 2040 will depend on a new regime of economic, political and technological factors that are hard to predict, requiring a broader and more flexible policy approach from the EU.

Natural resources, such as minerals and fossil fuels, play a central role in many sectors, including industry, energy provision, trade, technology and the economy. However, since Europe has few natural resources of its own compared to other parts of the world, concern over access is very high in the political consciousness, especially given recent political instability and resource nationalism in resource-rich nations.

The aim of the ongoing POLINARES project is to investigate the factors that are likely to influence resource supply in Europe up to 2040 and in doing so, to identify opportunities, risks, priorities and potential policy approaches to ensure sustainable economic development in Europe.

The preliminary recommendations from the initial part of the research are:

- Europe does not need to be concerned about exhausting geological resources of non fossil-fuel minerals, despite previous studies indicating 'high criticality' status of some minerals, i.e. rare earth metals.
- Political and environmental (i.e. non-geological) concerns mean that the production of some minerals, such as oil, is likely to reach a peak in the next 20 years.
- Governments need to be prepared for uncertainty in both the short and long term, and to take a more forward-looking, long-term approach to assessing supply risk.

Four future scenarios for resource availability

The EU is at the start of a new regime in terms of the relationship between economics, politics and how resources are governed. The project argues that compared to the period 1980-2000, in which 'liberal capitalism' allowed large private companies to flourish, the early years of this century are characterised by greater state involvement, triggered by the recognition that closer regulation of financial markets is needed to ensure economic stability.

To understand how resource availability in Europe could evolve in the next 30 years, the POLINARES researchers explored four potential regimes. The scenarios represent different extremes in terms of whether governance is mainly by the state or fragmented among private companies, and whether national interests are the priority or the approach is geared more towards multilateral collaboration.

The researchers produced a set of risk factors that may influence the direction of a potential regime shift towards one of the four scenarios. These are:

- The value of the resource, especially related to accidental supply disruption (i.e. natural disasters) and price hikes.
- The geographic location of the mineral reserve (i.e. how concentrated the supply is in unstable parts of the world).
- Relations between the owners of the resources (mainly states) and operators (mainly oil and mineral companies).
- Relations between resource-exporting and importing states, especially related to intentional supply cuts and using exports or pricing as a political weapon.
- The capacity of resource-producing states to govern their resource sectors.
- Geopolitics, i.e. the distribution of power, particularly between the West/United States and the East/China.

Combining expertise from the fields of international relations, economics, political science, geology, resource evaluation and technology, the researchers are working on translating the opportunities and risks associated with each of the four regimes into quantitative, economic parameters that can be used to assess the security of resource supply in each case.

If supply risks do become a reality in any of the scenarios, for example if one country is allowed to monopolise a particular supply chain, policy approaches could include promoting domestic production, creating strategic stockpiles, diversifying supplies, investing in research and development (R&D) for new technologies, and promoting resource efficiency and recycling. However, some of these approaches can be quite disruptive to the markets and should be applied cautiously, say the researchers.

The POLINARES research is intended to be exploratory and informative to policy makers in terms of how the EU's policy towards resource availability may shape, or be shaped, by evolving world factors.

What is unique about POLINARES?

Past studies into raw material availability have focused primarily on the economic consequences of supply shortages of specific minerals, and have generally produced a list of 'critical minerals' as a result. POLINARES argues that these past estimates tend to overestimate or misrepresent supply risks, opening the door to overreaction and increased geopolitical tensions. This occurs mainly as a result of taking a very short-term and specific perspective, whereas a more useful approach is to identify more long-term, generic factors that can cause supply restrictions and price fluctuations, as listed above.

Additional factors to consider are the evolving role of technology, which can lead to a sudden increase in demand for a given material (i.e. silicon in the electronics industry), and the willingness of states to voluntarily reduce consumption of some materials, for example under Kyoto commitments to reduce GHG emissions from fossil-based fuels.

The project has so far produced a policy brief on the historical analysis of regimes and resource availability, and briefing papers on 'criticality' and likely risk factors.

POLINARES

EU policy on natural resources

(duration: 1/1/2010 – 31/12/2012). FP7 Socio-economic Sciences and Humanities, Activity 4 "Europe and the world", Research area 4.1 "Interactions and interdependences between world regions and their implications". Collaborative project (small and medium scale focused research project).

See: <http://www.polinares.eu/>

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Responding to the crisis: Paths to stability

March 2012

Policy makers seeking guidance in the current financial crisis may wish to consult the findings of the **PEGGED** research project. Analysis and advice on vital aspects of the crisis, such as sovereign debt and the banking system, has been produced by the team of researchers from seven European institutions, led by David Vines from The University of Oxford.

An interesting crisis-relevant example is the policy report titled 'The Future of Banking'¹. Issued in the form of an eBook, this publication includes thirteen essays from leading European and American economists who discuss immediate solutions to the on-going financial crisis and propose bold regulatory reforms. The eBook was edited by project participant, Thorsten Beck, whose introductory chapter explores options for addressing the current banking crisis while anticipating long-term challenges.

Reviving an idea which he admits "has not really been popular among policy makers these past years", Thorsten Beck says there are compelling reasons to force financial institutions to privatise their *losses* as well as their profits. This counterargument to those who advocate maintaining the status quo or nationalising bank profits is progressing. The current situation may be untenable because - as the crisis has shown - banks have come to expect public bailouts when things go wrong but keep the benefits when things go right. They are accustomed to externalising their losses, imposing enormous costs on the rest of the economy through their risk-taking and failure.

Not that banks alone are to blame for this situation. Policy makers failed to apply the lessons of the previous crisis of 2008. Noting that politicians "did not use the last crisis sufficiently for the necessary reforms", Beck suggests that forced privatisation of bank profits *and* losses may now be "an idea whose time has finally come".

Issuing a "Call for Action", the PEGGED policy report urges policy makers to undertake the following:

- Resolve the Eurozone crisis *forcefully* and *swiftly* using a two-pronged approach with *separate* policy tools to address the sovereign debt and banking crises.
- Create incentives that force financial institutions to internalise all repercussions of their risk, especially the external costs of their potential failure.
- Focus on the endgame - Create a credible resolution regime that forces risk decision takers to bear the losses of their decisions. (This is needed to correct the misguided practice of providing bailouts to banks upon failure, a policy that has encouraged excessive risk-taking.)

The eBook also offers carefully argued reflections on other key aspects of the Eurozone crisis including the much-debated financial transaction tax, Eurobonds and the policy of 'ring-fencing' (separating the commercial and trading activities of banks).

PEGGED has explored these and many other hotly discussed policy instruments in several conferences and papers over the past two-and-a-half years. As one might expect, some of the project's research-based output is rather technical in nature. (Readers with a strong interest in economics or finance may appreciate the PEGGED discussion paper 'Sovereign CDS and Bond Pricing Dynamics in the Euro Area'¹.) However, many of the main policy-relevant publications produced by PEGGED have been written in a highly accessible way, providing valuable insights into key aspects of the crisis that are relevant to us all. One may not agree with all the policy positions taken by the researchers, but confronting their arguments and evidence is definitely a worthwhile exercise.

PEGGED was conceived with the express aim of helping Europe construct a “vision of how the global economic system should evolve”. To achieve this goal, the project concentrated on four key policy areas:

- International macroeconomic governance.
- Globalisation and financial stability.
- Integration of markets for trade in goods and services.
- Migration and the mobility of labour.

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¹ See: http://pegged.cepr.org/files/policy_reports/The%20Future%20of%20Banking_Beck.pdf

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What is multilateralism?

January 2012

Multilateralism is the lifeblood of the European Union and the means to achieving global peace, stability and prosperity, the cornerstones of EU policy. The concept of multilateralism is, in its 'minimalist' definition, a minimum of three or more states working together to tackle common issues, such as trade, financial and economic instability, terrorism, or climate change. But multilateralism throughout history has not been easy to attain and even its relevance for modern global politics is complex. It is currently under intense debate in the academic and political communities.

How has multilateralism changed?

The last few centuries have seen many parts of the world emerge from colonial rule, partitioning the globe into a multitude of independent states. However, the emergence of the United Nations in 1945 sparked a growing trend towards the formation of regional and international institutions, set up to unite countries with common interests, thereby offering protection and strength to its members. Since then, such institutions have been multiplying and include a strong legal dimension: in the roughly 30 years after 1970, the number of international treaties more than tripled, leading to a significant increase (by about two-thirds) in international institutions.

Essentially, the world is moving from a system of states to a system of regions (ranging from ASEAN to AU or MERCOSUR) experiencing different levels of integration. These regions, of which the EU is the 'oldest' and deepest in terms of competence, have come to be major players in shaping modern politics. This is partly because many modern challenges are global in nature and therefore require global solutions.

From a size perspective, and given its supranational competences, the EU can be considered a key regional player and has pledged its commitment to multilateralism since its establishment, and more specifically, through the 2003 Security Strategy and the Lisbon Treaty. But just like any other multilateral actor, the EU's practical understanding of multilateralism must continually adapt to accommodate the changing playing field. So the question is *how successfully* does the EU engage in, and promote, effective multilateralism? The answer requires an understanding of the challenges to be addressed 'multilaterally' as well as the dynamic relations between the EU's internal and external policies and competences.

What are the challenges?

One of the main challenges facing EU policy makers is how to approach issues in a multilateral way while remaining loyal to EU values as well as economic and security interests. This has often been considered a question of priorities. The *internal* complexity of the EU, as a grouping of 27 Member States, can also make it very difficult to arrive at a common *internal* agreement to reflect *externally* in the form of foreign policy. Independent Member States naturally tend to prioritise solutions that protect their own interests.

As a regional power, the EU also has a significant opportunity to act fairly towards external regions and international organisations. However, the EU is also not the only multilateral actor in Europe. Many international organisations overlap, such as the EU, the North Atlantic Treaty Organisation (NATO), the Council of Europe, the Organization for Security and Co-operation in Europe (OSCE) and the United Nations (UN), leading to an added level of complexity in tackling European and global issues.

So what's new in 2012?

The MERCURY, EU-GRASP and EU4Seas projects represent three distinct, multidisciplinary initiatives funded by the EU's 7th Framework Programme. Each project has its own sets of goals and methodologies, but the common denominator has been to explore and evaluate how effectively the EU delivers on its commitment to promote and engage in effective multilateralism (see Article 2 of this special issue).

A key aspect of all three projects has been to provide clear messages to policy makers, as well as to contribute to the academic understanding of multilateralism. In addition to the individual findings of each project, as described in Article 3 of this special issue, the researchers of all three projects propose a set of joint policy recommendations (Article 4). In a future-oriented perspective, the final article (Article 5) looks in more detail at the changing face of multilateralism and the challenges and opportunities this presents for the EU.



Multilateralism and the EU

January 2012

The EU has been championing multilateralism in areas ranging from climate change to security and trade, and such commitment is also enshrined in the Lisbon Treaty. It is therefore necessary that the EU evaluates its successes and failures, past and present, in order to be an effective global multilateral player now and in the future. With this in mind, the MERCURY, EU-GRASP and EU4Seas projects each assessed a different aspect of the EU's contribution to multilateralism, each drawing on a multidisciplinary spectrum of law, economics, international relations and political science.

The objective of the **MERCURY** project was to explore the conceptual and historical understanding of multilateralism and to ask specifically *how successfully the EU has engaged in international multilateral efforts over the last ten years*. An open-access database of EU legal instruments in external policy fields (DATEX) was developed in this regard.

An important aspect of this was to look at how the internal organisation and legal framework of the EU can help or hinder its effectiveness in dealing with external partners. The MERCURY researchers, a consortium of academics from Europe, China and South Africa, looked specifically at EU relations with African and Asian partners in relation to trade, national security and environmental policies.

The **EU-GRASP** project complemented the goals of MERCURY by identifying the lessons that can be learned from past and present experiences of multilateralism (global, regional and inter-regional), to develop a forward looking perspective for strengthening the role of the EU as a multilateral actor in peace and security.

The EU-GRASP researchers – coming from various European countries, as well as Canada, China, Israel and South Africa - analysed close to 30 case study areas, with specific reference to peace and security issues. This incorporated three 'traditional' security issues: conflict resolution, weapons of mass destruction and terrorism, and three issues that have become 'securitised' (accorded security status) more recently: migration, energy security and climate change, and severe human rights abuses.

The question the researchers asked was *how successful has the EU been in working together with other global actors to deal with each security issue*. The EU-GRASP researchers also looked, in detail, at how the concept of multilateralism is evolving and what this means for the changing role of the EU in the future.

While the main policy objectives of MERCURY and EU-GRASP were to assess how effective the EU is in *engaging* in external multilateralism, the complementary objective of **EU4Seas** was to evaluate how effective the EU is in *promoting* multilateralism within itself and its close neighbours in Europe.

The researchers focused on a particular form of multilateralism, known as 'sub-regionalism'. This is the cooperation between geographically or politically linked countries that form a subset of a larger regional space, in this case Europe. Many European sub-regions emerged in the 1990s in response to common challenges faced by neighbouring nations after the dissolution of the former Soviet Union, marking the end of the Cold War. The primary research question for the EU4Seas researchers was *how has EU policy reinforced or hindered the formation, stability and influence of these smaller forms of multilateral cooperation within Europe and neighbouring countries*.

The EU4Seas team, comprising eight partners from Estonia, Spain, Turkey, Ukraine, Azerbaijan, Iceland, Italy and France, selected four sub-regions centred on closed seas; the Baltic, Black, Caspian and Mediterranean Seas. Closed

seas provide an interesting context as the presence of a common interest or resource can prove a unifying factor or, at the other extreme, the cause of political tensions between bordering states.

In each sub-region, the researchers evaluated the extent and effectiveness of sub-regional cooperation across four key policy areas: energy and transport, politics and security, the four freedoms (movement of people, goods, services and capital) and environment and maritime issues.

The question of how effectively the EU deals with pre-existing and emerging multilateral networks inside Europe and on its periphery is critical to how confidently the EU projects itself to external partners. This is an important connection between the three projects. Specifically, whether sub-regional multilateralism within Europe is a source of stability or instability can help understand the strengths and weaknesses of the EU's participation as a single actor on a global stage, which are, in turn, the aims of the MERCURY and EU-GRASP projects.



Main Findings: Obstacles and opportunities

January 2012

MERCURY

In general terms, the EU does not follow a uniform approach to multilateralism. Many different strategies have been employed, depending on the actors involved and the specific policy issue.

Overall the EU's foreign and security policies have been characterised by significant multilateral approaches. The number of joint actions with a multilateral legal basis has been significantly higher than the number for which multilateral implementation was foreseen. This suggests that the EU is more active in taking account and strengthening international law than in pooling resources with other international actors.

EU trade policy has maintained a very strong, unified position within multilateral fora, such as the World Trade Organisation. However, the EU has been criticised for acting less normatively than it should with respect to externalising its internal market-related policies, for example by possessing the power to impose a partial or complete cease in trading in order to coerce states into changing regulatory standards. On the other hand, it is also argued that the role of the EU as a 'market power' may be its most effective tool in creating multilateral partnerships.

The main findings of the MERCURY project are published in peer-reviewed e-papers and policy briefs, available to download from www.mercury-fp7.net. The open-access DATEX database on EU legal instruments in external policy fields is also available from: http://www.mercury-fp7.net/fileadmin/user_upload/Mercury_DATEX_cfsp_trade_environment_Aug2011.pdf

EU-GRASP

As part of the EU-GRASP research, a series of in-depth mapping studies explored the current state of EU bilateral relations (i.e. with China, Israel, Pakistan, North Korea, Russia and Afghanistan), region-to-region relations (with Africa, Asia, Latin America and the Mediterranean) and global relations (i.e. with the United Nations, the Organization for Security and Cooperation in Europe (OSCE) and the International Criminal Court (ICC)). These served as inroads to deeper analysis within the EU-GRASP project from which the following conclusions were formulated:

- The concept and the practice of multilateralism are undergoing a profound set of changes towards a more 'open' system, referred to as Multilateralism 2.0 and characterised by cooperation between many different types of actor (regional, national, sub-regional and non-governmental).
- There has been a shift in the number and type of issues that are classed as security issues, to include environmental as well as social issues, (e.g. migration, food security and climate change). Some security threats also present opportunities for social and technological development, such as global climate change, food production, cyber security and international migration.
- Framing foreign policy around security can skew the implementation of other EU policies, such as development and aid policy, which has appeared inconsistent at times.
- The EU has struggled to unify Member States over foreign policy towards weapons of mass destruction, a particularly difficult issue for the EU.

EU-GRASP has output 35 peer-reviewed papers and policy briefs, and two special issues in academic journal. These and the series of mapping studies mentioned above are all available to download from: <http://www.eugrasp.eu/Publications.373.0.html>.

EU4Seas

Sub-regionalism and multilateralism have the potential to mutually reinforce or weaken each other. The strengthening and unifying impact of internal cooperation can only serve to increase the power and legitimacy of the EU on the world stage. However, failing to promote effective sub-regionalism is likely to undermine its credibility as a global multilateral player in the eyes of other international actors.

- EU policies have a mixed record, sometimes strengthening and other times weakening smaller forms of cooperation within European sub-regions. In some cases, the EU has achieved its aim of promoting sub-regional cooperation by financially supporting the institutions that keep sub-regional entities alive. For example, the Baltic Sea cooperation has helped the European integration of Poland and the Baltic states. However, in the Mediterranean and the Caspian Seas, EU policies promoting sub-regional cooperation have been unsuccessful in overcoming legal disagreements and internal conflict.
- In some other cases, EU enlargement and neighbourhood policies have made sub-regional cooperation harder, not easier. For example, the step-by-step inclusion of formerly peripheral countries into the EU, has physically divided some sub-regions, restricting free movement and creating political tensions between, for example, Russia and the rest of the Baltic Sea sub-region. Therefore, despite efforts to promote sub-regionalism as a cohesive influence, the external boundary of the EU has become a major divisive factor in Europe.
- The attraction of joining the EU and the commitment to complying with EU policies tends to outweigh loyalties towards a nation's direct neighbours. Sub-regional cooperation tends to falter as a result, no longer playing a part in political decision-making.

The interviews from more than 40 countries that make up the EU4Seas dataset are freely available from: <http://www.eu4seas.eu/>. A number of project reports, newsletters and other dissemination materials are also available to download.



New direction needed for multilateralism

January 2012

MERCURY, EU-GRASP and EU4Seas projects highlight a number of ways for the EU to be more effective in its approach to multilateralism. Drawing on extensive empirical and theoretical work, the researchers have identified issues that EU policy makers should consider. These are briefly summarised below and the full text can be accessed at: http://www.eu4seas.eu/images/stories/policy_brief_eu_and_multilateralism.pdf

1. **The EU must adapt** to the redistribution of power and the emergence of multilateral actors of varying sizes, levels of resources and experience. More robust forms of multilateralism are needed to deliver on urgent global challenges, such as climate change, the financial crisis and maritime security.
2. **Be more flexible and innovative** in multilateral engagement. The dream of a world of regions modelled on the EU can result in a tendency to focus on institutional questions at the expense of a strategic vision. This is particularly problematic in the case of issues or regions where institutions are absent or fail.
3. **Strengthen internal capabilities** by developing mechanisms to allow greater cohesion and a more unified decision-making process. For the EU to become a more effective multilateral player, it needs to focus on using the combined capabilities of EU institutions and EU national diplomats, and reducing the time spent negotiating amongst EU Member States.
4. **A unified voice** for the EU is needed. The EU has a role to play in solving many global challenges, but the EU will be most effective if speaking with a single, strong voice in, for example, the UN Security Council, the International Monetary Fund (IMF), the World Bank, G20 and other multilateral fora. This argument needs to be made to both politicians and citizens to secure greater acceptance of the role of the EU by its Member States.
5. **The long-term interest** of the EU can be served by promoting multilateral frameworks, but the EU should not define its interests too narrowly. The promotion of multilateralism is sometimes seen as conflicting with EU interests, but these conflicts are often more apparent than real. Multilateralism can act as a means of advancing EU interests.
6. **Do not assume a moral high ground** over individual countries or with less cohesive or less formalised groups of states. The EU has alienated some regional groups by over-stressing its unique level of integration and prioritising its own policies over genuine multilateral cooperation.
7. **Make space for other organisations in Europe** - The EU is not the only approach to regional integration and multilateralism, even if it is the most advanced and successful one. The EU border is one of the strongest dividing elements on the Continent and to uphold its commitment to multilateral solutions, the EU needs to reconsider policies to make space for wider as well as narrower (sub-regional) forms of multilateralism.
8. **Overcome fragmentation** - The European External Action Service (EEAS)¹ could help develop the EU's activities in regional and global multilateral forums, but this potential will only be realised if the Member States' diplomatic services relinquish substantial parts of their own multilateral engagement.
9. **Look forward and be prepared to lead** - while the EU must exercise sensitivity to Member States to maintain credibility, it cannot afford to look solely inwards and must push for a greater European role in meeting the demand for multilateral solutions to global problems. For instance, the Euro crisis highlights the need for a strong Euro and a stronger EU in international monetary affairs.

References

¹ See: <http://www.eeas.europa.eu/>



Where does the EU go from here?

January 2012

To bridge the gap and preserve its place on the world stage, the EU needs to ensure that it not only keeps abreast of the changing playing field, but that it is also a *driver* of those changes. Because the *concept* of multilateralism itself is changing, the findings of the MERCURY, EU-GRASP and EU4Seas projects indicate that the *practice* of multilateralism within modern global politics is extremely challenging.

How will multilateralism evolve in the future? Will it be determined by the extent of interrelations between the established and emerging elements of a multilateral world? How far are all actors prepared to cooperate? Academics and policy makers are currently engaged in a debate to identify how a global multilateral governance system might look in the next 20, 50 or 100 years.

A theory put forward by Dr Luk Van Langenhove, project coordinator of EU-GRASP, draws a comparison with the concept of 'Web 2.0'. This is a term to describe the second phase of evolution of the World Wide Web, characterised by social media and tools for interactive participation. Similarly, the transition from Multilateralism 1.0 to Multilateralism 2.0 reflects the movement from a *closed* to an *open* system, characterised by increased connectivity between state and non-state actors, ranging in size from sub-national to regional, and including citizen and civil society organisations.

Fully adopting the Multilateralism 2.0 concept means accepting that this will not be a system of equal power for all actors, rather of varying degrees of influence that should constantly shift according to the most appropriate way to tackle a certain issue. Collaboration between governments at different levels, and other multilateral players, should come to be viewed not as competing interests but as a means for mutual strengthening and for working towards solutions to problems that surpass the capabilities of a single nation.

Multilateralism 2.0 is already somewhat in existence; however whether it will evolve into a fully-fledged system of governance is uncertain. Academics argue that the EU must engage fully with the principles of Multilateralism 2.0, not only to strengthen its negotiating position on the global stage, in line with the reality of today's international order, but also to take advantage of the opportunities that a more open system represents. While the transition to Multilateralism 2.0 is underway, it will not be an easy one.

The ability of the EU to establish a strong position as a global actor with the dawn of Multilateralism 2.0 will depend on a delicate balance between three variables: the *willingness* of the EU to perform the role of global multilateral actor, its *capabilities* and available resources and the *acceptance* of the EU as a global actor by others.

Willingness to move forward means taking a flexible approach to **engagement** in sub-regional multilateralism (as discussed in the EU4Seas project), which has in the past been relatively neglected as an academic and political priority, and international multilateralism with different types of actors.

Increasing levels of globalisation - the exchange of people, goods, capital, ideas, information and technology around the world - is also drawing distant countries ever closer. This presents both challenges and opportunities and the EU must be prepared to fully embrace the new world order.

In terms of capabilities, an important aspect of continuing to move successfully towards Multilateralism 2.0 will be in increasing the efficiency with which the EU operates internally, and learning from the underlying reasons for past successes and failures. It has been argued that the EU should focus on its internal complexity not as a weakness but

as a strength, i.e. being well-practiced at exchanging ideas from a variety of perspectives and encouraging dialogue allows the constant re-evaluation of multilateral decisions.

Related to this is the importance of not sacrificing the **credibility** of the EU with Member States in favour of acting multilaterally. This could happen by failing to accurately reflect the interests, concerns and views of its members, and the communities, businesses and civil societies within Member States. A lack of trust in the EU among its members risks undermining the authority and challenging the unity necessary to act decisively.

There is a need to improve communication between Member States and the speed at which decisions are made, so that the EU can speak more powerfully on foreign policy and global issues with a unified voice. Being clear on what the EU's values are and where it stands in Europe should make it easier to decide on policy abroad.

The issue of credibility extends into the readiness of other global players to accept the EU as a regional player and rests to some extent on how well the EU resolves its internal issues. In the case of sub-regional multilateralism, failure to promote fruitful internal cooperation and solidarity within the EU undermines its **legitimacy** as a global multilateral actor, in the sense that it may be pursuing with external partners something that it has not successfully managed internally.

A further conclusion from the joint research is that not only are most modern political issues global in nature but it is also becoming increasingly difficult to separate issues such as climate change mitigation and the global economy, or globalisation and national security. Essentially, the boundaries between policy domains are blurring, which brings its own set of challenges and further highlights the need for effective multilateralism in providing working solutions to interlinking problems.

Principles for effective multilateral interaction, i.e. engagement, legitimacy and credibility, are key to successful multilateral action. Multilateralism may not be the solution to all problems, but plays a vital role in promoting peace, democracy, security, economic prosperity and sustainable development in an increasingly interdependent world.

It is for these reasons that the researchers from the MERCURY, EU-GRASP and EU4Seas projects *jointly* stress the importance of a constantly evolving research agenda to ensure strong links between research and policy are maintained.



Better co-ordination between international and domestic courts could improve response to mass atrocities

October 2011

The EU and the international community have made a large financial investment towards the establishment and operation of major international criminal tribunals which aim to prevent perpetrators of mass atrocities from escaping prosecution, and improve the enforcement of international law. But the contribution of these tribunals has been disappointing, and has covered only a limited number of mass atrocity situations. The number of international prosecutions has been small, dealing with only a fraction of the number of individuals suspected of perpetrating international crimes, with a large number of those accused by the International Criminal Court (ICC) still at large.

Against this backdrop of the shortcomings of existing international judicial institutions, the **DOMAC** research project has sought to develop a more comprehensive approach to international criminal law. This would view national, regional and international courts as complementary parts of a single machinery of justice that would operate in a coordinated manner. This approach may encourage a more rational allocation of material and political resources among different criminal courts and the restructuring of international institutions in ways more conducive to the promotion of criminal justice at other levels.

DOMAC aimed to find out if the structure and funding of the international criminal justice system maximised impact and improved the likelihood of an effective domestic response to mass atrocities. It considered a wide range of situations of armed conflict or occupation, including the Balkans, East Timor, Rwanda, Congo, Sudan, Northern Ireland and Colombia.

Based on the findings, DOMAC proposes the formation of formal or semi-formal links between national and international courts, closer alignment of procedures and work methods, the generation of incentives for national courts to prosecute, reallocation of resources, sharing of staff, and the lending of support by international courts to the operation of national courts.

The six inter-related work packages into which the programme was divided covered:

- The normative impact of international criminal courts on domestic jurisdictions. The normative influence of the International Criminal Court (ICC) on domestic jurisdictions is structurally embedded in the principle of 'complementarity'. This principle stipulates that national courts should have priority with regard to prosecution and trial of international crimes. Only if national jurisdictions fail to perform their task properly is the ICC called to intervene. The ad hoc tribunals which were initially established to exercise primary jurisdiction, such as the International Criminal Tribunal for Rwanda (ICTR) and the International Criminal Tribunal for the former Yugoslavia (ICTY), have also gradually expanded their normative influence over those domestic jurisdictions.
- A quantitative analysis of data on the outcomes of trials on mass atrocities in seven countries.
- Mapping formal and informal capacity-related and outreach initiatives operated by international criminal tribunals, and identifying their impacts such as employment and training of local staff and lawyers.
- A study of the interplay between national and international courts in specific mass atrocity situations, to understand the dynamics that might improve synchronisation or which lead to competition between them, and to explore problems caused by lack of co-ordination.
- An investigation of the role of the ECHR in encouraging domestic legal systems of state parties to the European Convention on Human Rights, to prosecute serious violations committed in the context of armed conflicts, military

- occupation or situations of prolonged internal unrest as a result of terrorist activities. It also studied the jurisdiction of the International Court of Justice in relation to gross violations of human rights, its impact on national prosecutions, and the inter-relations between cases at the ICJ and parallel cases at international criminal tribunals.
- The issue of reparations to victims of mass atrocities.

Among its main conclusions, DOMAC found that both domestic courts and international tribunals are increasingly taking note of and referring to each other's findings. The workload in national courts in Serbia, Bosnia and Herzegovina (BiH) and Kosovo has increased since the end of the Balkan conflict, coinciding with domestic reforms and the completion strategy of the International Criminal Tribunal for the former Yugoslavia (ICTY). However, the average length of sentences for serious crimes in East Timor, at 7-10 years, suggests some leniency in the domestic criminal process, and the finding that in Colombia, government forces and troops who are convicted have a greater success on appeal than rebel forces convicted of the same offences, suggests certain biases against opposition forces. As regards local capacity building, DOMAC found evidence of significant deficits in long-term planning, coherence and co-ordination of activities, resulting in inefficiency, lack of impact and lack of sustainability of promising capacity development initiatives.

DOMAC found that international courts can and do have an impact on national criminal proceedings, but cooperation until now has been sub-optimal. Regarding reparations, victims tended to look for two outcomes – accountability, with perpetrators taking responsibility for their actions; and returning to one's former life, which took precedence over monetary compensation.

To enhance the role of the European Court of Human Rights and Council of Europe institutions DOMAC recommended:

- A more robust approach to 'just satisfaction' under article 41 of the European Convention on Human Rights, by indicating the specific remedial measure to be adopted by a respondent state.
- The adoption and expansion of pilot judgments should be considered as a means to improving compliance, particularly in situations which involve large numbers of similar violations and where there is no great dispute over the facts.
- The Committee of Ministers should ensure effective use of new enforcement mechanisms envisaged under Protocol 14, for example referring instances of failure to comply with final judgments back to the Court.
- In cases of persistent non-compliance, the Committee of Ministers should consider suspension or withdrawal of membership of non-complying states under article 8 of the Statute of Council of Europe.
- Member States should make more use of the inter-state complaint procedure under article 33 of the European Convention on Human Rights – risks of politicisation could be avoided by bringing cases jointly by coalitions of states.

Regarding international courts, DOMAC recommends:

- Reducing the number of cases referred to them, and channelling funds to capacity development at the local level.
- Integrating an exit strategy or legacy component into the design and structure of international courts.
- A more coherent and sustainable strategy of local capacity development. For example, undertaking needs assessments before offering input, and opting for long-term co-operative solutions, such as the transfer of information protocols, and internship programmes.

At the national level, courts should:

- Strengthen their ownership of post-mass atrocity criminal prosecution processes, and regard international courts as a source of expertise and assistance rather than legal threat. National courts should formulate more clearly their expectations from international courts, contributing to more balanced rapport between the two sets of institutions.
- NGOs should refocus their expectations and efforts in the field of capacity development, resource allocation and campaigning, to produce a better synergy between national and international criminal prosecution processes in the aftermath of mass atrocity situations.

All publications are available to download on the **DOMAC** website – see: <http://www.domac.is/reports/>.

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DOMAC

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In pursuit of peace: How can the EU defend human rights and humanitarian law in armed conflict?

July 2011

New research has proposed a set of practical measures for how the EU can take action to protect and promote human rights and humanitarian law during armed conflict in non-member states. Also included in the recommendations are tools for raising awareness of human rights and humanitarian law violations, and ways to encourage non-member states to adhere to international human rights and humanitarian law instruments.

Bringing together eight partners from the UK, France, Belgium, Spain and Romania, the **ATLAS** research project investigated how effectively the existing EU guidelines¹ on defending human rights in non-member states can be applied to the diverse and increasingly hostile nature of modern armed conflict. Additionally, the key message of the ATLAS research is that the EU should ensure that it leads by example at all times, by maintaining best practice standards, particularly when engaged in activities on foreign territory.

Drawing on a detailed analysis of post-conflict situations in Cambodia, the former Yugoslavia (Bosnia and Kosovo), Haiti and Sierra Leone, the researchers proposed a set of 23 recommendations outlining the role that the EU can play in future conflicts, and drafted a Code of Conduct for European Security and Defence Policy (ESDP) personnel.

Summary of primary recommendations:

- All commanders of military operations on foreign soil should include a thorough report on the IHL status, highlighting violations by third nation forces and potential EU courses of action against them.
- To designate a human rights advisor for each conflict, who is responsible for overseeing the safeguarding of women against violence, rape, forced pregnancy and other atrocities, and for the special protection of child soldiers.
- To demonstrate a commitment to outlining the 'rules of engagement' for EU troops in order to avoid situations of legal uncertainty of foreign intervention.
- To promote rapid access to EU courts of law for victims of human rights violations, to enable compensation for damages suffered and prosecution of human rights offenders.
- To show special consideration for the extreme vulnerability of ethnic, religious or national minorities, whose rights may diminish during armed conflict.
- To support the safe return of displaced citizens, without risk of retaliation or intolerable economic consequences.
- To demonstrate complete EU liability for violations committed by its own forces on foreign soil or by private contractors operating on its behalf.

For each case study country, a specialist consultant conducted an extensive field review, which included interviews with representatives of the government and of civil society, international organisations, journalists, academics and victims of human rights abuses.

The draft Code of Conduct for EU ESDP personnel builds on this work by highlighting the human rights and humanitarian law obligations of EU personnel deployed in third countries.

A large part of the research focused on how to proactively raise awareness in non-member states of human rights and humanitarian law issues, in order to help prevent international law violations from taking place when conflict erupts.

The ATLAS researchers recommended the use of sanctions towards non-member states to promote compliance with IHL, which seeks to alleviate the effects of armed conflict on civilians. Economic and political incentives could also be a useful tool to encourage the ratification of international treaties to protect the most vulnerable citizens. Specifically, the UN Convention on the Elimination of All Forms of Discrimination against Women (CEDAW)² and the 2002 Protocol to the UN Convention on the Rights of the Child³.

One of the most challenging aspects of the research was the complex political and social context of the case-study countries. A successful case that ATLAS draws on is that of Cambodia. Despite little domestic respect for the judicial system after decades of political turmoil, cooperative action by the UN and the Cambodian government successfully led to the public trial and prosecution of a former Khmer Rouge prison officer in 2010 for crimes against humanity. Four other suspects are in detention, awaiting trial.

In Sierra Leone, longstanding poor governance, brutal civil war, corruption and extreme poverty have made the pursuit of justice for human rights abuses exceptionally difficult. Whilst partial success has been achieved with post-conflict transitional justice systems, efforts have largely failed to offer sufficient reparations to victims, of a material or symbolic kind, or to hold perpetrators of human right abuses to account. This is an example of the lessons the project recommends future EU operations must learn.

The researchers explain that whilst some of the recommendations, such as specialist officers and reports during operations, can be implemented with immediate effect into existing peace keeping strategies, others reflect the long-term vision of the EU with respect to standardising, or 'mainstreaming', global human rights laws. Recommendations, such as the voluntary ratification of EU and UN treaties by non-member states, will require considerable political will and harmonisation with other international political and humanitarian organisations, such as the UN and NATO.

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See: <http://projetatlas.univ-paris1.fr/>

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As war is ‘privatised’ should private contractors be regulated at EU level?

June 2011

The role of the EU in relation to licensing, and regulating, private military and security services needs to be clarified to ensure better compliance with human rights and international humanitarian law (IHL), according to the **PRIV-WAR** research project. Although in most EU Member States some form of regulation of these services exists, there are important differences among them. Regulatory initiatives have also been launched at the international level. The key issue is whether and how this patchwork of norms can be effectively applied and whether there is a need for additional regulatory measures at the EU level.

Throughout the world, states are resorting to private contractors in situations of crisis or armed conflict, such as Iraq, Afghanistan and West Africa. These firms offer logistical support, security and crime prevention services, military advice and training, and even intelligence gathering. However, the possibility that they could become engaged in combat has raised questions under IHL and human rights law, including the status of private actors under humanitarian law, and the accountability of corporations and their employees.

The PRIV-WAR project, co-ordinated by the European University Institute in Florence, is a collaboration between seven research institutes in Italy, Germany, Latvia, France, the UK and the Netherlands. The project assesses the impact of the increasing use of private military companies and security companies (PMSCs) in situations of armed conflict, and other crisis situations across the globe. It has examined relevant national legislation and judicial practice, for example from the European Union, the United Kingdom, the United States, Australia, Canada and South Africa, as well as regulatory initiatives at the international level, e.g. the elaboration of a Draft Convention on PMSCs in the framework of the UN Human Rights Council, the Montreux Document (2008)¹, and the International Code of Conduct for Private Security Providers (2010)².

The project conducted a dialogue with researchers, practitioners, NGOs, industry representatives, military experts and other stakeholders, to ensure its policy recommendations would benefit from the input of all relevant players.

Its objectives were to promote a better understanding of the phenomenon of the privatisation of war; to clarify the legal status of PMSC employees under IHL; to foster knowledge on the impact of private military activities on the enjoyment of human rights; to analyse the international responsibility and accountability of corporations; to review the criminal and civil liability of PMSCs and their employees for serious violations of human rights and IHL; and to explore ways in which the EU could regulate or facilitate the regulation of PMSCs to assure compliance with human rights and IHL.

Issues uncovered by the research include:

- Although PMSCs have voluntary Codes of Conduct, these are not sufficient for controlling an activity that goes beyond normal commercial transactions, that may involve lethal force and that may lead to abuses amounting to violations of human rights or IHL.
- National regulation of PMSCs is unsatisfactory when it does not regulate the export of armed services from the EU to third states, and where the ‘host’ state does not provide sufficient regulation for overseas companies acting on its soil.
- During the course of the 2000s, the UK Government rejected robust regulatory mechanisms, such as compulsory licensing regimes, in favour of much lighter options of government-backed self-regulation and complementary international norms.

- In a 2004 survey of the Confederation of European Security Services (CoESS), all but two of the then 25 Member States had specific national laws and regulations regarding private security services. However, these laws do not always cover the export of such services to third states.
- Private military and security services are not regulated at the European level. Even within the Internal Market, (domestic) private security services have so far not been harmonised. The (few) regulatory measures at the European level which touch upon the movement of goods and related services in the field of security and defence do not regulate, or require EU Member States to regulate, the export of military and security services in their own right.
- Regulation of PMSCs is a topic for which shared competence between EU and Member States exists in principle and in doing so, the EU must observe principles of proportionality and subsidiarity.
- Member States have a shared interest in the regulation of PMSCs, without which there is a risk that companies might relocate to countries with more lenient regulatory regimes.
- A report on US legislation documents the need for better management and accountability, clearer standards and policy, and improved screening and training of contractors as well as tracking of information.

The researchers point out that no EU Member State has yet employed a PMSC in a direct combat role, but they believe there is political support, in principle, for training and education in IHL of relevant groups, such as law enforcement officials and military personnel in third countries, and to prevent violations of IHL by EU Missions.

The main recommendations are:

- EU regulatory measures related to PMSC companies and their services are necessary in order to ensure better compliance with human rights law (HRL) and international humanitarian law (IHL).
- The object and scope of EU regulatory measures should include a normative system for the establishment, registration, licensing and monitoring of PMSCs located within the jurisdiction of EU Member States or hired by these states.
- EU regulatory measures should address the due diligence obligations under HRL and IHL of EU Member States in their capacity as hiring states and home states of PMSCs. As a minimum they should warrant that only registered and properly licensed companies are hired.
- EU regulatory measures should set minimum standards for monitoring and sanctions to be applied at the level of Member States.
- EU regulatory measures should also include guidelines on the use of PMSCs in its humanitarian aid operations. As a general rule, they should not be employed unless certain conditions are met.
- EU regulatory measures should stipulate that the EU and its Member States should ensure that effective access to justice and appropriate remedies are available to victims for injuries suffered as a result of the wrongful conduct of PMSCs personnel.

The full *Recommendations for EU Regulatory Action in the Field of Private Military and Security Companies* will be soon be available for download on the project website – see: <http://priv-war.eu>

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¹ See: http://www.icrc.org/eng/assets/files/other/icrc_002_0996.pdf

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PRIV-WAR

Regulating privatisation of 'war': the role of the EU in assuring the compliance with international humanitarian law and human rights

(duration: 1/1/2008 – 30/6/2011. FP7 Socio-economic Sciences and Humanities, Activity 4 “Europe and the world”, Research area 4.2 “Conflicts, peace and human rights”. Collaborative project (small and medium focused research project).

See: <http://priv-war.eu>

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The future of European Democracy

June 2011

Democracy has historically developed at a national level but, with the increasing internationalisation of politics, does the concept need re-working? This is the question posed by the **RECON** research project. Having established three ideal type models of European democracy, the project is evaluating their viability as possible options for the EU – with the aim of identifying strategies to strengthen democracy and rectify deficits.

- The **first model** depicts democracy as directly associated with the nation state, assuming it is only at a national level that trust and solidarity can be fostered. As such, the EU is accountable to the Member States who can both authorise and confine EU operations.
- The **second model** establishes the EU as a multinational federal state with a sense of common identity and collective goals among European citizens. With democratic procedures and a common identity, decision-making and legislation would be legitimate at the federal state level.
- The **third model** is described as a European subsystem of a larger cosmopolitan order where citizen-sovereignty has replaced state sovereignty. This is a model for democracy beyond the state where democratic rule is configured in a multi-level structure of government.

Using a network of more than 100 researchers from 21 partner institutions the project is analysing the feasibility of these models. This is undertaken by considering how they would establish democracy institutionally as well as through detailed analysis of a range of important EU policy areas. The interdisciplinary project draws on primary and secondary data, and uses a variety of qualitative and quantitative methods, including interviews, surveys, single and comparative case study analysis, discourse and media analysis, process tracing, focus groups and legal analysis.

Some of the project's findings to date are reported here:

- **Constitutional issues** - The research highlights the political contestation over the many efforts to render the EU's material constitution democratic. The Lisbon Treaty's ratification process contained clearer traits of RECON's first model than did the far more open Constitutional Treaty process. But in substantive terms, the Lisbon Treaty promises to move the EU closer to the third model. This means that, despite Lisbon, the EU continues to confront the intellectual and political challenge of devising a democratic constitution for a non-state entity.
- **Representation and institutional make-up** - EU citizens have two channels of democratic representation: through national parliaments and more directly through MEPs in the European Parliament. The European Parliament is most at home in the RECON model 3. This also applies to the overall structure of representation in the EU which deviates from the standard two-channel system of federal states because the EU system has distinct features: the manner in which national parliaments are linked in with the European Parliament and the increased involvement of national parliaments in EU decision-making. This structure injects a distinct deliberative dimension but also brings up new and thorny questions of accountability.
- **Gender and equality** is an important democratic issue. RECON's analysis of two pieces of relevant legislation – the Equal Treatment in the Provision of Goods and Services Directive¹ and the Equal Treatment and Equal Opportunities Directive² – has indicated that different EU institutions and processes incorporate democratic principles to different extents. Obviously the co-decision procedure (where both the European Parliament and the European Council decide on legislation) is more inclusive than consultation (where the Council only consults the Parliament on legislation) and it also provides more spaces for consultation with stakeholders. Involvement of civil society representatives in the early stages of legislation ensures greater inclusion of those concerned and assists political equality – this applies, for instance, to the involvement of women's organisations and organisations focused on gender issues. Civil society involvement and a greater use of the co-decision procedure are, therefore, desirable steps to increase political equality. Equal treatment will also require socio-economic redistribution within and across nations. These points fit with models 2 and 3, but socio-economic redistribution in periods of economic crisis may strengthen the national level.

- **Civil society and the development of a public sphere** is an inherent part of any democratic order. RECON has conducted, among other empirical studies in this field, research on the role of the mass media – an important while far from unique actor in the ‘public sphere’. A media survey on the EU constitutional ratification and reflection debates (May 2005 - June 2007³) indicates that the patterns and dynamics of mass media tend to follow model 1, with its focus on national government actors and intergovernmental institutions. However, there is also evidence of model 3 in terms of overlapping public spheres. The media survey finds little empirical evidence for an unfolding European public sphere that would support a democratic order along the lines of model 2, which would require the same issues to be debated at the same time under the same criteria of relevance.
- **Foreign and security policy** is mainly conducted according to the first model through intergovernmental agreements and instruments. However, there are pockets in which practice deviates from this norm, and there is a particular manner in which a move beyond intergovernmentalism is taking place. For example, the results of a study of the EU’s COREU/CORTESY network⁴, demonstrates how the EU Member States have become embedded in a system of information exchange that has developed far beyond what was intended at the outset. COREU is now also used as a forum for decision-making. It has contributed to eroding the barriers between national and European levels of foreign policy making. Other developments might be leading in the same direction. The International Criminal Court – strongly supported by the EU – is often referred to as an example of cosmopolitan law.
- **Enlargement policies** – Research in Poland, Turkey and Hungary shows how democracy depends on the strength and nature of tensions between different levels of identification: local, national and European. For example, research on Polish young people indicates that European identification could reinforce local identification, resulting in a weakening of national identity and indicating a move towards model 3. However, research involving focus groups in Hungary suggested that model 1 is most frequently adopted in this context, possibly due to unfulfilled expectations of EU accession.
- **Socio-economic policies** reflect the dominant role retained by Member States in this area. An analysis of the case law of the European Court of Justice indicates that there is little Europeanization regarding labour law and taxation, in terms of defining welfare benefits and in terms of state liability.

The project’s preliminary findings suggest that the institutional, as well as civic conditions, for a legitimate public justification process in the EU are not fully compatible with any one model. But it is important to underline that the EU has been moving beyond model 1, and towards model 3 in some important areas. However, from the perspective of model 3, European post-national democracy remains an unrealised possibility. The system of representation is incomplete (although it also contains novel democratic possibilities), and the requirement of a European public sphere has not been met. One possible line of reform would be to bring the EU more in line with the prescriptions in this model. Elaborating on what this generic statement specifically entails is part of the ongoing final stage of the RECON project.

Snapshots of selected findings can be accessed through the project’s website – see:

<http://www.reconproject.eu/projectweb/portalproject/RECONfindings.html>

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² See: http://europa.eu/legislation_summaries/employment_and_social_policy/equality_between_men_and_women/c10940_en.htm

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(duration: 1/1/2007 - 31/12/2011) is an Integrated Project funded under the 6th Framework Programme for Research of the European Union, Thematic Priority 7: Citizens and governance in a knowledge-based society.

See: <http://www.reconproject.eu/>

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Diasporas: How to make the most of their peace-building potential

May 2011

Working with diaspora communities to improve conditions in their home countries constitutes a considerable challenge for policy makers and practitioners alike. While the constructive potential of such cooperation may be widely recognised, there is little practical advice available for those who seek to develop it. Moreover, the process of engaging diaspora communities is not without risks. Fortunately, those seeking advice on how best to involve these communities in peace-building and development efforts now have a valuable point of reference.

The **DIASPEACE** research project has produced a handbook offering policy makers and practitioners straightforward suggestions for cooperating with transnational communities. Relating the experience of numerous international initiatives (many of which are ongoing), the publication highlights the need to develop a long-term strategic approach. Without such an approach, the researchers warn, both governmental and non-governmental actors risk doing more harm than good.

Bringing together six partners from Europe and two from Africa, DIASPEACE explored how diasporas affect the dynamics of conflict and peace in their countries of origin. The empirical focus of the project was on the Horn of Africa, a region where decades of violent conflict have displaced more than two million people. Illustrating how important diasporas are for this region, the researchers note the example of the Somali transnational community whose financial remittances to their home country is estimated to exceed both development aid and export revenues. Somalia was one of two African countries (the other one being Ethiopia) where the project conducted fieldwork. Using a multi-disciplinary approach, the consortium concentrated specifically on diaspora networks that (a) are operating in Europe and (b) extend their transnational activities to the Horn of Africa.

The project's key policy-relevant results are elaborated in the 2010 publication entitled *Participation of Diasporas in Peacebuilding and Development* (for further information see: <http://www.prio.no/Research-and-Publications/Publication/?oid=61886751>). Described as "A Handbook for Practitioners and Policymakers", the booklet is designed to provide individuals and organisations with the tools they need in order to work with diasporas effectively. The publication relates lessons learned from development and peace-building projects in Finland, Germany, Italy, the Netherlands and Norway. Individual case studies are accompanied by specific policy-oriented observations.

The researchers identified 10 overall recommendations, summarised below:

- **Adopt long-term strategic approaches to diaspora participation** - Initiatives create expectations, and governmental and non-governmental actors who wish to establish relationships with diaspora individuals or groups risk doing more harm than good if they do not adopt a long-term strategic approach.
- **Sustain diaspora participation in all phases of the process** - Diasporas should have a role in agenda setting, knowledge creation, analysis, planning, implementation and evaluation of development and peace-building engagements.
- **Recognise diaspora participation as civic participation** - Knowing about and acknowledging the ways in which diasporas participate in development and peace-building activities independently is crucial, as is supporting these engagements as an integral part of mainstream peace-building and development cooperation initiatives.
- **Address fragmentation and politicisation** - Address the root causes of the conflict in a constructive way. Finding ways to create de-politicised spaces is one way to do this.
- **Support professionals by improving recruitment policies** - Staff members with a background from the countries in which key European development and peace-building actors do most of their work are currently underrepresented within those organisations.

- **Support voluntary efforts through an integrated approach** – Approaches could combine capacity-building and organisational support with funding schemes.
- **Support bottom-up umbrella organisations** – Bottom-up approaches need to have pragmatic and internal objectives, rather than existing for the purpose of political lobbying.
- **Understand capacity-building as knowledge-exchange** – Peace-building and development can be facilitated by capacity-building. This can be achieved through training and providing opportunities to apply acquired skills. As such, capacity-building can be seen as a form of knowledge-exchange.
- **Invest in temporary return programmes for professionals** – Voluntary programmes that enable diaspora members to return to their home countries on a temporary basis can be used to facilitate knowledge-exchange.
- **Acknowledge the links between diaspora engagement and integration** – Develop an approach to discover the relationships between development, cooperation and foreign policy, and also between integration and immigration. Developing ways to enable the diaspora community to engage with their countries of origin can facilitate inclusion in the host country, for example.

The publication will contribute to the goal of facilitating increased participation of diasporas in peace-building and development. Exiled populations have a huge stake in the fate of their countries of origin and have an important role to play in an increasingly interconnected world.

DIASPEACE collaborated closely with another EC-funded project called INFOCON (*Involving Transnational Communities - Civil Society Forum on Conflict*) - also covered in this issue - and the two projects held a joint final conference: http://ec.europa.eu/research/social-sciences/events-137_en.html

DIASPEACE

Diasporas for peace: patterns, trends and potential of long-distance diaspora involvement in conflict settings. Case studies from the Horn of Africa

(duration: 1/3/2008 – 28/2/2011). FP7 Socio-economic Sciences and Humanities, Activity 4 “Europe and the world”, Research area 4.2 “Conflicts, peace and human rights” (small and medium scale focused research project).

See: <http://www.diaspeace.org>

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Diaspora communities should be involved in conflict resolution

May 2011

European societies host a variety of diasporas that can be instrumental in preventing and resolving conflicts in their country of origin. These transnational communities offer unique opportunities for constructive dialogue, opportunities that could be exploited more effectively. But how exactly should the European Union and its Member States go about doing that? This question was at the heart of the **INFOCON** research project.

Combining the complementary strengths of researchers and civil society organisations (CSOs) in several countries (Belgium, the Netherlands, Germany, France, the United Kingdom, as well as representing organisations from Kosovo, Serbia, Rwanda-Burundi, Kurdish-Turkey), the INFOCON consortium has produced a concise set of observations and recommendations that provide Europe's policy making community with some guidance on a matter of broad public concern.

From INFOCON's perspective, the first thing European policy makers need to understand regarding this subject is the importance of engagement. Europe must "engage diasporas in political means such as debate, advocacy or political mobilisation", the consortium says, as opportunities for these forms of exchange may not be possible in a transnational community's home country. While many EU citizens may take the modern European standard of political dialogue for granted, the project reminds us how powerful this form of dialogue can be as an instrument for conflict resolution.

INFOCON focused on diasporas representing communities experiencing different types of conflicts in Turkey, Kosovo and the Great Lakes region of Africa. Interviews were carried out with members of those communities both in their country of origin and in various European host cities where they are strongly represented – Amsterdam (Randstad), Berlin, Brussels and London. Thus, the findings are drawn from populations representing a diverse set of regions and issues.

Through these targeted case studies – which incorporated workshops, panels and seminars in Europe and abroad – the consortium identified several common characteristics. Among diaspora groups in European societies, for example, the researchers found a link between maintenance of ongoing conflicts, which are transported to and modified within the host European country, and "feelings of injustice, deprivation and a deficit of integration" in the countries where they live. In order to counter this tendency, policy makers are urged to provide access to citizenship and fight economic deprivation among these populations.

Also, noting that conflicts between transnational communities undergo a process of transformation in European societies, the researchers caution against treating them as if they were simply an extension of conflicts back in the country of origin.

With respect to diaspora size and importance, INFOCON found that smaller groups (e.g. Rwandans) can, at times, play a much bigger role in their home conflicts than larger groups (e.g. the Turkish diaspora). While about a third of CSOs representing transnational communities are actively promoting economic development back in their countries of origin, on the whole the project concluded that such CSOs in general "have so far played a limited role in efforts to resolve or prevent conflicts in their homelands". Indeed, the researchers note that diaspora communities can be "vectors of conflict and conflict resolution at the same time". In other words, the diasporas are no less complex than the countries and conflicts that have shaped them.

INFOCON explicitly warns the international community to be “wary” of attempts to harness diasporas for conflict mitigation or peace-building, in the sense of instrumentalising them without regard of their inner complexity. While these highly diverse groups may lean toward compromise, the consortium concludes, they may also lean towards radicalism. Nonetheless, the project insists that diasporas (including opposing factions) should still be engaged in dialogue processes that could ultimately contribute to development and conflict resolution.

Surprisingly, given the seriousness of the problem, INFOCON observes that few governments in Europe have developed initiatives to deal with the potential of transported conflicts. The researchers suggest this may be due to the fact that governments underestimate or misunderstand these conflicts or are afraid to be seen as taking sides. Acknowledging the risk of being instrumentalised by transnational communities, the consortium advises policy makers to first gain a thorough knowledge of both home and imported conflicts in view of taking suitable steps to accommodate tensions within and between diasporas, and between them and hosting communities. Guidance for CSOs dealing with diasporic communities will soon be available in the form of a handbook to be published on the INFOCON website and complementing the handbook of another project (DIASPEACE) more geared towards policy makers.

The project collaborated closely with another EC-funded project called DIASPEACE - *also covered in this issue - and the two projects held a joint final conference: http://ec.europa.eu/research/social-sciences/events-137_en.html*

INFOCON

Involving transnational communities – Civil society forum on conflicts

(duration: 1/4/2008 - 31/3/2011). FP7 Socio-economic Sciences and Humanities, Activity 4 “Europe and the world”, Research area 4.2 “Conflicts, peace and human rights” (research for the benefit of specific groups).

See: <http://www.infocon-project.org/>

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Understanding violent conflicts from the point of view of individuals, families and communities

April 2011

Understanding the interactions associated with violent conflict is a major analytical challenge with profound implications for policy making. Research in this area to date has focused largely on macro, institutional factors, such as the conduct of the state at national and international levels, paying little attention to important dynamics at the micro level, such as **how ordinary people make a living under conditions of violent conflict, or decide to engage in violence**. The five-year research project, **MICROCON**, is working to address this deficit.

Using an innovative multidisciplinary approach, the MICROCON project set out in 2007 to deepen our understanding of individual and group interactions leading to and resulting from violent mass conflicts. Four years into their ambitious undertaking - which looks at multiple hot spots around the globe - the researchers have made significant progress toward their goal. The consortium's findings should go a long way towards helping the European Union and other international bodies develop more informed policies aimed at preventing, managing, transforming and resolving violent conflicts.

Remarkably broad in scope, the MICROCON project has been analysing data relating to the conflict cycle in over 40 countries. Some of these are European countries classified as "experiencing serious social tensions and/or violent conflicts that will impact on the security of EU citizens". Included in this group are not only states that have suffered serious conflagrations in the past couple of decades (e.g. in the **Western Balkans**), but also EU Member States (**Belgium, Bulgaria, France, the Netherlands, Romania, Spain** and the **United Kingdom**) where the integration of Muslim populations and of refugees is both an area of cooperation and of contestation.

A second important set of states under examination are classified as "conflict-prone countries in neighboring regions where Europe has strategic economic and political interests". There are eight of these examined by MICROCON: **Georgia, Israel, Kyrgyzstan, Lebanon, Liberia, Morocco, Palestine** and **Syria** (a list worth noting). Finally, and perhaps most interestingly, MICROCON is analysing a group of 21 countries that have either experienced forms of conflict or managed to contain collective violence. Most of these are poor countries in Africa, Asia and Latin America, and grimly inform our understanding of micro level violent conflicts. They also provide further evidence that civil wars have become the most common form of violent conflict in the world.

Because civil war is the prevalent form of armed conflict today, it occupies the heart of many of MICROCON's most thought-provoking analyses. An example is found in the working paper *War and Poverty*¹, authored by Patricia Justino, the project's coordinator. Pointing out that civil war has been recognised as a key perpetuator of poverty in many parts of the world, Dr Justino insists that we need a "better estimation of the effects of civil wars on individual and household poverty". This, it is suggested, "will contribute towards more realistic post-conflict social policies to reduce poverty and increase economic resilience amongst those living with violence". MICROCON observes that the poorer a household is at the beginning of the conflict, the more likely it is to participate in and support an armed group. That is one of many important links the project identifies between "individual and household economic strategies and institutional processes during warfare". It is suggested that these links are crucial not only to understanding the relationship between war and poverty, but also to the "design of policies to break the war-poverty cycle".

Insights that could be valuable to the European policy community have been produced on the operational level as well. In a section dealing with 'Conflict in the European Neighborhood', the researchers argue that the EU needs to shift away from generic schemes of Europeanization in conflict regions.

In order to make this shift, they assert, partnership with local civil society organisations is crucial, as they often have greater understanding, legitimacy and stake in conflict transformation, and can aid inter-communal group formation, mobilisation, communication and empowerment. While indicating that much work remains to be done in this respect, MICROCON praises the European Commission's decision to establish what is known as the *Peace-building Partnership (PbP)*² within the *Instrument for Stability*. The Partnership, which channels support to non-governmental organisations that specialise in peace-building, is hailed as an important milestone.

Now moving into its final phase, MICROCON is producing a considerable volume of analytical material that could prove useful to policy makers in many contexts. For example, statistical research on the conflict in **Darfur** demonstrates the key role that consistent humanitarian funding plays in saving the lives of displaced civilians, and the tragic consequences of shortfalls in funding. In **Burundi**, detailed information on thousands of households collected in 1998 and 2008 yields a detailed picture of how people make a living during wartime, how the experience of violence changes people's propensity to invest and take risks, and the role that livelihood constraints play in people's decision to engage in violence.

Such a wealth of information can help in the formulation of policies to reduce incentives to become violent, aid the wellbeing of civilians during conflict, and to effectively target assistance to help them rebuild their livelihoods after conflict.

Much of this analysis can be accessed through the project's website – see: <http://www.microconflict.eu/publications/publications.html>. Some of the findings offered there are likely to be echoed in the 2011 World Development Report, a World Bank publication to which MICROCON researchers are making a number of contributions.

References

¹ See: http://www.microconflict.eu/publications/RWP32_PJ.pdf

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MICROCON

A Micro-Level Analysis of Violent Conflict

(duration: 1/1/2007 – 31/12/2011) is a Specific Targeted Research Project funded under the 6th Framework Programme for Research of the European Union, Thematic Priority 7 – Citizens and governance in a knowledge-based society.

See: <http://www.microconflict.eu>

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EU policies needed to address climate change and conflict

March 2011

The European Union started to address the possible impact of climate change on international security in 2008, namely in the joint document of the EU High Representative and the European Commission on 'Climate Change and International Security'¹. The United Nations, including its Security Council, also devoted attention to such issues. Further empirical evidence and conceptual analysis is needed to address this policy concern, and assess whether and how climate change impacts represent 'threat multipliers' which cause or exacerbate conflict, and whether paths towards cooperation have been and can be implemented to tackle common problems arising from scarcity of resources.

Among the regions most affected by tensions over water resources are the Mediterranean countries, the Middle East and the Sahel² (the MMES region). The three-year research project, **CLICO** (*Climate Change, Hydro-conflicts and Human Security*), brings together for the first time some of the world's leading researchers in water resources, vulnerability, and peace and security studies to explore solutions to address water resource tensions.

Fourteen cross-disciplinary teams of researchers from Europe, North Africa, the Sahel and the Middle East are studying eleven cases of hydro-conflict and climate change vulnerability ranging from Niger, Sudan, the Jordan and Nile basins, to Cyprus, South Italy and the Sinai desert. The situations facing these regions range from drought and competition for water to flooding and the risk of rising sea levels. The research also analyses a large and unique dataset on hydro-conflicts vis-à-vis climatic, hydrological and socio-economic variables to determine the part that climate change has played in these conflicts.

Some of the in-depth case studies highlight, for example:

- **Cyprus** – Average precipitation has fallen by more than 20% in the last four decades, and in the summer of 2008 Cyprus imported water with tankers from Greece.
- **Alexandria** – A 0.5 metre rise in sea level could inundate 30% of the city, which could displace at least 1.5 million people.
- **Spain/Morocco** – Droughts are leading to intense competition for water between agriculture, cities, tourism and the ecosystem in both Spain and Morocco.

The exact links between climate change, water quality and availability, socio-economic vulnerability, security and conflict, or cooperation, are not straightforward. While climate change poses some clear threats to human security, and can exacerbate social tensions as well as intra- and inter-state conflict in relation to access to vital resources, there are cases where co-operation trumps conflict. For example, regional cooperation on the management of important river basins (including Jordan and Nile) has been the focus of several international treaties: a question addressed by researchers is whether such cooperation will be resilient to climate change impacts or might be threatened. Also, conflict between farmers and nomadic tribes in the Sahel prompted policy responses that facilitated migration routes for the herders, and reduced their vulnerability to droughts. However, attention needs to be paid to cases where domination may be masked as cooperation.

Other outputs from the CLICO research include:

- A statistical analysis of domestic water conflicts and their drivers in the region.
- Analysis of trans-boundary treaties and how they handle climate change and uncertainty.
- Policy proposals for the UN, EU and Member States for strengthening human security and adaptation to hydro-climatic changes. In this regard, CLICO is mapping existing policies to find out what types of policies, legal and

other instruments and institutions at national, regional and international levels are needed to ensure adaptation, security and peace in the face of global and regional hydro-climatic change. It also aims to devise an analytical framework to help develop improved links between existing, or new, policies.

CLICO participates in *CLIWASEC* (Climate Induced Changes on Water and Security), a cluster of collaborative research projects funded by the Socio-economic Sciences and Humanities and the Environment Research Programmes under the EU's 7th Framework Programme. For more information, please visit: <http://www.cliwasec.eu/>

References

- ¹ See: http://www.consilium.europa.eu/uedocs/cms_data/docs/pressdata/en/reports/99387.pdf
- ² The Sahel is a zone of climatic and biogeographic transition between the Sahara Desert in the north and the savannah to the south, and covers parts of the countries of Senegal, Mauritania, Mali, Burkina Faso, Algeria, Niger, Nigeria, Chad, Sudan, Somalia, Ethiopia and Eritrea.

CLICO

Climate change, hydro-conflicts and human security

(duration: 1/1/2010 – 31/12/2012) FP7 Socio-economic Sciences and Humanities, Activity 4 "Europe and the world", Research area 4.2 "Conflicts, peace and human rights". Collaborative project (small and medium scale focused research project).

See: <http://www.clico.org>

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Toward a just and durable peace: EU policy considerations

February 2011

EU efforts to promote peace are being informed by insights gained during a recently concluded research project coordinated by Lund University. The three-year project explored practical and theoretical aspects of peace-building and yielded numerous recommendations for policy makers. Along with concrete suggestions for strengthening peace-building strategies, the researchers offer support for the development of a “new doctrine” for the European Union’s Foreign and Security Policy. They also urge the EU to further develop its crisis management capacities, and review its appointment and deployment of peace envoys.

Drawing on the expertise of consortium participants in Europe and the Middle East, the **JAD-PbP** research project explored opportunities for better integrating peace-building and transitional justice activities in conflict-affected countries. While acknowledging that tension between these activities does exist (e.g. the pursuit of justice may delay peace-building efforts) the researchers argue that the processes may be complementary. For example, reduced penalties can be offered to former combatants who agree to engage with the transitional justice process, thus promoting disarmament, demobilisation and re-integration (DDR) – a classic peace-building activity.

Linking DDR processes to those of reparations for victims is proposed as a further tool for ensuring that peace-building is not perceived as a process for rewarding perpetrators. In the second of nine policy briefs published by the project, the researchers encourage high-level decision makers to develop “more coherent policy statements” that identify where transitional justice fits into peace-building activities.

Some of the project’s most engaging insights emerged during two regional seminars it hosted in 2009. The first of these seminars, focusing on the Israeli-Palestinian conflict, was a two-stage event held at locations in Jerusalem and Ramallah. While these discussions confirmed the view that both peace and justice are necessary to resolve the conflict, they also revealed disagreement on how these processes might be conceptualised together. One important lesson drawn from the seminar was the need for third parties to understand the asymmetrical nature of the conflict and to recognise that “peace may be seen as a threat to people’s identities and way of life”.

The seminar also noted growing concern about the near total separation of Israelis and Palestinians that has come in the wake of the second Intifada. Far from being benign, the separation appears to be fostering hatred and prejudice, removing opportunities for these communities to meet in any context other than violence and military occupation. Lacking opportunities for interaction, Israelis and Palestinians have little incentive to learn the other’s language, erecting yet another barrier to conflict resolution. With regard to the EU’s own peace-building efforts in the region, seminar participants noted that a combination of political and institutional weaknesses have so far prevented the EU from becoming a powerful mediator in the Israeli-Palestinian conflict.

The project’s second regional seminar, held in Sarajevo, focused on evaluating EU peace-building strategies in the Western Balkans. Highlighting the complexities of the peace-building process in the Balkans, the seminar concluded that any just and durable peace in the region has to be defined from a ‘bottom-up’ perspective. The summary report notes that the EU “finds it rather difficult to deal with the complexities of the political structures [in Bosnia and Herzegovina], while consensus between the three main ethnic groups appears to be impossible to find, let alone other minorities in the country”. The report stressed that the EU does have potential to make a positive difference in the region “if it manages to think beyond the standard categories and develops an approach that transcends a pure form of conflict management”.

Finally, in a policy brief on the emerging EU Peace-building Framework (EUPF), the project recommends that the EU “should be wary of the liberal peace-building consensus”. Instead, the EU should develop an approach that “combines traditional peace-building components with social solidarity and justice”, and which shows a greater sensitivity to local people’s needs. At an institutional level the researchers recommend a review of how EU Special Representatives are appointed. They note that EU envoys “seldom appear in significant action” and had (as of August 2010) so far included no women. Although the evidence shows that the EU has been fairly successful as a third party when promoting peace agreements, JAD-PbP observes that this activity has decreased over time, offering a powerful reminder of the EU’s unfulfilled potential.

JAD-PbP

Just and Durable Peace by Piece

(duration: 1/2/2008 – 31/1/2011) was a Specific Targeted Research Project funded under the 7th Framework Programme for Research of the European Union, Thematic Priority 4 – Europe and the world.

See: <http://www.lu.se/just-and-durablepeace-by-piece>

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Multi-stakeholder partnerships need greater local involvement to fulfil their peace-building potential

January 2011

There are a growing number of multi-stakeholder partnerships (MSPs) in post-conflict settings ('post' being a phase that may involve re-emergence of conflicts in some cases or more settled peace agreements in others) that seek to enhance human security and peace building efforts. Such partnerships bring together different stakeholders in the peace building process to promote a holistic approach to (post)-conflict reconstruction and better governance. Although many MSPs involve multiple organisations, as well as representatives from the public sector, they often fail to encourage local participation and ownership. The **MultiPart** research project analysed MSPs in three post-conflict countries and recommends that the EU develops guidelines on engaging with MSPs to ensure less domination by international actors.

Multi-stakeholder partnerships (MSPs) involve at least three different types of actors, coming from the public, private, civic or donor arenas (with at least one public sector actor, such as a ministry, municipality, public school, public commission etc). The MultiPart project analysed the contribution of MSPs to peace building and human security by considering twelve case studies: four in the Democratic Republic of Congo, four in Kosovo and four in Afghanistan. Researchers used a combination of primarily qualitative methods, such as secondary literature analysis, document analysis, in-depth semi-structured interviews and focus groups.

The research indicates that MSPs tend to be initiated by international actors and the format usually follows one of three paths:

- The MSP model is imported from a location where it has already worked.
- International donors re-organise existing local organisations.
- The MSP is a follow-up to other projects that have been implemented by international donors.

As such, MSPs tend to be dominated by international actors including international agencies, such as the UN, multi-lateral and bilateral donors, and a number of International NGOs (INGOs). Even though the modalities of engagement differ depending on the type of international actor involved, the MultiPart project shows that MSP formation and activities typically involve a hierarchical approach in which international actors are dominant.

Under certain conditions MSPs can enhance human security and peace building, especially if the partnership is constructed with a clear purpose in mind. However, local involvement was rarely found in the case studies. This could be due to a clash between interests and preferences of different MSP members. For example, in the MSP 'Action Plan on Peace, Justice and Reconciliation' in Afghanistan, there was competition between international donors with the perverse result that local stakeholders had an incentive to avoid reconciliation as tension provided a leverage for funding.

Although there is often a multi-stakeholder composition in MSPs, there is a lack of multi-stakeholder procedures, such as mechanisms of activation, governance and coordination, as such procedures would imply a more egalitarian and participatory approach on the part of international actors. In addition, the partner relationships are rarely equal. For example, the goal of the Kosovo-based MSP, 'SPARK' (Sustainable Partnerships for Returns in Kosovo) was to increase the responsibility of municipalities by training them to take over the return process of ethnic minority returnees, however community involvement was weak and the returns process remained under international management.

Even in the more successful MSPs, there is a tendency for the ‘same faces’ or a limited group of domestic actors to be engaged in donor initiatives.

Two main reasons explain why the potential of MSPs is often not fully realised: a lack of commitment of sufficient resources by international agencies to achieve long-term sustainable outcomes, or the wrong type of engagement of partners.

For example, it may be better to involve external stakeholders more indirectly in the partnership. Given the short timeframes of donor presence and funding, and thus the questionable long-term sustainability of their initiatives, it might be more effective for external actors not to engage as key partners, but rather facilitate MSP processes that are driven exclusively by local actors. International agencies tend to dominate and can unconsciously undermine MSPs. For example pressure from donors for short-term results can inhibit long-term planning.

MultPart produced several recommendations for the EU and other international actors:

- Local MSP partners should be carefully selected with an option **not** to involve an international actor if appropriate. Stakeholders must be committed to long-term success of the MSPs.
- MSP design should involve local stakeholders from the beginning to ensure their opinions are considered. Planning should assess whether there is the need for international actor involvement.
- The purpose of the MSP should be defined and assessed by a strength-weakness-opportunities-threats (SWOT) analysis to ensure the MSP has the most appropriate form.
- International domination of decision-making should be limited and, transparency of the MSP’s procedures and tasks should be encouraged.
- Flexibility must be built into MSPs in terms of their structure, funding and management so they can adjust to changes.

There are several EU policy instruments and financial frameworks that promote human security through MSPs; however there is a lack of coherent actions and an absence of EU guidelines for engaging in MSPs. The project recommends greater EU co-ordination of policy around MSPs and the creation of a supportive environment for home-grown MSPs. More specifically, these are some of MultiPart’s recommendations for individual policy instruments:

- The **European External Action Service (EEAS)** was created in 2009 and will build on a network of 130 EU delegations around the world. MultiPart recommends that EEAS establish a two-year committee across relevant bodies, such as DG Development and DG Enlargement, to develop a guiding framework for EU selection, support or engagement with multi-stakeholder partnerships. It suggests that funding decisions, assessment and monitoring of MSPs could be undertaken by the EU Delegations to integrate local needs and ensure contact with local stakeholders. To enable this, delegations could establish outreach units and information clearing units.
- **EuropeAid** provides development assistance worldwide, often through MSPs. Consultation with local stakeholders could ensure its tender processes are open to all. The development of clear benchmarks and best practices would allow accurate evaluation of MSP work. Alongside this, better co-ordination with organisations such as the United Nations Development Programme (UNDP) and the World Bank could improve involvement with MSPs.
- **Development cooperation** guidelines should provide a framework to take into account local contexts and stakeholder goals when allocating funding for MSPs through mechanisms such as the European Development Fund. To achieve sustainability the EU needs to be more flexible and allow local partners more say in decision making.
- **EU Programme for the Prevention of Violent Conflicts** should include reporting on EU engagement with MSPs and develop principles and guidelines for building local and regional capacity.
- **Instrument for Stability (IFS)** should support MSPs that aim to enhance peace building through building medium or long-term capacity to ensure they become self-sustainable.
- **European Instrument for Democracy and Human Rights (EIDHR)** should establish clearer criteria for how the EU engages with local partners and there should be a separate section on MSPs within the evaluations of its programmes.
- **Common Security and Defence Policy (CSDP) missions** provide military and security support for crisis management. MultiPart suggests that CSDP missions should work together with projects funded by the EIDHR and IFS to build interactions with local populations in host countries.
- The **European Commission Humanitarian Assistance Office (ECHO)** also undertakes partnerships in emergency response work. The importance of maintaining a humanitarian space is a key issue in relation to such partnerships; however as the MULTIPART case studies did not cover emergency-type partnerships, further work will be needed to issue recommendations for ECHO.

MSPs can make an important contribution to post conflict reconstruction but their aims need to be clearer and they need to ensure greater integration of local partners. So called 'exit strategies', where the international partner withdraws from the MSP, need to be reviewed, and guidelines developed on MSP engagement to guide the relevant EU policy instruments.

MultiPart

Multi-stakeholder Partnerships in Post-conflict Reconstruction: The Role of the European Union

(duration: 1/4/2008 – 31/10/2010) was a Specific Targeted Research Project funded under the 7th Framework Programme for Research of the European Union, Thematic Priority 4 – Europe and the world.

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Better data needed to inform crime prevention in Europe

December 2010

New research suggests that there has been a move away from approaches to crime prevention policies that seek to achieve social inclusion towards exclusive approaches focused on punishment. To foster more inclusive approaches to crime prevention, strategies are needed that strengthen existing social controls.

Despite significant variation in crime prevention policies between European countries, the **CRIMPREV** project found a general move away from a socially inclusive approach to crime prevention that seeks to include young people, residents of disadvantaged neighbourhoods and immigrants in society. Instead, European countries have adopted a more exclusive approach that identifies 'troublesome' groups that need to be dealt with as a means of offering protection to the anxious majority.

Exclusive approaches focus more on punishment and criminal justice rather than addressing areas such as school failure, bad housing and support networks. For example, during the 1980s, England and Wales developed a more exclusive model. This model continues to persist although the role of the government has become more distant with development of schemes such as 'Neighbourhood Watch' and 'Community Police'. France has traditionally taken a more socially inclusive approach but has become more exclusive during the 1990s, particularly in its housing policies.

The issue of federalisation impacts upon the nature of crime prevention policy. Centralised states, such as the Netherlands and France, have more stable crime prevention policies than federalised states where there is variation between regions. For example, in Germany where the states (or *länder*) have a high level of autonomy, there is regional variation in crime policies and new initiatives for crime prevention policy tend to be adopted in a more piecemeal fashion.

Despite this fragmented and often punishment-focused picture of crime prevention policy, it remains possible for socially-inclusive approaches to flourish. To do this policy programmes could include incentives for strengthening natural social controls of crime, particularly in schools and neighbourhoods. They could also aim to improve the bridges and links between families, groups and neighbourhoods and restore trust in communities and institutions.

The CRIMPREV project compared existing research conducted in national contexts. Through the involvement of 30 institutions, the study mapped the crime situation in several European countries, identified good and bad practices in the collection of crime data and suggested appropriate strategies for future development. Having reviewed existing data on crime and crime prevention, CRIMPREV identified the following issues with current data:

Victimisation surveys

These are household surveys which explore people's experiences as victims of criminal activity such as assault, burglary, rape and theft. Over the years they have developed considerably but irregularly, depending on the country. Surveys on perception of insecurity are far from standardised. Larger samples and greater expertise are needed, including more researchers trained in quantitative methods to analyse this data. At present, these surveys are rarely integrated into decision-making and policy evaluation although these data – when they are good quality – could provide valuable insight into crime knowledge and prevention. Standardised methods of surveying victimisation and

insecurity would improve comparisons over time, enabling trends to be identified more easily and comparisons to be made between regions and countries.

Self-reported delinquency (SRD) surveys in Europe

SRD surveys are studies which directly ask people – usually young people – about their delinquent behaviours. Although SRD surveys do not measure the most serious types of offence, they provide extremely useful information on minor offences and are mainly used to assess levels of juvenile delinquency. In countries such as England and Wales, Finland, the Netherlands, Northern Ireland and Sweden, SRD surveys are required by the state and run on a regular basis, allowing comparisons over time to identify trends. Germany is also running longitudinal as well as cross-sectional regional and local surveys on a regular basis. In Belgium, France, Italy and Ireland, SRD surveys take place punctually although not as a state requirement. CRIMPREV researchers suggest that self-reported delinquency surveys should be developed on a wider basis, not only to assess delinquency but also drug abuse and school violence.

Comparison of survey data and police figures

A comparison of crime reported in police statistics and the results of victimisation surveys in European countries has confirmed that police records cover only a small part of victimisation experienced by the public. There are hidden numbers of crime victims or 'dark numbers'. The size of these dark numbers varies across countries and seems to be larger amongst the New Member States. For example, Estonia has a relatively low number of police-recorded crimes (nearly 4,000 offences per 100,000 population) but a high victimisation rate with over 20% of people reporting they have been the victim of crime. The figures for Ireland appear even more divergent with nearly 2,000 offences per 100,000 population and a victimisation rate of 23%.

Researchers suggest this is due to limited police resources to respond to incidents and that, once these improve, figures of crime rates will rise steeply although the level of crime may in fact remain the same or even decrease. This means comparison of police statistics across countries will result in erroneous conclusions.

The development of a standardised victimisation survey for Europe could help remove these issues. In addition, complementary data should be considered alongside reports of crime and victimisation, such as statistics from health institutions on incidents involving violence.

Evaluating crime prevention policy

Evaluation is essential for the development of existing policy and to ensure new policies are working, but it can meet resistance from several levels. For it to be successful it requires engagement of both policy makers and researchers, careful planning before the start of the policy or programme to be evaluated, and complete independence of the evaluators.

(duration: 1/7/2006 – 30/6/2009) was a Coordination Action funded under the 6th Framework Programme for Research of the European Union, Thematic Priority 7 - Citizens and governance in a knowledge-based society.

See: <http://lodel.irevues.inist.fr/crimprev/index.php?id=281>

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Corruption in Europe – What do people really think?

December 2010

The **Crime and Culture** research project explored the perceptions of corruption held by six societal groups: politicians, the judiciary, police, media, the business world and civil society groups, such as anti-corruption NGOs. Its findings indicate that policies to address corruption must be adapted to fit socio-cultural conditions and perceptions of corruption.

Corruption is a considerable issue for European integration and enlargement. It is a threat to the EU's financial interests and to its core principles of social order. Policies to prevent corruption have tended to rely on legislation or police force measures without much investigation as to how society views corruption.

To explore perceptions of corruption, the Crime and Culture project analysed relevant documents and conducted interviews in seven countries that were grouped into three clusters:

Romania, Bulgaria and Croatia

These countries are all former communist states and there is a tendency for corruption to be perceived as embedded and therefore taken for granted. The perception of a 'culture of corruption' in Romania is sustained by the awareness of a 'mafia ensemble' that involves almost everyone from politicians to judges to businessmen, citizens and NGOs. Anti-corruption legislation is viewed to have little direct impact and the judiciary is perceived to be unwilling to bring corruption cases to an end.

The perception of corruption in Bulgaria is more dependent on the belief that the government is irresponsible and political parties are major vehicles of corruption. Whilst in Croatia it is the interconnections between business, politics and the judiciary that are perceived to be the source of corruption. The perceptions in all three countries are rooted in two processes: the lack of distinction between petty and large-scale corruption, and the residual effects of the transition from a post-communist regime. In Croatia, the transition impacts are aggravated by the influence of the war when organised crime came to the fore.

To combat views of corruption in these countries the perceived links between politics, business and the judiciary need to be broken. This could be done by cultivating a stronger image of effectiveness within the judiciary, and dissuading political parties from using anticorruption rhetoric as a political instrument since this doesn't address the issue and compounds perceptions that corruption is embedded in society. In addition, the media could stop exaggerating corruption affairs as this reinforces the public perception that corruption is a fact of life.

Greece and Turkey

These two countries share a paternalistic type of government where political power is more top-down and there is little citizen participation. Similar to the previous three states, corruption is perceived as being widespread but it is more accepted in Turkey than in Greece. In Greece, corruption is accounted for as a form of 'survival strategy' in the face of the disappearance of traditional social bonds. In Turkey, corruption and bribery are taken for granted as a way to function in daily life. In both countries, patronage and nepotism are perceived as a legitimate way to deal with state machinery.

The project recommends that both countries develop a strategy to overcome the deep lack of trust between government and citizens, to counteract the notion that corruption is a legitimate means to deal with issues in this area. This would include reforming the political systems to lessen the paternalistic nature of government since the core element that boosts corruption in both countries is located within the political sphere. Political reforms would help to increase trust between government and citizens by encouraging enhanced citizen participation in political processes.

Germany and the UK

In these Western European countries, petty corruption is perceived to be virtually non-existent and considered to be under control. This fosters a perception that corruption does not exist. However, there is growing awareness of so-called 'structural corruption' within politics and large businesses where corruption is embedded and generally accepted within the institutional structure, such as the recent expenses scandal amongst politicians in the UK. Although this has been hidden for some time it is now appearing more frequently. To prevent its acceptance or the complacent belief that it is a 'one-off', it must be acknowledged and dealt with.

Structural corruption could be tackled by moving away from the national economic orientation prevalent in both countries toward a more social attitude of responsibility, where the focus of policies and business is shifted away from purely financial goals towards contributing to the welfare of society. Alongside this could be the development of legislation that favours collective/corporate liability instead of allocating blame to individuals so that the actual 'structure' in structural corruption is addressed.

European level policy options

Alongside the policy recommendations at a national level, the project made several recommendations to European policy makers:

- Greater co-ordination of anti-corruption measures with other international organisations, such as the OECD (Organisation for Economic Co-operation and Development) and the Council of Europe's Group of States against Corruption (GRECO), and greater co-ordination of existing databases, such as EUROSTAT, to enable investigation of corruption.
- The development of methods to improve co-operation between EU and national jurisdiction, to encourage a more effective control system.
- Measures to facilitate greater transparency from Member States, especially in public procurement and financial control. This could be done by publishing relevant documents on the internet.
- Better support for citizen participation in prevention of corruption through instruments such as the Advocacy and Legal Advice Centres (ALACs), established by the Transparency International National Chapters in a range of countries across Europe. The experience of ALACs shows that citizens are able to take effective action against corruption when they are offered efficient means for doing so.

Finally, depending on the specific field of action required, numerous interfaces between national and EU-level anti-corruption strategies exist. In this respect, the *coordinating, supportive and monitoring* functions of the EU should be emphasised. However, efforts to encourage rule-conforming behavior are part of a developing learning process. As such, anti-corruption as a prevention strategy is a *social educational project* which must be seen more as a long-term investment and less as a short-term operation.

Crime and Culture

Crime as a Cultural Problem. The Relevance of Perceptions of Corruption to Crime Prevention. A Comparative Cultural Study in the EU-Candidate States and the EU-States Germany and Greece

(duration: 1/1/2006 –31/7/2009) was a Specific Targeted Research Project funded under the 6th Framework Programme for Research of the European Union, Thematic Priority 7 - Citizens and governance in a knowledge-based society.

See: <http://www.uni-konstanz.de/crimeandculture/index.html>

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The European Court of Human Rights: Improving implementation of judgements

October 2010

A team of European researchers has published a catalogue of policy recommendations aimed at improving the way countries implement judgements by the European Court of Human Rights (ECtHR). After examining implementation issues in eight EU Member States and one candidate country (Turkey), the **JURISTRAS** consortium concludes that while serious shortcomings exist, these failings can be addressed through various administrative, legislative and judicial reforms at the national level. The consortium argues that the ability of the ECtHR judgements to enhance human rights protection in Europe ultimately depends on the democratic commitment of national governments. Implementing the proposed reforms, the researchers suggest, could enhance protection of human rights and help reverse the dramatic rise in case loads at the Strasbourg Court.

Taking an interdisciplinary approach, JURISTRAS looked at legal cases originating from nine countries: Austria, Bulgaria, France, Germany, Greece, Italy, Romania, Turkey and the United Kingdom. These countries were selected because they have generated the largest number of ECtHR judgements in the specific areas under examination (discrimination, privacy, religious freedom, and freedoms of expression and assembly; as well as cases concerning minorities and vulnerable groups). In carrying out their empirical studies in each of the focus countries, the researchers were guided by three basic questions:

- Does the state implement ECtHR judgements and under what conditions does it do so?
- What is the impact of ECtHR case-law on the legal norms, institutional structures and policies of the state?
- Do ECtHR judgements influence rights-expansive policy change and reform at the national level?

The country case studies revealed significant differences in how effectively the Strasbourg Court's judgements are implemented. In Bulgaria and Turkey, for example, the data showed that 60% of cases remained unresolved. Germany, by contrast, managed to close 80% of its cases, even if judgements took longer to implement. Meanwhile, the UK, Austria and France (to a lesser extent) achieved relatively large degrees of implementation relatively quickly. Italy and Greece, on the other hand, did not fare well with respect to either speed or volume of implementation.

In seeking to explain such variation across countries, the researchers found "a robust correlation" between government effectiveness and prompt implementation of the ECtHR judgements. The project utilised a World Bank definition of 'government effectiveness' measuring quality of public services and civil service, degree of independence from political pressures, quality of policy formulation and implementation, and credibility of government commitment to such policies. The consortium also identified a "statistically significant" relationship between the rule of law and implementation of judgements. With respect to the highly politicised topic of immigration, JURISTRAS found that, for the most part, national authorities have "strongly resisted changing their immigration laws" in response to the ECtHR's case law. A full copy of the study can be accessed at: <http://www.juristras.eliamep.gr/wp-content/uploads/2009/12/mainstreaming-european-human-rights-case-law-domestically.pdf>

To help policy makers improve implementation of judgements from the Strasbourg Court, the researchers offer a wide range of recommendations, most of them aimed at national authorities. The project's key recommendations can be summarised as follows:

Boost institutional effectiveness as well as rights awareness among implementation actors

- Reform and improve existing executive-centred institutional arrangements responsible for implementation by bolstering their political independence and legal expertise and, if necessary, by augmenting their infrastructure and financial resources.
- Centre responsibility for implementation on the Ministry of Justice or other branches of the executive (not the Foreign Ministry) that are concerned with internal affairs and issues of rights.

Diversify the involvement of social and political actors in domestic implementation and rights protection

- Promote awareness among parliamentary representatives of human rights case law.
- Strengthen involvement of National Human Rights Institutions (NHRIs) in implementation of ECtHR judgements.
- Establish and sustain channels of regular communication between parliamentary representatives, NHRIs and civil society organisations.

Strengthen the role of national judges in implementation and rights protection

- Disseminate to national courts selective translations of judgements that concern not only their own state but other states and parties as well.
- Promote awareness among national judges with legal commentary by human rights experts.
- Create an electronic repository with all translated ECtHR case law and relevant commentary, and provide website access for national judges.

Diffuse ECtHR legal norms

- Oblige lawmakers and government officials to consult with NHRIs about compatibility of draft bills or administrative measures.
- Entitle NHRIs to provide legal aid to minority members and immigrants who are victims of discrimination.
- Systematically familiarise administrative personnel with rights issues related to minorities, immigrants and asylum seekers.

JURISTRAS

The Strasbourg Court, democracy and the human rights of individuals and communities: patterns of litigation, state implementation and domestic reform

(duration: 1/9/2006 – 31/8/2009) was a Specific Targeted Research Project funded under the 6th Framework Programme for Research of the European Union, Thematic Priority 7 – Citizens and governance in a knowledge-based society.

See: <http://www.juristras.eliamep.gr>

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Incorporating human and minority rights into EU's conflict management

September 2010

Accommodating the principle of equal treatment (human rights) and the recognition of cultural diversity (minority rights) is a major challenge for conflict management. The **MIRICO** project has analysed minority and human rights during ethnic conflict in the Western Balkans. It concludes that, if the EU intends to strengthen its role in conflict management, it needs better co-ordination, more communication with other organisations and a streamlining of policy instruments.

EU foreign policy on conflict is shifting from re-active crisis management to regional stabilisation and association with the EU. The *MIRICO - Human and Minority Rights in the Life-Cycle of Ethnic Conflicts* - project studied the conflicts in Croatia, Bosnia and Herzegovina, Serbia, Kosovo, Macedonia and South Caucasus. Its aim was to understand what conflict management policies were successful and unsuccessful, and to provide insight on the EU's future role in this field.

The research identified five aspects of ethnic conflict that are policy-relevant:

- **Complexity** – All ethnic conflicts studied had complex interactions between domestic, regional and international players. This means the effects of policy were often modest and sometimes not in the direction intended. Often policy has to be a best compromise in order to stop the violence.
- **Individuality** – Conflicts differ substantially and there is no single recipe for successful management. For example, if a minority group makes up a large part of the population (as with the Albanians in Macedonia) or there is no dominant ethnic group (as in Bosnia and Herzegovina) then sharing the power between groups may be successful. However, if there are no sizeable minorities or many small minority communities, a different approach is needed.
- **Depth** – Conflict is often deep-seated in a region's history. It could be better to focus on establishing basic conditions for stability, tolerance and co-operation before introducing democratic elections.
- **Durability/persistence** – Due to the length of conflict it may be problematic to define phases into 'pre-conflict', 'conflict' and 'post-conflict' for purposes other than research.
- **Mediation of conflict** – MIRICO's research indicated a lack of co-ordination and co-operation between relevant actors in human and minority rights.

On the basis of its findings, MIRICO made several recommendations for EU interventions:

- **Strengthening instruments for arriving at common positions.** The diverse interests and varying degrees of political will amongst EU Member States can be a challenge towards reaching consensus. Possible solutions include changing the voting rules, using opt-out procedures and forging subgroups of key players that share positions on a conflict situation.
- **Developing a comprehensive mechanism for conflict management.** This would streamline different policy actions across EU institutions, for example from the different European Commission Directorate Generals, such as DG External Relations, DG Enlargement, DG Justice and DG Home Affairs, as well as from the European Parliament and European Council. This could benefit from the formation of an EU Commissioner for Peace and Conflict Transformation which has previously been suggested. Through policies such as the Stabilisation and Association Process (SAP) and the European Neighbourhood Policy (ENP), the EU has started to build social and economic relationships with countries prone to conflict. These relationships can be deepened to the extent of potential EU membership if the countries meet certain conditions of democracy and human rights. To be successful these policies must be adjusted to the specifics of each situation.

- **Adopting a graduated approach to conflict management engagement.** The level of EU engagement should depend on a systematic methodology that considers the nature of the conflict, the EU's strengths compared to other international organisations and the geographic proximity of the conflict. This would reduce the previous ad-hoc nature of the EU's intervention.
- **Improved external coordination and channels of interaction.** There are a large number of international organisations and state actors with interests in the field of conflict management. The EU could take a leading role in building on existing mechanisms for cooperation between these organisations and NGOs to avoid duplication of efforts and clashes of approaches. Better channels of interaction are needed between EU officials, the NGO community and academic experts in conflict management.
- **Developing conflict analysis expertise and improving data collection.** This would include better in-house expertise on methodologies for risk analysis and assessing conflict potential. The EU could also upgrade its on-the-ground capacity, using its 128 EU delegations throughout the world to gather information in regions with the potential for conflict.
- **Improving funding instruments.** Funds should be more specifically allocated to conflict management and given longer life cycles. Although the Rapid Reaction Funding mechanism is a move forward, it only funds projects for up to six months. More needs to be done to accelerate delivery of funding, develop tailored incentives and coordinate funding with other international organisations.

(duration: 1/5/2006 – 30/10/2008) was a Specific Targeted Research Project funded under the 6th Framework Programme for Research of the European Union, Thematic Priority 7 – Citizens and governance in a knowledge-based society.

See: <http://www.eurac.edu/en/research/projects/ProjectDetails.html?pmode=4&textId=2893&pid=8381>

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Organised crime and corruption threaten human security in the Western Balkans

September 2010

Organised crime in the Western Balkans has stronger links to corruption than to terrorism, according to research conducted by the **HUMSEC** project. It suggests that these connections have a large impact on human security. In its continuing role in this field, the EU must look more to the causes of problems than the punishment, and encourage greater local involvement.

The three-year long HUMSEC project has brought together researchers from the EU and the West Balkans, co-ordinating a network of 16 institutions from 14 countries. It organised three annual conferences and produced a series of working papers that have been published in the HUMSEC journal, and a state-of-the-art book.

Developing a common methodology for the different areas within the Western Balkans in a period of conflict, when some state forms were dismantled and others emerged, proved to be difficult due to a variation in approaches and definitions. It was agreed to work from the concept of human security, which goes beyond the state to the individual and allows for a deeper, more holistic analysis of the root causes of terrorism and organised crime.

The connections between transnational terrorism and organised crime, and the influence on state and society

There has been a significant decline in ordinary crime in the Western Balkans but organised crime and corruption is still present. Organised crime mainly takes the form of trafficking in drugs and human beings, but also money laundering. These activities are facilitated by poor law enforcement that is still weak from the conflict.

Evidence of a specific 'terror-crime' nexus, however, is inconclusive. This is partly due to difficulties in defining the concepts. But it is also due to the difficulties of identifying the motives of groups operating within a network. For example, at the end of the war, some links developed between some sectors of the emerging state of Bosnia and Herzegovina and Islamic groups, some of which had links to terrorist groups. As such, Bosnia has been used – albeit in very limited way – as a 'gateway' for militants moving between Europe and the Middle East. But the motivation behind these links was often based on a desire to promote (or spoil) a local peace process, not to export terrorism to third countries.

In general the project indicated that 'transnational terrorism' has failed to gain a foothold in the Balkans, mainly because local communities are more concerned with ethnic identification than with larger ideology or religious belief. The criminal involvement with politics is considered a much more significant and persistent problem. These links were created during the conflict and some have survived, albeit transformed, particularly in the security sector. So-called 'conflict entrepreneurs' are not interested in a complete failure of the political systems but in keeping the system weakened so they can continue to control it. With the help of the international community a re-centralisation is taking place to strengthen state functions, such as law enforcement which will increase human security.

However, ethnic interests still prevail over common interests and a developing centralised state can be threatened by unresolved issues with neighbouring countries, for example Croatia and Serbia providing passports etc. to ethnic groups within Bosnia-Herzegovina. Unresolved disputes in Kosovo and Macedonia are also limiting the functioning of centralised state institutions. Another phenomenon of concern is the nationalist violence of extreme right-wing youth groups, particularly in Serbia.

How to strengthen Human Security in the Western Balkans

The necessary measures to tackle organised crime are in place but they are not always implemented. This is due to the weakened state institutions, vested political and criminal interests and lack of human and financial resources. The role of society in the Western Balkans also needs to be strengthened by institutionalising its participation in public affairs.

The international community must address the socio-economic causes of crime, and concentrate less on sanctioning and punishment, which has been the focus of international strategy in the past – and more on ‘incentives’, e.g. concerning visas to EU countries. The implementation of reforms in the law enforcement sector remains crucial. Economic progress is key since a weak economy and high unemployment provide fertile ground for corruption and crime. There needs to be greater local ownership of NGO work and the EU should encourage regional cooperation. The international community should also live up to its own standards of accountability and ensure that those suspected of corruption are put on trial. It is suggested that the participation of victims in the criminal justice system would help strengthen the peace process. Lastly, throughout the report there is a call to establish systematic and reliable data collection and strengthen local research capabilities. This would lessen the use of estimates for political purposes in order to justify the priority of certain policies over others.

HUMSEC

Human Security in the Western Balkan region: the impact of transnational terrorist and criminal organisations on the peace-building process of the region

(duration: 1/5/2006 – 30/4/2009) was a Coordination Action funded under the 6th Framework Programme for Research of the European Union, Thematic Priority 7 – Citizens and governance in a knowledge-based society.

See: <http://www.humsec.eu>

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EU needs dialogue with civil society in conflict zones

July 2010

Respect for democracy and human rights are necessary cornerstones of EU's foreign policy aimed at promoting peace, security and prosperity in international affairs. However the most appropriate way to promote democracy and human rights in situations of conflict close to Europe has been contested. The work of a research network called **Human Rights in Conflicts: The Role of Civil Society (SHUR)** suggests that Europe should not draw back from involvement with civil society organisations (CSOs) in conflict zones. Rather, the EU should keep emphasising the rule of law – namely international law – while continuing contact with CSOs in three ways – dialogue, training and (in some cases) funding.

'Civil society' is defined by the project as encompassing all voluntary civic and social organisations and institutions that form the basis of a functioning society, as opposed to the force-backed structures of a state or the commercial institutions of the market.

SHUR's overall objective was to analyse the human rights impacts of civil society actions in ethno-political conflicts, and to identify ways of strengthening complementary actions of civil society and EU actors.

The network aimed to:

- Understand and analyse the link between human rights and conflict in successive phases of conflict (pre, during, post).
- Understand and analyse the role of civil society in the prevention/generation, amelioration/worsening and resolution/continuation of conflicts through its focus on human rights.
- Draw lessons on how the actions of CSOs can be made more effective in human rights protection in fragmented multi-ethnic political communities.
- Draw lessons on possible complementarity between the actions and strategies of governmental and non-governmental actors in conflict situations.
- Draw lessons on how the impact of civil society in reducing human rights violations could be improved through greater synergies with official European institutions.

As part of its research SHUR analysed four conflict situations close to Europe – Bosnia-Herzegovina, Cyprus, Turkey-Kurds, and Israel-Palestine. In Cyprus SHUR assessed the actions of 22 CSOs between 1989 and 2007. In Bosnia and Herzegovina it looked at the actions of 19 CSOs between 1993 and 2007. In Turkey it covered the activities of 23 CSOs from the beginning of the 1990s to the present time. In Israel-Palestine it analysed the actions of 35 CSOs between 1995 and 2009. These case studies were analysed using qualitative comparative techniques to determine the principal factors which shape the civil society-human rights conflict nexus. Comparisons were made both within and across the four case studies. For each case study, three sets of evidence were consulted: official documents produced by governments, local and international CSOs; semi-structured interviews (150 across all case studies) and analysis of scholarly studies.

The analyses suggested that EU and international donor activity is important but at times risks producing a multiplication of poorly connected projects with negligible impact on the resolution of conflict and on human rights protection. There is a need to foster intra-CSO relations and avoid giving prominence to technical organisations at the expense of grassroots ones. Conflict resolution was found to be most strongly linked to the presence of CSOs which invoke inclusive individual rights (i.e. extended to all communities) and are multicultural in nature, particularly

in culture and education. In future, EU programmes might focus on longer term projects and capacity building aimed at strengthening the collective impact of civil society activities seeking similar goals.

SHUR recommends that EU activity should emphasise the promotion of the rule of law. It could do this via contractual relations in a wide variety of policy areas and institutions, which would act as a basis for home-grown democracy to emerge and flourish in countries within the European Neighbourhood.

The EU should also engage in dialogue and training with as wide a range of CSOs as possible, including those with 'ethnicist' identities, rather than boycott these. This would allow EU actors to gain a deeper understanding of conflict and socialise CSOs into adopting different views and activities. For example, rather than rely almost exclusively on input from liberal westernised groups in the Middle East and other regions, dialogue with grassroots groups would provide information to help formulate foreign policy more accurately and effectively.

According to the network, the EU finds problems in selecting CSOs suitable for funding, and in reconciling its internal need for transparency and accountability with the external demands of an effective policy towards CSOs. In funding CSOs, the EU should select organisations whose activities contribute to rooting out conflict through respect for human rights. In selecting them, factors to take into account are:

- Conflict context.
- Identity of CSOs.
- Their specific activities.
- Whether they invoke human rights.
- Their framework of action.
- The political structure in which their actions unfold.

In conclusion, what is needed is a more organic understanding and evaluation of the civil society-human rights-conflict nexus.

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(duration: 1/7/2006 – 31/11/2009) was a Specific Targeted Research Project funded under the 6th Framework Programme for Research of the European Union, Thematic Priority 7 – Citizens and governance in a knowledge-based society.

See: <http://www.luiss.it/shur/>

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GARNET: The EU role in global governance

May 2010

Efforts to link Europe's diverse research capabilities are gaining momentum with the help of an EU-supported project called **GARNET**. A network of excellence comprised of 42 research centres and universities across Europe, GARNET focuses on the role of the EU in global governance, regionalisation and regulation. Since the start of its activities in 2005, the five-year project has spawned a broad set of integrating programmes and initiatives that serve the EU priority of establishing a European Research Area (ERA).

Coordinated by the Centre for the Study of Globalisation and Regionalisation at the University of Warwick, GARNET has taken a 'multidisciplinary, multi-dimensional' approach to the task of network creation. This approach can be seen in the diverse spectrum of activities embraced by the network. Aside from developing databases and organising an annual international conference, GARNET has launched a programme of scholarly mobility at all levels of seniority and developed a PhD School (which has secured funding for the post-GARNET period).

The project's activities are organised around four main themes:

- Theory and practice of regionalism and regionalisation.
- Identification of key elements in the regulatory framework of governance.
- Policy issues in global governance (particularly those involving trade, finance, security, environment, technology, development, social production, gender inequality and disease).
- The role of the EU in the advancement of research and policy pertaining to the above.

Jointly executed research activities in these thematic areas have produced a large number of scholarly works and policy-relevant publications over the years. The project has generated two book series with Routledge ('Europe in the World' and 'Emerging Global Challenges') and a Working Paper series (free of copyright restrictions) and sponsored research resulting in the publication of scholarly articles in refereed journals. Alongside the books and working papers, GARNET participants have published a valuable series of policy briefing papers relating to contemporary governance and regulation issues. Recent contributions include:

- Policy Brief 11: 'Europe as a Risk Averse Power - A hypothesis' provides an overview of risk types, with thematic, demographic and geographical taxonomies, showing that Europe is generally risk-averse. The brief concludes in a cautionary vein, describing the tension between the need to harmonise positions on risk aversion and the trend toward 'more heterogeneous' preferences within the EU.
- Policy Brief 10: 'The Global Financial Meltdown and the Impact of Financial Governance on Gender' explores how the financial crisis in Europe influences gender relations and risks reinforcing existing gender inequalities. The paper concludes by recommending 'mandatory gender quotas of 40% in all management positions of financial and regulatory institutions'.
- Policy Brief 9: 'The Regional Dimension of Human Security. Lessons from the European Union and other Regional Organisations' offers a brief summary of 'human security' issues in the EU, the African Union and the Association of Southeast Asian Nations. This brief suggests non-European organisations can benefit from the EU's experience of promoting human security through regional integration processes as, for example, in the case of food safety standards.

The volume of publications generated by the GARNET project is evidence of the project's relevance across a broad spectrum of policy sectors. But, the project's larger significance lies in the degree to which it has got the 'points of light' in the EU research community to shine in the same direction and to illuminate common challenges. Having set out to combat 'fragmentation and weak coordination' in EU research on regulation and multi-level governance, GARNET has endeavoured to act as a corrective force, promoting a culture of cross-border cooperation and forging closer ties among the diverse stakeholders in the European Research Area.

The President of the European Commission, José Manuel Barroso, opened the latest conference on 'The EU in International Affairs' organised by members of the GARNET network (represented by the Vrije Universiteit Brussel in cooperation with the Université Libre de Bruxelles and UNU-CRIS, Brugge). President Barroso engaged with researchers on the policy relevance of their work concerning the relationship between multilateralism and multipolarism; the relationship between European values and interests in areas such as democracy and fundamental rights, and new perspectives for the EU's international role with the entry into force of the Lisbon Treaty in December 2009.

GARNET

Global Governance, Regionalisation and Regulation: The Role of the EU

(duration: 1/6/2005 – 31/5/2010) was a Specific Targeted Research Project funded under the 6th Framework Programme for Research of the European Union, Thematic Priority 7 - Citizens and governance in a knowledge-based society.

See: <http://www.garnet-eu.org/>

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Security and Liberty or Security versus Liberty?

April 2010

A major research project on European security policies has identified an urgent need to continue safeguarding fundamental rights and civil liberties. Focusing on the EU's Area of Freedom, Security and Justice (AFSJ) but also addressing external security (e.g. in relation to the war on Iraq), the research project provides a critique of what it calls the 'illiberal practices of liberal regimes' in the European Union and puts forth a sweeping set of proposals to address them. Among the study's proposals is a call to establish a Commissioner for Fundamental Rights and to restructure the European Commission's Directorate General for Justice, Freedom and Security, thereby creating a new directorate general for fundamental rights. While the restructuring of the DG for Justice, Freedom and Security is not currently foreseen, the first recommendation proposed by the study contributed to the establishment of the Commissioner for Fundamental Rights.

The proposals were developed by a 23-member multinational consortium participating in an EU-supported research project called **CHALLENGE** (The Changing Landscape of European Liberty and Security). After five years of research, the consortium published its final policy recommendations (in addition to several books and peer reviewed articles) last September, just before the European Council's adoption of the Stockholm Programme which reshapes the policy area of freedom, security and justice. The consultative process leading up to the Stockholm Programme included input from the CHALLENGE project.

Examining the theoretical underpinnings of EU security policies and pursuing empirical research on various cases, the study highlights the risk of approaching liberty and security as separate values to be balanced against one another. This 'balancing' approach, the CHALLENGE researchers contend, favours an interpretation of security tantamount to coercion, surveillance and control – an interpretation that expresses itself at times in exclusion and violence. The consortium notes that the balancing metaphor entered EU discourse after the 2001 terrorist attacks and helped shape the policy agenda that was in place before the Stockholm Programme.

An overemphasis on security risks, the researchers argue, creates a climate that favours measures beyond democratic accountability. The consortium's findings challenge that approach, suggesting that security is achievable only through the protection of fundamental freedoms by the rule of law. The policy report concludes that fundamental rights should be the guiding principle for the EU's Area of Freedom, Security and Justice and be even more central to EU external action.

In its final policy document the CHALLENGE project offers 27 EU-level recommendations, conveniently organised into five thematic groups along with a section on oversight mechanisms.

Key recommendations include:

Borders

- Create an EU border monitor to ensure that EU border controls are consistent with EU law and the Charter of Fundamental Rights.
- Assure that the principles of transparency and accountability are thoroughly applied to FRONTEX (European Agency for the Management of Operational Cooperation at the External Borders).
- Foster respectful and non-discriminatory behaviour by border guards and custom officers towards travellers regardless of their citizenship, ethnicity or purpose of travel.

Asylum

- Modify the common European asylum system (CEAS) so that the country in which an asylum-seeker makes his or her protection claim is the one responsible for determining the substance of that claim.
- Give asylum-seekers the right to work and study in a member state following a presence there of six months or less.

Immigration

- Urge member states to stop mandatory integration programmes. Assure that civic integration programmes on 'national and European values' do not conflict with fundamental rights and non-discrimination.
- Facilitate the inclusion of Islam within the public spheres of European countries by changing the portrayal of Islam in political discourses, ending its 'ghettoisation' and disentangling the discourse on Islam from international politics.
- Assure the right of families to live together and for children to be with both of their parents.

Data protection

- Build privacy rules into the programs that run EU databases and systems of information (data protection by design).
- Engage objective and independent organisations to carry out impact assessment studies of databases before they are set up.

Criminal Justice

- Do not adopt further legislation in the field of criminal justice unless it provides for standards for the rights of defence and of fair trial that are at least as high as those offered within the context of the Council of Europe.
- Create a permanent EU assessment board to monitor the quality of Member States' criminal justice systems and verify whether they fulfil international and European standards on the rule of law.

Mechanisms for Evaluation, Accountability and Scrutiny

- Develop an evaluation mechanism on the internal and external facets of the Area of Freedom, Security and Justice (AFSJ). The local dimension could play a decisive role when monitoring implementation and results in the scope of the AFSJ.
- Expand and promote the use of existing monitoring tools on fundamental rights and the rule of law. The impact of any AFSJ policy measure on the liberty and security of individuals should be carefully (and independently) assessed.

CHALLENGE

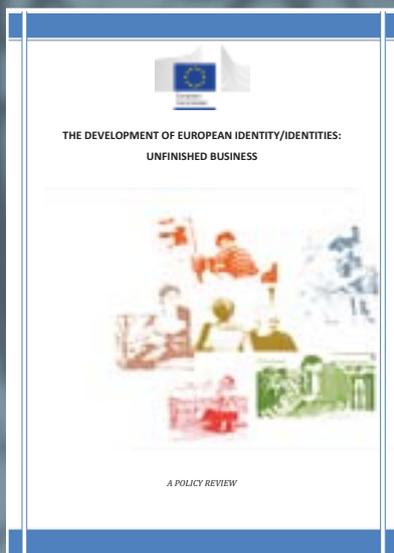
The Changing Landscape of European Liberty and Security

(duration: 01/06/2004 – 31/05/2009) was a Specific Targeted Research Project funded under the 6th Framework Programme for Research of the European Union, Thematic Priority 7 – Citizens and governance in a knowledge-based society.

See: <http://www.libertysecurity.org/>

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The citizen in the European Union





MediaAct – Striving for media pluralism in the digital age

September 2012

According to the democratic ideal, fair and open media should exist in society without political intervention. But sometimes self-regulation of the media is no more desirable than governmental control. According to the **MediaAct** research project, the 'gold standard' in Europe should be 'regulated self-regulation', whereby the media industry is expected to self-regulate but that governmental actors (at the national and European level) should be allowed to intervene if standards drop. Finding a way to combine the business and journalistic aspects of mass media will be key, say the researchers.

What is media pluralism? A pluralistic media is one that it is composed of a wide variety of independent news outlets, has different owners and managers, is independent of political bias and is free to reflect different viewpoints in society. By ensuring these fundamental principles of transparency, diversity and freedom of expression, a pluralistic media is one of the cornerstones of modern democracy.

What is media accountability? As the main way that essential information reaches the public, the concept of media accountability reflects the belief that to fulfil its place in a democratic society, the media should serve public interest by behaving in ways that contribute to the public good.

How are pluralism and accountability linked? Some degree of regulation of the media is necessary to ensure that pluralism and accountability co-exist. Some countries have far tighter state control of media activities than others, leading to poor pluralism and freedom of expression. Others, such as the UK, have a more liberal system of media self-regulation, which has resulted in an oligarchic structure of media ownership driven primarily by commercial motivations. The methods by which a country regulates its media are therefore a useful indicator of how pluralistic the media are and, thus, of the quality of the public sphere.

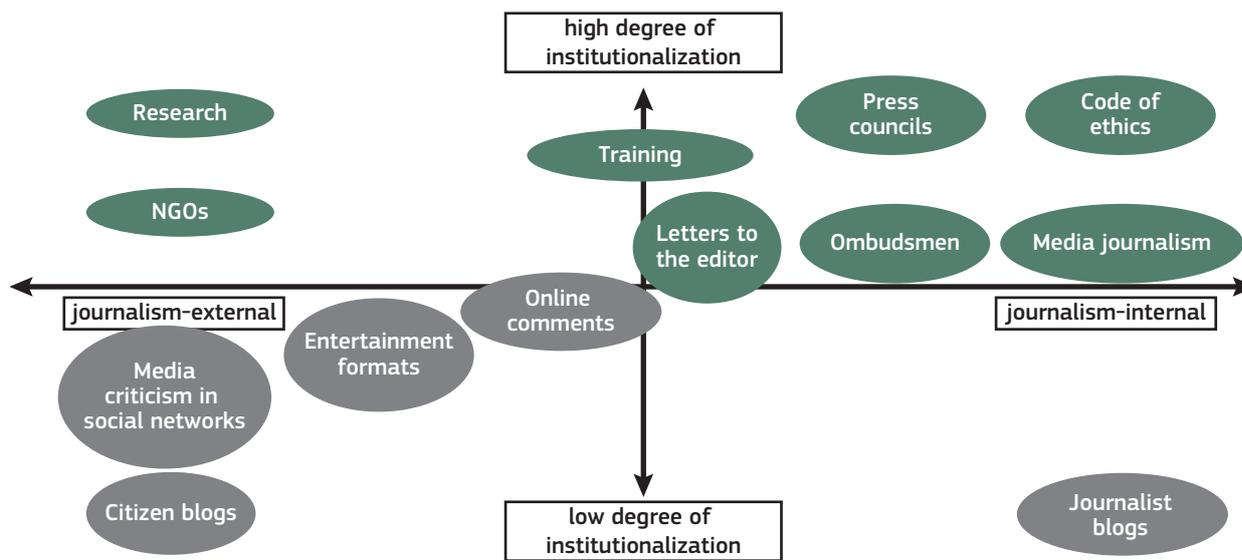
The MediaAct project was set up in 2010 to investigate the methods used by 14 countries across Europe and the Arab world to regulate their media (Austria, Estonia, Finland, France, Germany, Italy, Jordan, the Netherlands, Poland, Romania, Spain, Switzerland, Tunisia and the United Kingdom). The overarching aim of the project is to suggest what kind of legal framework could be considered the 'gold standard' for regulating the activities of the media, while still protecting media pluralism.

Through a recent survey with over 2000 journalists, the researchers have come to a number of conclusions:

- Media regulation varies significantly across Europe and the Arab world, depending on economic, cultural, historical and technological differences.
- Figure 1 (below) shows how different means of regulation can originate from within the media industry, in the form of press councils and ethical codes of conduct, or via the consumer, in the form of media criticism in social networks, citizen blogs and online comments.
- Germany and the UK have the biggest media markets and show the largest variety of mechanisms.
- Only seven of the 14 countries involved in the study have press councils. These tend to be the countries with the most 'liberal' journalistic cultures, including the UK, the Netherlands, Finland, Switzerland and Germany.
- The internet cannot be regulated by media professionals and government intervention alone, and, as such, has dramatically altered the media landscape, allowing citizens to voice their opinions if they find stories biased or unethical.

- In France and Italy, where media criticism is largely absent from mainstream media, journalists are using online blogs to criticise media quality.
- In Eastern Europe, where media practitioners tend to view media self-regulation with suspicion, there is a trend towards satirical TV programmes to draw attention to unpopular issues.
- In general, how far news organisations are open to media accountability appears to depend on the motivations of editors and media owners more than individual journalists.
- Across all 14 countries studied, around 70% of journalists said the economic pressure on editors and media owners to make money in a time of recession, i.e. through advertising revenue and the need to sell newspapers, damages journalistic quality and independence more than any other factor, including political pressure.

Figure 1 – Typology of media accountability instruments



Source: MediaAct 2011

Policy recommendations: A ‘gold standard for governance’

Since neither direct state intervention nor absolute self-regulation are desirable for an independent media, the MediaAct researchers suggest a solution of ‘regulated self-regulation’, whereby the media industry is expected to participate in self-regulation mechanisms but that a legal framework should exist at the European level to monitor quality standards and intervene when they are deemed to be broken. However, in the interests of plurality and due to differences in the journalistic culture across Member States, European legislation should not intervene in the specifics of self-regulation, i.e. it should not say exactly what a code of ethics should contain.

A successful system of regulated self-regulation needs to consider not only the ethics of individual journalists but also ways to incentivise media managers and owners to find solutions that combine economic and journalistic motivations, perhaps through economic bonuses and sanctions imposed at the European level.

Practical outcomes: What’s next for MediaAct?

The end goal of the project is to develop a ‘Media Accountability Index’ to allow policy makers to see how well a given EU Member State is performing in terms of media plurality and accountability, relative to other countries. The index, which will be presented to policy makers in late 2013, will be accompanied by country-specific recommendations for what needs to be done to put each Member State on the road to regulated self-regulation.

The recommendations will extend beyond policy makers, however, by means of a ‘best practice’ handbook for media professionals containing guidelines and suggestions for how to balance economic and journalistic motivations. Online platforms to offer training in media ethics to journalism students across Europe, and to raise awareness among citizens about the status of media plurality in their own country, are also planned for development before the project comes to a close in July 2013.

(duration: 1/2/2010 – 31/7/2013). FP7 Socio-economic Sciences and Humanities, Activity 5, “The citizen in the European Union”, Research area 5.1 “Participation and citizenship in Europe”. Collaborative project (small and medium scale focused research project).

See: www.mediaact.eu

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Citizen participation succeeds with ‘softer’ impacts on complex policy making

September 2012

There is a strong desire in Europe to involve citizens in science and technology policy making where complex issues with wide relevance to society are concerned. One way of involving citizens is through ‘participatory technology assessment’ (PTA) exercises. The **CIT-PART** research project investigated the impact of PTAs on one controversial issue – ‘xenotransplantation’ (cross-species cell, tissue or organ transplants). CIT-PART found that while PTAs had little direct impact on policy in the cases studied, they could be considered a partial success because they had created and stimulated public debate.

CIT-PART compared the use and impact of PTA and expert-based technology assessment (TA) in science and technology policy in seven EU Member States (Austria, Denmark, Italy, Latvia, the Netherlands, Sweden and the United Kingdom), as well as in other countries and institutions (Canada, Switzerland, the European Commission, the OECD, and the Holy See (the Vatican)). The study involved wide-ranging analysis of literature and policy documents, and 135 in-depth interviews with policy makers, working at the national and international level, experts, stakeholders and representatives of NGOs involved in TA and PTA.

CIT-PART investigated the impact of participatory technology assessments on xenotransplantation policy in the late 1990s and early 2000s, given its ‘hot topic’ status at this time. Xenotransplantation was viewed as a potentially life-saving solution to the shortage of donor organs, and touched on fundamental issues including health risks, ethics, economics, genetic modification and animal welfare. The countries and organisations chosen for the study provided a wide range of cultural backgrounds, policies, and ways of dealing, in a relatively short time-scale, with an issue that might have a huge impact on citizens.

The project has come up with new ways of defining and measuring the impact of PTAs on complex issues. The ‘first generation’ of impact studies focused entirely on political decision-making, and impact was manifested solely by changes to policy decisions. A second generation of impact studies involved a wider range of actors, such as society and industry. CIT-PART draws attention to the need to rethink assumptions underlying these two approaches and developed a third understanding of impact that includes:

- The extent to which a participatory technology assessment enables diffusion to a wider audience previously unaware of the issue.
- How far a PTA performs a brokering role, connecting previously unconnected actor groups.
- Whether it enables new categories of interested citizens to emerge.
- If a PTA legitimises and validates the claims made by actor groups.

CIT-PART found that the public was rarely involved in xenotransplantation policy making in the countries and organisations studied. Civil servants and experts dominated policy development, and framed xenotransplantation primarily as a technical and scientific problem.

Countries using PTA on the issue of xenotransplantation

The public was only consulted using two-way communication methods by three governments – in Canada, Switzerland and the Netherlands. Methods used were citizen fora (Canada and Switzerland) and public discussions, for example following a play (the Netherlands).

CIT-PART could not establish direct unambiguous effects on policy in these cases, using a narrow definition of impact. In the Netherlands and Switzerland, the results of the PTA were only available after policies on xenotransplantation were adopted; in Canada, there was no official statement on xenotransplantation policies after the consultation, and no clinical trials were ever carried out.

The project did, however, uncover several important and valuable ‘softer’ impacts of PTA, and recommends its increased use in shaping complex policies. All three examples had an impact on the development of xenotransplantation regulation; contributed to public awareness of the issue and to the reconfiguration of relationships between relevant actor groups; and gave authority to claims made, and to actor positions in the debate and regulatory procedure.

Impact on policy in other countries and organisations

In other countries, public involvement was weaker – involving surveys, publishing reports online or information campaigns. Xenotransplantation was not a controversial issue in all countries, and the subject was framed in a diversity of ways – as an issue of organ shortage, risk, national economic competitiveness, trust in government, or competencies between parliament and government.

In Austria, the UK and the European Commission, participatory exercises were initiated by academics, but these had no direct impact on decision-making about xenotransplantation policies. The impact of expert-based technology assessment was varied. In the UK, expert TA had major impacts, for example recommendations in the Department of Health’s Kennedy Report became national policy which led to the setting up of the UK Xenotransplantation Interim Regulatory Authority (UKXIRA) and influenced the formation of EU xenotransplantation policy.

Industry and science contributed considerably as stakeholders in policy development, but ethicists played a lesser role and only became strongly involved in the UK, Canada and the Holy See. NGOs only became strongly involved in the UK, Canada, Switzerland and the Netherlands. Animal welfare organisations faced particular difficulties in participating in some countries, although in Austria, Denmark and Italy this was not an issue that raised controversy.

Policies adopted ranged from a ‘wait and see’ position, in which no policies were formulated (Austria) to permissive ones, which allowed clinical trials following approval by responsible authorities (the European Commission, the OECD, Italy, Latvia, Switzerland, the UK and the Holy See) to formal and informal moratoria on clinical trials (Canada, Denmark, the Netherlands and Sweden).

Factors facilitating the use of PTA in science and technology policy are:

- Traditions that exist on which PTA can build, for example commissions, adult education, direct democracy and consultation.
- Existing practices of openness and accountability.
- Using combinations of different methods such as surveys, emails, plays and conferences.
- Involvement of antagonistic groups in the PTA.

Factors constraining the use of PTA in science and technology policy are:

- Framing a topic as a scientific issue only, or as a matter of individual choice, excluding questions of risk, human rights, ethics, economics or politics.
- Case-by-case decision making on individual clinical trials.
- If the public do not consider themselves legitimate actors alongside experts and politicians.
- Traditions of paternalism, and strong and exclusive links between elites from science and civil service that exclude the public.
- Lack of infrastructure and funding.

CIT-PART’s primary recommendations are:

- The use of PTA should be increased and strengthened, particularly in expert advisory bodies at the international level, since these are pivotal for national policy making.
- Citizen involvement should be at the heart of framing the issue, and broad framing should be allowed for.
- Participatory technology assessment needs to be integrated into the organisational practices of formal policy bodies.
- PTA should be embedded in institutions to allow for learning.
- Existing participatory traditions should be built on.
- Lessons should be learnt from best practices of identifying and overcoming factors constraining PTA.

- Direct impact on policy making and public debate should be planned.
- Enough time should be allowed for PTAs, without regulatory bodies and governments yielding to industry and scientist pressure for rapid decisions.

CIT-PART

Impact of citizen participation on decision-making in a knowledge intensive policy

(duration: 1/1/2009 – 30/6/2011). FP7 Socio-economic Sciences and Humanities, Activity 5, “The citizen in the European Union”, Research area 5.1 “Participation and citizenship in Europe”. Collaborative project (small and medium scale focused research project).

See: <http://www.cit-part.at/>

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Policies needed to ensure an independent media in Europe

July 2012

Understanding what constitutes independent media needs a move away from the simplistic view that state influence is inherently stifling while market-driven media is free and independent. According to the **MEDIADEM** research project, while it is not feasible to eliminate all different kinds of media dependencies, it is important to recognise what those dependencies are, remove those that can be eliminated and mitigate the effects of those that remain.

MEDIADEM examines state media policies and whether they support or constrain the development of free and independent media in 12 EU Member States – Belgium, Bulgaria, Denmark, Estonia, Finland, Germany, Greece, Italy, Romania, Slovakia, Spain and the UK, and two EU candidate countries, Croatia and Turkey. European-wide, cross-country analysis was essential to obtain meaningful results on how media freedom and independence can be safeguarded. MEDIADEM has high policy relevance for the EU, as EU law and policies can create both pressures and opportunities for domestic media policies.

The project has examined the complex array of policy approaches and regulations that govern the media, and their effects on media freedom and independence in these countries. It has interviewed state and non-state actors involved in policy making including state ministries, regulatory bodies, media operators, journalists and their representative bodies, and civil society organisations. External regulatory pressures resulting from actions of the EU and the Council of Europe were also analysed in detail. The aim was to identify policy and tools that best promote media freedom and independence.

MEDIADEM has outlined the following major dependencies affecting today's media:

- **Freedom of expression and information** – At the European level this is protected by article 10 of the European Convention on Human Rights (ECHR). This offers significant guarantees to media professionals such as owners, editors and journalists against state censorship and control, and these guarantees are also important to civil society organisations, companies and individuals who use the internet to publish information and opinions on a world-wide basis. However, article 10 ECHR does not offer an absolute right to freedom of expression for the media or those who work for it, which can be subject to legitimate restrictions.
- **State legislation** that impacts on the media includes protection of national security, public order, privacy and family life, the protection of morals and children, as well as defamation and libel, hate speech and contempt of court. Such restrictions, however, can be abused or used excessively and have a chilling effect on reporting.
- **Dependency on finance and information**, coupled with constraints from media ownership structures, may render the media prone to patronage and direction. Indeed, the media often serve as vehicles for powerful groups, individuals and corporate bodies in the pursuit of private, commercial or political interests.
- **Finance** can take the form of state aid, such as a licence fee, advertising and sponsorship, donations or individual subscriptions. All modes of financing create a sense of loyalty to those providing the funding which could have an impact on news reporting for example.
- **Constant need for new information** is also a form of media dependency, as those who control access to information such as government departments and their press officers, can exert considerable influence over what is being reported, and the timing and mode of its coverage.
- **Power of media owners** – these may include the state, companies and individuals with wide-ranging interests, and partisan bodies such as political or religious organisations. These proprietors have substantial power to use ownership to further political, economic or other ends and challenge the capacity of the media to offer varied accurate information, facilitate debate and perform a 'watchdog' function.

Recommendations for policy makers:

- Promoting and realising media freedom requires careful attention by policy makers. Media freedom does not stem from particular structural configurations such as state intervention versus market liberalisation. Even in an environment generally freed from state control, state intervention might be necessary to redress market and democratic failures.

Policy makers must therefore:

- Identify the various constraints that affect traditional and new media, especially in relation to editorial and journalistic autonomy.
- Establish where constraints operate against the public interest.
- Mitigate their negative effects where they cannot be removed.
- Make the constraints more transparent.

In particular, policy makers can support the development of free and independent media by:

- Introducing and maintaining a legally enabling environment for the exercise of freedom of expression and the right to information.
- Promoting professional standards and journalistic ethics.
- Strengthening media literacy among citizens, to give them a better grasp of the strengths and limits of particular media and enable them to make informed choices about the media services they choose.

In each case, it is necessary to consider who is best placed to take action: the state, media organisations, journalists, civil society, citizens or a combination of these actors. Promoting a free and independent media requires all three areas of action to be integrated and addressed simultaneously. In addition, media freedom should be taken on board at international and regional policy settings, such as the International Telecommunication Union (ITU), World Trade Organization (WTO), United Nations Educational, Scientific and Cultural Organization (UNESCO), the EU and the Council of Europe, as a concrete objective to be promoted.

The ongoing MEDIADDEM project runs until March 2013, and further findings and recommendations will be released in the near future.

MEDIADDEM

European media policies revisited

(duration: 1/4/2010 – 31/3/2013). FP7 Socio-economic Sciences and Humanities, Activity 5, “The citizen in the European Union”, Research area 5.1 “Participation and citizenship in Europe”. Collaborative project (small and medium scale focused research project).

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Updated policies needed to support Europe's linguistic diversity

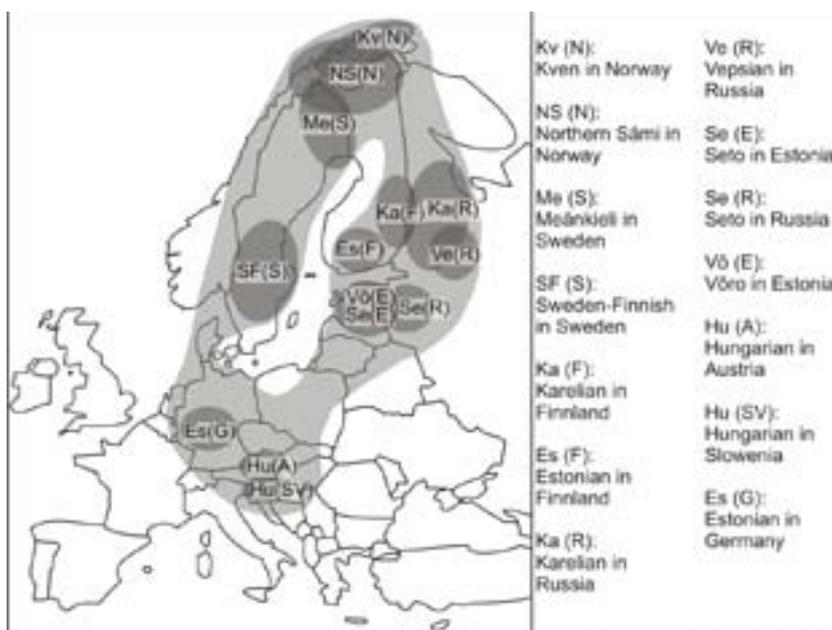
July 2012

Maintaining linguistic diversity – both protecting minority languages and promoting language learning – is defined as a strategic political aim in Europe. However, the knowledge base of existing policies and initiatives is in urgent need of updating, in line with Europe's rapidly changing linguistic landscape.

New forms of communication, mobility and education, and new ideas of multilingualism and multiculturalism challenge existing concepts of multilingualism. According to the **ELDIA** research project, current policies tend to be based on outdated information and inadequate ideas of ethnicity and language use. Understanding the part that linguistic diversity plays in Europe would enable more effective, targeted support to minority language speakers, whether they belong to indigenous or migrant groups.

The ELDIA project provides data and tools to underpin policies that support linguistic diversity, such as the European Charter for Regional or Minority languages¹. The ongoing project has completed focus group interviews and questionnaires in 14 speaker communities (see Map 1): Estonian in Finland and Germany; Hungarian in Austria and Slovenia; Karelian in Finland and Russia; Seto in Estonia and Russia; Kven in Norway; Meänkieli in Sweden; North Sámi in Norway, Sweden Finnish; Vepsian in Russia and Võro in Estonia.

Map 1: Geographic distribution of speaker communities



These non-Indo-European languages all belong to the Finno-Ugric language family. This group of languages includes a wide array of minority languages, with very different histories and socio-economical positions. Many of these languages have been extensively researched in a national or regional framework, but there is far less research into the current multilingualism of these communities from an international, comparative point of view.

By undertaking this research at the European level, ELDIA is generating, for the first time, data on the vitality of these particular minority languages that can be easily accessed and compared. The interdisciplinary research team includes specialists in linguistics, law, media analysis and statistics, many of whom are themselves minority language speakers.

The researchers point out that society interprets multilingualism both positively and negatively. Acquired multilingualism, the learning of major European languages, is viewed positively, and making European citizens multilingual in this sense is even an official goal of language teaching policies. At the same time, policy makers often forget that modern European minorities are inevitably multilingual: they no longer live in isolated communities, but learn both the majority language of their area and international vehicular languages such as English or German. This form of multilingualism should be recognised as an asset.

For example, in Austria and other countries, there is public debate on language acquisition by migrant minority language speaking groups. There are questions about whether the state should invest in support for migrant mother tongues as well as in majority language support for these groups. ELDIA supports the vast body of research from many countries that finds supporting the native language of migrants or minorities has a beneficial impact on the acquisition of majority language skills, enabling the minority group to perform better in these as well.

Research findings to-date:

- Minorities tend to regard themselves and their challenges as unique whereas there are numerous similarities in their situations.
- Majority groups' and policy makers' interest in minority affairs is extremely low.
- There is a severe lack of media resources in minority languages.
- Problems experienced by minority groups such as discrimination, and a lack of resources and educational opportunities, are seldom reflected in the majority media.
- There is high variation in the degree to which language legislation is implemented at the local level, especially in education.
- There is an absence or a lack of implementation of legal redress mechanisms in cases of violation of language legislation.
- Multilingualism is only legally entrenched to a very limited extent – although it may be supported in minority areas, this does not encourage wider multilingualism in society under conditions of mobility and globalisation.

Key policy messages to-date:

- European consciousness of diversity and multilingualism as part of European cultural heritage and identity should be promoted.
- Legislation is an important starting point to guarantee language diversity. It should be adopted in cooperation with those concerned, and implemented in practice at national and local levels.
- Issues of linguistic diversity and multilingualism are complex and need to be approached in a differentiated way.
- Until recently, linguistic data has been skewed in favour of Indo-European minority languages, and there is a need for more pan-European comparable knowledge on languages and identities.
- Despite major differences in historical and socio-political conditions, diversity and minority/majority issues show more similarities than minority communities realise, and they could make even better use of opportunities for transnational cooperation offered by the EU.
- The shared historical roots of minority and majority groups should be recognised and promoted.
- Awareness of the rights of minorities to participate in the media should be promoted.
- Minority media forms need to be developed that are accessible and attractive to the younger generation.

Case studies on the vitality of the languages studied, which take into account the views of the 14 speaker communities as well as those of policy makers and stakeholders, will be available in September 2012. The final ELDIA report will be published in 2013 along with a *European Language Vitality Barometer* (EuLaViBar), a tool which can help measure the state of linguistic diversity and support the coexistence of languages.

References

¹ See: <http://www.coe.int/t/dg4/education/minlang/>

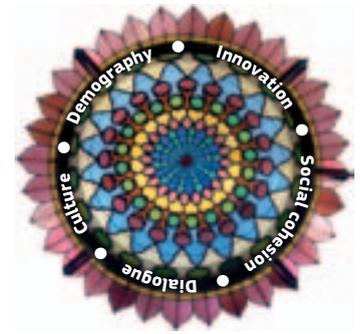
ELDIA

European language diversity for all

(duration: 1/3/2010 – 31/8/2013). FP7 Socio-economic Sciences and Humanities, Activity 5 “The Citizen in the European Union”, Research area 5.2 “Diversities and commonalities in Europe”. Collaborative project (small and medium scale focused research project).

See: <http://www.eldia-project.org/>

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How to re-engage young people with politics

June 2012

Many people in the European Union have become disengaged from conventional politics, according to the **PIDOP** research project, which finds a high variation in participation levels according to gender, ethnicity and age. An important way of overcoming this lack of engagement is to ensure young people have access to a range of organisations that give them roles and responsibilities, and involve them in decision-making processes.

Levels of political and civic engagement vary significantly according to the intersection between age, gender and ethnicity. For example, the degree of participation of a young woman from one ethnic minority is starkly different from that of an older male from a different ethnic group, and the predictors of participation also vary across subgroups. The challenge is how to explain this variability and hence discover ways of predicting – and possibly changing – this behaviour, so as to increase levels of participation.

According to the PIDOP project, there is currently a democratic deficit in Europe with lower voting rates and the rejection of an EU constitution in referendums held in the Netherlands and France. Although over the last decade young people in particular have become disengaged from conventional politics, they are turning to new forms of political activity, including demonstrations, petitions, and social media campaigns on civil and political issues, and to direct forms of participation such as charitable fundraising, volunteering and consumer activism.

PIDOP addressed the issue of how to re-engage young people in politics by collecting both qualitative and quantitative data on political and civic participation among 16 to 26 year olds. The project identified the issues that are most important to young people, and assessed the variations in engagement according to age, gender and ethnicity. The study built on the secondary analysis of existing data from around 40 countries on levels of political and civic engagement. PIDOP used focus groups, and a quantitative survey of 8000 young people from 27 ethnic groups, including the dominant ethnic group, in Belgium, the Czech Republic, Germany, Italy, Portugal, Sweden, Turkey and the United Kingdom.

In addition, the project identified and interviewed influential individuals in the lives of young people, such as parents, youth workers and teachers, to get their perspective on how young people's notions of citizenship are formed. Musicians were also identified as influential individuals and the study analysed the lyrics of rap artists to gain insights into the factors which facilitate and inhibit participation. The research was multi-disciplinary, employing researchers in psychology, political scientists, educators, policy analysts, anthropologists and sociologists.

The researchers underline the distinction between political and civic participation. Political activity is intended to influence governance and may include both conventional (involving electoral processes) and non-conventional activity. Civic participation refers to voluntary activity aimed at helping others, achieving a public good or involvement in community life.

PIDOP analysed three groups of factors: psychological (including motivational, cognitive, attitudinal and identity factors); social (including family, educational and media factors); and macro-level contextual factors - how engagement varies according to the political and institutional systems in a given country. Contextual factors that vary in EU Member States include the presence or absence of female or ethnic quotas; the design of electoral systems; whether voting takes place at the weekend or on a working day; the existence of proportional representation or first-past-the-post systems; and whether voting is compulsory, as in Belgium.

Despite the huge variation in levels of participation found according to age, gender and ethnicity, some common views were held by all groups of young people:

- Young people described a lack of attention and respect paid to their views, and to the causes that they feel strongly about.
- Young people reported a disinclination to engage with conventional politics, which they perceive as an arena for older white males.
- When they engage in non-conventional forms of participation and activism, such as boycotts or campaigns, young people do not view such activities as 'political', even though their actions have political ramifications.

Specific predictors of participation were also identified across a wide range of young people:

- **Being a member of an organisation**, whether a campaigning organisation, or a leisure or youth group, has a real impact on levels of engagement. Those who belong to an organisation are more active civically in non-conventional ways than those who are not members of organisations.
- **Two psychological factors** in particular are found to promote participation among young people: an interest in civic or political life, and a sense of internal efficacy, that is, belief about one's own ability to understand and to participate effectively in politics.
- Regarding **EU citizenship**, there were found to be relatively low feelings of affiliation towards EU institutions, which were perceived as remote and unresponsive.

Recommendations

Political participation can be enhanced among young people by:

- Enabling access to a range of organisations, including youth and leisure centres, sports clubs, cultural centres and local community centres, that offer opportunities for taking on roles and responsibilities and involve young people in decisions concerning the orientation of activities, the organisation, and the procedures to be followed.
- Educational interventions aimed at influencing participation should seek to enhance young people's interest in political and civic issues, and their sense of internal efficacy, rather than simply addressing young people's lack of knowledge through, for example, an information campaign.
- Interventions need to be selectively targeted at specific subgroups – whether girls or boys, majority or minority ethnic groups, or younger or older people.
- There is a risk that if one form of participation (such as conventional voting) is enhanced, this may act as a disincentive to engage further in non-conventional and civic forms of participation (such as volunteering, consumer activism and charitable fundraising).
- To improve young people's engagement with EU politics, suggestions include setting up youth internships, and for MEPs to engage more with young people at the constituency level.

PIDOP concludes that the best way to influence political and civic participation among young people is at the educational level, for example by providing high quality participation experiences for youth through civic/citizenship education, and by enhancing teacher training programmes which will have a multiplier effect across the EU.

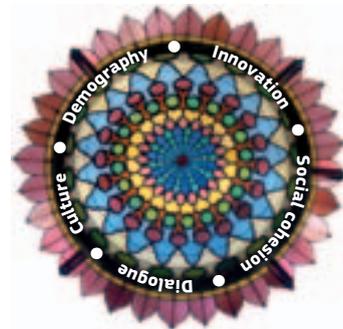
PIDOP

Processes influencing democratic ownership and participation

(duration: 1/5/2009 – 31/4/2012). FP7 Socio-economic Sciences and Humanities, Activity 5 "The citizen in the European Union", Research area 5.1 "Participation and citizenship in Europe". Collaborative project (small and medium scale focused research project).

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Challenges of cultural heritage reconstruction after conflict

May 2012

The **CRIC** research project aims to improve understanding of the complex roles cultural heritage sites play during conflict and post-conflict situations, and to help guide crucial decisions made by policy makers and regional actors with regard to reconstruction efforts and the outcomes that can result from the reconstruction of such sites. The project's findings are highly relevant in terms of helping to improve EU Member States' inter-state relations, to create a forward-looking way of dealing with Europe's complex past, and as an aid to reconciliation as heritage may be used for common tasks and forward looking enterprises.

Reconstructing sites of cultural heritage destroyed in conflicts has a complex impact on post conflict recovery processes, but this relationship has been poorly understood until now. Sites of cultural heritage in Europe - from churches, mosques, bridges and memorials to entire landscapes and villages - have through the centuries suffered accidental destruction or been deliberately targeted in civil wars, ethnic conflict or world wars.

A community's shared sense of belonging is often rooted in heritage sites and landscapes, giving such places social significance. The destruction of heritage sites accordingly causes individual and collective loss and affects claims on identity and belonging. Their reconstructions, in turn, are complex and often become the focus for competing emotional, social and political claims. The impacts of heritage destruction and reconstruction are therefore far reaching and significant for societal wellbeing.

According to the results of the CRIC project, the reasons why such connections are made need to be understood to develop better informed heritage practices in post-conflict societies. Heritage construction has too often been the unintended catalyst for further dividing rather than uniting groups within societies after war.

Reconstructing iconic structures, such as the bridge at Mostar in Bosnia, or the Frauenkirche at Dresden, has been seen by the international community as a way of repairing conflict situations. However, the research found that reconstruction is never just a matter of physical design and resources, but is also about enabling societies to recreate their vision of themselves and reclaim their identities.

CRIC examined conflicts in Spain, France, Germany, Bosnia and Cyprus through case studies that represented a wide range of geographic locations, linguistic backgrounds, demographic make-ups, historical contexts and time-depths from the mid-19th century to the present day, providing a detailed and contextually varied set of data.

The case studies included in-depth field and archival studies of sites of destruction, reconstruction and commemoration. CRIC examined the links between heritage, identity, social memory, and political rhetoric, and looked for common characteristics within these processes to identify the factors that cause reconstruction efforts to be either beneficial or detrimental to a society's recovery after conflict. The study drew on expertise from the fields of archaeology, social anthropology, history, human geography, sociology, political sciences and psychology.

In particular, commemorative events, such as those at Srebrenica in Bosnia, Gernika in Spain, Dresden in Germany and Verdun in France, were observed over successive years. Interviews were conducted, and substantial archival research carried out in order to record changes in the ways anniversaries of conflict are marked and how communal notions of historical events and claims are formed. Short films of new CRIC research findings are available on CRIC

YouTube¹ and Vimeo² channels for a general audience. In addition, a photographic archive of nearly 1000 images is hosted by the University of Cambridge's digital repository³, ensuring public access in perpetuity.

CRIC has developed important analytical concepts that will have a major impact on future studies of the role of heritage in post-conflict societies. These include:

- **Institutionalisation** - how heritage and identity moves from the personal or communal to become a matter of the state. There is an important tension between private and public spheres that needs to be recognised.
- **Spontaneous or grassroots memorialisation** - an initial response to violence in which memorialisation becomes politicised and intertwined with claims, leading to heritage reconstruction and claims being used for political strategies.
- **'Biography' of a place** - the continuing accumulation of small changes in places.
- **Distributed 'memorialscape'** - how memorials can construct, and exist as, a fractured yet linked network of references.

Major common characteristics in the process of reconstructing cultural heritage assessed by CRIC were:

- The process of reconstruction consists of phases which are characterised by distinct concerns and different claims.
- Anniversary events and other forms of memorialisation emerge in the early phases, and evolve to act as continuous reminders of the conflict. The partial and conflict-oriented character of most anniversaries should be recognised and new forms that emphasise shared tragedies or explicitly aim at reconciliation should be explored. An example of such an effort is the Slana Banja memorial complex in Tuzla, Bosnia.
- Civic society and narrow interest groups often play dominant roles in setting the aims of reconstruction. There may be a risk of such groups hijacking the reconstruction process.
- Ideological objectives often influence reconstruction strategies.
- Heritage reconstruction can have a negative impact on the regeneration of society if it becomes 'war by any other means'.

Recommendations

The implications for society and research into post-conflict heritage are clear and important, but also subtle. They should not be reduced to simplistic statements which are often appropriated and misinterpreted by reconstruction stakeholders resulting, at best in a waste of resources, and at worst in counterproductive results.

Studying processes as they unfold, whether related to the reconstruction of Mostar Bridge in Bosnia, the construction of memorials for the victims of the Madrid bombing, or the reinstatement of the Isted war memorial dedicated in North Germany in 2011 after it was removed by the local population in 1864, shows that the potential for conflict and contestation are ever-present.

CRIC has produced a statement of principle and outline recommendations which will be detailed and tailor-made in dialogue with relevant institutions and policy makers.

Statement of principle:

- It is important that the necessary investment in heritage is efficient and reaches its objectives. Heritage should not be used as a means of escalating conflicts and its potential for playing a part in peace processes, reconciliation, and the rebuilding of society in the widest sense should be enhanced.

Outline recommendations

Future reconstruction initiatives should:

- Avoid practices which allow the reconstruction of cultural heritage to become the focus for continuation of conflict by another means.
- Maintain an emphasis on authenticity without marginalising local populations during the reconstruction process.
- Exhibit a high degree of financial scrutiny of donors and external funding sources, to avoid the alienation of groups or development of conflict-laden symbolic attachments, or creating a sense of exclusive ownership.
- Ensure that cultural heritage is disassociated from issues of establishing truth and claims.
- Commit to long term engagement with and monitoring of cultural heritage reconstruction projects, to ensure greater integration of reconstructed sites with locales and communities.
- Aim to make transparent the political and social objectives of reconstruction projects and the meanings that are being promoted through the sites.

References

¹ See: <http://www.youtube.com/user/CRICResearchProject>

² See: <http://vimeo.com/user9075853>

³ See: <http://www.dspace.cam.ac.uk/handle/1810/214815>

CRIC

Identity and conflict. Cultural heritage and the
reconstruction of identities after conflict

(duration: 1/2/2008 – 31/1/2012). FP7 Socio-economic Sciences and Humanities, Activity 5 “The Citizen in the European Union”, Research area 5.2 “Diversities and commonalities in Europe”. Collaborative project (small and medium scale focused research project).

See: <http://www.cric.arch.cam.ac.uk/index.php>

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National museums need to adapt to Europe's changing multicultural society

April 2012

National museums are often seen as the backbone of a nation's cultural constitution, promoting a sense of traditionalism and national pride. However, in recent times they risk losing significance if they do not adjust to social, political and demographic changes. The **EUNAMUS** research project, which has been exploring the role of contemporary museums in reconciling these conflicting demands, shows that museums can be a great asset to nation states, but they will need to adapt to stay relevant in a constantly changing society.

In their most literal sense, museums provide sanctuary for historical relics, which can be seen as material representations of knowledge about nature, history, culture and art. It is also thought that museums embody a vision of the future by creating a sense of identity and shared values, cohesion and stability within a nation's people. An interesting question for policy makers is how can a modern national museum celebrate both a nation's past *and* promote the values of contemporary multicultural society?

The starting point for the EUNAMUS project has been to investigate the importance of museums through history, from 1750 to 2010. Findings so far show a complex relationship between different nations and their museums, many of which have been vulnerable to political demands. In general, however, they have formed an indispensable part of cultural constitutions, providing continuity from past generations and a link to future ones.

The key message for moving forward is that museums need to respond to the increasingly globalised nature of modern society by creating cohesion across borders and within multicultural nations.

Historical observations:

- Most nation states have a national museum structure made up of one or more art, archaeology, history, ethnology, anthropology, cultural history, natural science or military museums.
- Most European nation states opened their first national museum in the 19th century in relation to cultural, social and geopolitical changes. Exceptions are the British Museum and Le Louvre (18th century), and national museums in Bulgaria, the Republic of Ireland, Cyprus, Lithuania, Slovakia, Northern Ireland and the Sápmi nation (20th century).
- The existence of museums for centuries has underpinned a pan-European understanding of the importance of national identity.
- Some national museums have played an important part in the development of nation states by projecting a sense of community, for example the Nuremberg German National Museum, created in 1852 before the unification of Germany in 1871.
- Nation-building agendas are still strong in some contemporary cases, e.g. the new National Museum of Scotland.
- Many museums in Eastern Europe, particularly in Poland and Estonia, have experienced 'cultural reinterpretations' during and after occupation. However, their survival has played a key part in keeping national identity alive during years of communist rule.
- Museums first set up in political sovereign states, e.g. the Louvre in Paris, and the British Museum in London, have all been important in stabilising and demonstrating the power of long-established regimes.

Looking forward – Cultural policy in modern society?

Having developed the historical context of national museums, future EUNAMUS research will examine policy actions relating to national museums and from this, seek to determine how policy can both drive and reflect contemporary national and European values.

Another part of the research, nearing completion, focuses on the ways in which national museums handle the issue of conflict. This is intended to help researchers communicate ways in which national museums can approach intercultural tensions, give positive representation to minority groups throughout their history and use national museums as arenas for intercultural exchange, cultural diplomacy and in reconciliation processes.

Initial policy recommendations:

- Recognise that national museums can serve as agents of social change. Carefully managed, they can perform many parallel functions and should not be regarded only as sanctuaries of historical relics.
- Recognise that national museums provide citizens with a 'connective tissue'. This cultural glue is vital for social cohesion. It can also help solidify support for state actions and foster confidence in representative democracy at national and European levels.
- Museums need to strike a balance between celebrating their historical ethnicity and providing a positive representation of newer, minority groups. Successful, although controversial, examples of this are the opening of the Musée du quai Branly and the National Museum for the History of Immigration, in Paris.
- To prevent aggressive nationalism, encourage national museums to activate transnational connections in their collections, and increase the awareness of European and global values and processes.
- Museums may expand on the success of temporary exhibitions in the 20th century based on international cooperation between national institutions, to develop cross-cultural European and thematic, rather than state-orientated, narratives.
- Investment is needed to reinvent interpretations of collections in national museums – this is likely to be a considerably more cost-effective strategy than investment in new building projects.

The EUNAMUS project is a multinational initiative between eight leading European universities (from Sweden, the UK, Greece, France, Estonia, Norway, Italy and Hungary). Further subtopics to be studied under EUNAMUS are the importance of architecture, modes of representation (e.g. the digital age), visitors' experiences and the extension of the role of national museums *beyond* Europe, where many countries are investing heavily in their cultural heritage.

A strong focus of the EUNAMUS research has been on developing a range of communication tools to make the findings accessible to all stakeholders, including cultural policy makers, museum professionals, regional planners and the general public. This has included open access websites, newsletters, books, policy briefs, conferences, media appearances and outreach events, details of which are available from the project website: <http://www.eunamus.eu/>

EUNAMUS

European national museums: identity politics, the uses of the past and the European citizen

(duration: 1/2/2010 – 31/1/2013). FP7 Socio-economic Sciences and Humanities, Activity 5 "The citizen in the European Union", Research area 5.2 "Diversities and commonalities in Europe". Collaborative project (small and medium scale focused research project).

See: <http://www.eunamus.eu/>

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Ethnic identity less significant for younger generations in Central and Eastern Europe

February 2012

The **ENRI-East** research project is the first large-scale comparative investigation of ethnic identity amongst younger generations in Central and Eastern Europe, and places new survey data within a broader historical framework. According to the research, younger generations are less concerned with their ethnic identity and show more favourable attitudes towards Europe than older generations. Targeted support is required to encourage the continued integration of young ethnic minorities into their host countries, and the adoption of European values.

The region of Central and Eastern Europe between the Baltic Sea and the Black Sea, along the former East-West division line, has experienced dramatic historic shifts of borders, people and political affiliations, created by the emergence and dismemberment of empires. These shifts affect around eight to ten million people from ethnic minority groups in twenty 'split nations', who may be divided from their compatriots, who may constitute the majority in another state. Ethnic minorities in this region may have experienced inter-state conflicts, repression, ethnic cleansing and expulsion.

The ENRI-East inter-disciplinary study aimed at a deeper understanding of how modern European identities and regional cultures are formed and communicated. It used as examples 12 ethnic minority cases, out of around 30 minority groups in 20 countries in Central and Eastern Europe. These groups were Russians in Latvia and Lithuania; Belarusians and Ukrainians in Poland; Slovaks in Hungary; Hungarians in Slovakia and Ukraine; Poles in Ukraine, Belarus and Lithuania; Belarusians in Lithuania; and Lithuanians in Russia.

ENRI-East tested assumptions about the significance of ethnic, linguistic, regional, professional, gender and other identities, and the change in patterns among different age groups, using a large-scale survey of 6800 respondents; in-depth life-story interviews with 144 members of 12 ethnic minority groups in eight countries; interviews with governmental and non-governmental representatives of ethnic minorities; analysis of weblogs and internet sites run by ethnic minority groups; and a study of cultural identities and music in Hungary and Lithuania.

The research focused not only on attitudes but also on practices, such as language use, social networking, media consumption and reports of perceived or experienced discrimination. The research found that members of ethnic minorities are very aware of their ethnic identity, but that the relative importance of this type of identity decreases over the generations and may be supplanted by other identities, such as profession, gender or age.

The strongest feelings of attachment are for the location or settlement where the individuals live (91%); to their host country (87%); and to their ethnic minority group (85%), followed at a considerable distance by the country of their ethnic origin (60%) and attachment to Europe or Central and Eastern Europe (49% and 42% respectively). Ethno-national identity is strongest where minorities have been under political pressure, or where they feel they have lost their former status as a ruling nation.

The minorities most keen to continue to use their mother tongue are Russian minorities in the Baltic States and Hungarians in the Ukraine and Slovakia, while Lithuanians in Russia, Poles in Ukraine and Slovaks in Hungary are the most adaptive to using the language of their host country.

However, use of a native ethnic language does not necessarily equate to a feeling of closeness with the country of ethnic origin. Apart from Hungarians in Ukraine and Slovakia, data shows that minorities feel more at home in their

host countries than in the countries of their ethnic origin, with younger generations becoming estranged from their kin group abroad and showing more favourable attitudes towards Europe than the 30+ generation.

Ethno-national tensions were reported by 9% (a lot of tension) and 37% (some tension) of respondents, but these were outweighed by 'classical' types of social anxiety, such as strains between rich and poor people, experienced by 80%, and between younger and older generations (68%).

Attempts at creating agreed ethno-national narratives have either failed or have not been made, but ENRI-East researchers found that significant scientific consensus can be achieved despite sometimes staggering differences in official historical and political narratives.

Recommendations for civil society organisations:

- In politically volatile contexts, the establishment and presence of ethnically mixed NGOs or political parties should be encouraged.
- Historical and political narratives by mixed teams of historians, sociologists and political scientists should be promoted and supported.

Recommendations for governments and officials at local, regional, national and supra-national levels:

- Targeted support for inter-ethnic initiatives is needed, ranging from public relations support for such initiatives, to enabling EU Member States or Eastern Partnership states to grant tax breaks or extend beneficial loan schemes for inter-ethnic start-ups.
- Integrationist efforts should be concentrated on the young generation (under 30 years of age). The integration of young people from ethnic minorities into their host countries in Central and Eastern Europe is rapidly progressing, and they tend to be more receptive to European liberal values than those of the 30+ generation.
- Investment into student mobility, at high school and university level, can improve attitudes towards the EU.
- Governments, civil societies and the media should promote 'Europeanness' instead of exclusive ethnic affiliations of young members of minorities.

Methods used in the ENRI-East framework have delivered a validated comparative database which can be used both in deeper or wider geographical applications. The data should be complemented by case studies in problem areas, such as the Balkans and the Ukraine, and a study of best practice throughout the EU should be carried out.

ENRI-East

Interplay of European, national and regional Identities: Nations between states along the new Eastern borders of the European Union

(duration: 1/4/2008 – 30/9/2011). FP7 Socio-economic Sciences and Humanities, Activity 5, 'The citizen in the European Union', Research area 5.2 'Diversities and commonalities in Europe'. Collaborative project (small and medium scale focused research project).

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Learning to improve governance for all and by all

November 2011

Capacity building of collective actors is essential to prevent market failures or failures related to direct governmental regulations imposed in the name of public interest, as identified by the **REFGOV** (*Reflexive Governance*) research project. To improve the situation, the project proposes to involve actors and users, or stakeholders in a common process of self-evaluation of their identity and objectives in which lessons from local experiments are pooled and cross-regional/cross-country learning is fostered.

Over the past 30 years there has been a search for new approaches to the governance of public service institutions in Europe. The concept of 'reflexive governance' has been suggested as a possible alternative to the failures of other governance models, to better fulfil the demands of democracy and public interest.

The various existing theories of reflexive governance converge around the need to have actors involved in a collective learning process. Such a process needs to be open, allowing participants to develop their understanding of what is in the general interest and not to be constrained in their thinking about the general interest by existing capacities.

In short, the common element of these approaches to governance is to demonstrate the importance of collaborative and negotiated rule making as a necessary complement both to market and 'command and control' regulation. At the same time, however, the research suggests that these latter theories pay insufficient attention to the conditions required to build the reflexive capacities of the actors involved in the collective learning processes.

The REFGOV project (involving 29 interdisciplinary research teams) tested various theories of reflexive governance in five different thematic areas. Although the range of themes was diverse, the research projects involved were unified by their attempt to identify which key concepts of governance are dominant in each and what their strengths and weaknesses are. The thematic areas were:

- **Services of general interest**, such as energy (in the UK, Germany, Canada), and healthcare in the UK and France (for example, the UK case study of patient public involvement (PPI) policies); the role of NGOs in relation to government and other actors; the development of charitable organisations in England, which tend to be justified in terms of increasing both democratic legitimacy and the responsiveness of public services to local needs, but where there is a further rationale in the establishing of conditions and building of capacities for social learning¹.
- **Global public services and common goods** - Including international public-private partnerships in environmental services, clean water and sustainable technologies (for example, small-scale forestry in Flanders and the complementary role of reflexive governance in non-state organisations and communities, and more conventional rulemaking in governmental and intergovernmental organisations²).
- **Institutions to organise markets** - (in this project 'institutional frames for markets') or how institutions have to be designed to incentivise private and competing providers to meet the public's general interest.
- **Corporate governance** - Including the evolution of codes and disclosure rules, and the impact of shareholder ownership on employee relations, and the economic performance of an enterprise.
- **Fundamental rights governance** - The impact of a collective learning mechanism on the implementation of fundamental social rights, anti-discrimination law, the protection of personal data and the criminal law.

REFGOV included researchers from economics, law, political sciences, legal sociology and philosophy. They analysed the conditions necessary for successful collective learning that lies at the heart of the processes of collaborative and negotiated rule making. In this regard, REFGOV observed the current leading trend which stresses participatory

mechanisms as a condition for expected success. But they also brought to light the need to pay more attention to the question of building the learning capacities of the collective actors that take part in the participatory mechanisms. They explored the role of different actors in the legislative process, the existence of non-legislative tools and mechanisms of deliberation, the impact of international and European human rights standards, and the role of consultation, evaluation and impact assessments.

The researchers concluded that inclusion of capacity building processes is needed to prevent future market failures or failures related to direct governmental regulations imposed in the name of the public interest. Their recommendations to policy makers for an improved form of governance include:

Create mechanisms to share and evaluate practice

- Create mechanisms for pooling lessons from local experiments and for cross-regional /cross-country learning, such as monitoring and evaluation, benchmarking of best practices, consultation, participation and feedback from the user organisations.
- Organise deliberation with collective actors on how to evaluate these collective learning experiences, on who should participate in the evaluation and on which criteria should be used.

Create opportunities for collective learning

- Develop initiatives that confront actors with new user groups and stakeholders.
- Involve the actors and users or stakeholders in a common process of self-evaluation of their identity and objectives (this collective process operating as a 'third' both for the actors and the users/stakeholders, without this 'third' being the state/an external regulator).
- Promote the association of these new user groups /stakeholders to learning processes within these redefined identities and objectives, with the view to involving them in a process of self-transformation of their modes of collaboration, instead of presupposing a set of ideal conditions of deliberation that can be defined outside these learning processes.

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- ² De Schutter, O. and Lenoble, J. (eds.) (2010), *Reflexive Governance. Redefining Public Interest in a Pluralistic World*, Oxford: Hart Publishing. (See chapter 8).

(duration: 1/6/2005 – 31/5/2010) was a Specific Targeted Research Project funded under the 6th Framework Programme for Research of the European Union, Thematic Priority 7 – Citizens and governance in a knowledge-based society.

See: <http://refgov.cpdr.ucl.ac.be/>

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Helping Europe bridge the gender gap

October 2011

Over the past five years the **QUING** research project has been systematically comparing gender equality policies and discourses in all 27 EU Member States plus Turkey and Croatia. Now, having recently completed their ambitious project, the researchers have produced a wealth of data and analysis that are expected to shape the European Union's approach to gender and equality issues well into the future. The findings reveal major differences – but also some important similarities – in the way EU Member States understand and address gender-related challenges.

Here are a few of QUING's key findings to date:

- Policies promoting women's inclusion in existing social structures, without radical transformations of society/gender relations, are common in Europe. However, in a couple of Nordic countries (Finland and Sweden), policy actions aim to transform society into a more gender equal one.
- Explicit rejection of gender equality is rare in debates across Europe, but remains in some countries.
- Regional consistency in terms of framing gender equality is only moderately strong. New Member States, Nordic states, and states in Southern Europe do not always cluster together.

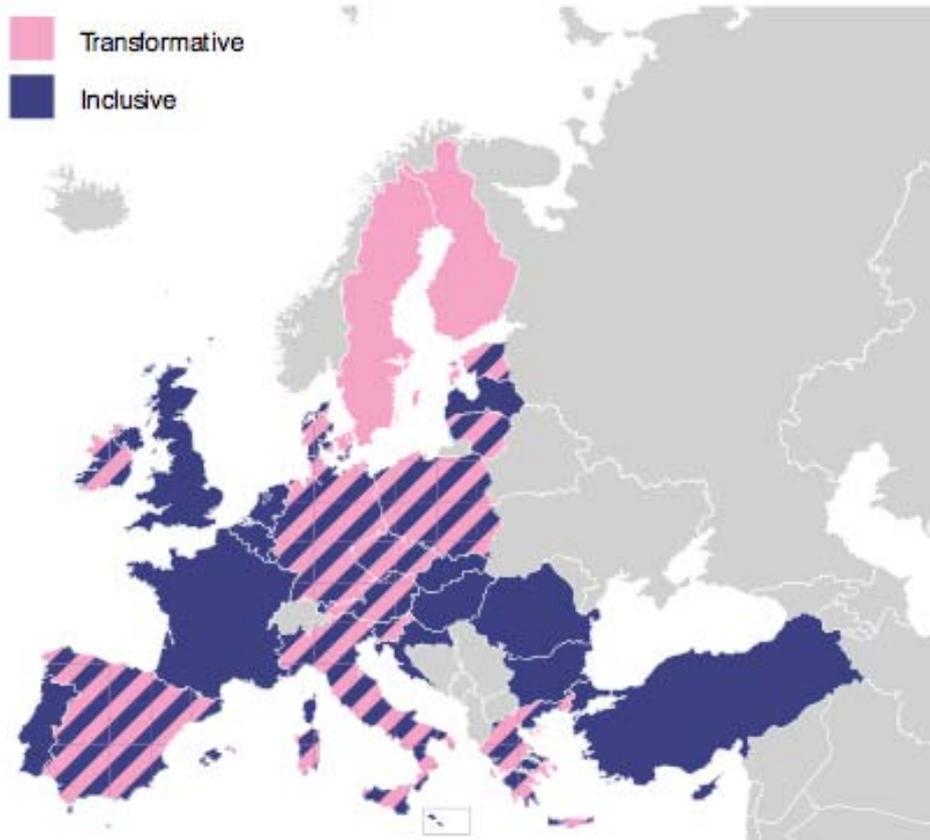
The European Union is a multilayered, multicultural democracy based on mutual respect for its diverse peoples and cultures, introducing goals that value diversity and inclusion while counteracting hierarchies, inequalities and exclusion. Yet, at the level of its Member States, many examples of exclusion and polarisation can still be found, whether the focus is on ethnicity, religion or sexuality. Gender issues are constitutive of current polarisations.

At the same time, gender equality policies provide the best means for developing inclusive gender and equality policies. Recent research has analysed cultural disparities in attitudes concerning gender, and has formulated a set of policy recommendations targeted at achieving more effective quality gender + equality policies at the European level.

The QUING project pooled the capabilities of 11 partner institutions in ten different countries. More than 80 individual researchers participated in the effort, providing a broad-based perspective on a subject that is as complex as it is divisive. Gender issues, the project confirmed, are viewed and discussed in radically different ways reflecting specific cultural contexts and traditions. These differences are expressed through political discourses and policies which QUING has meticulously documented and analysed.

An innovative methodology (involving Frame Analysis) was used to analyse “the differences, similarities and inconsistencies in the field of gender + equality between the EU and its Member States”. The investigation focused on how policy ‘voices’ engage with gender equality, differentiating between frames of reference that express a transformative vision, those expressing an inclusionary vision, and those that reject the idea of gender equality. The variation between countries is illustrated in the following maps:

Map 1: Transformative and inclusive gender equality framing in debates across Europe

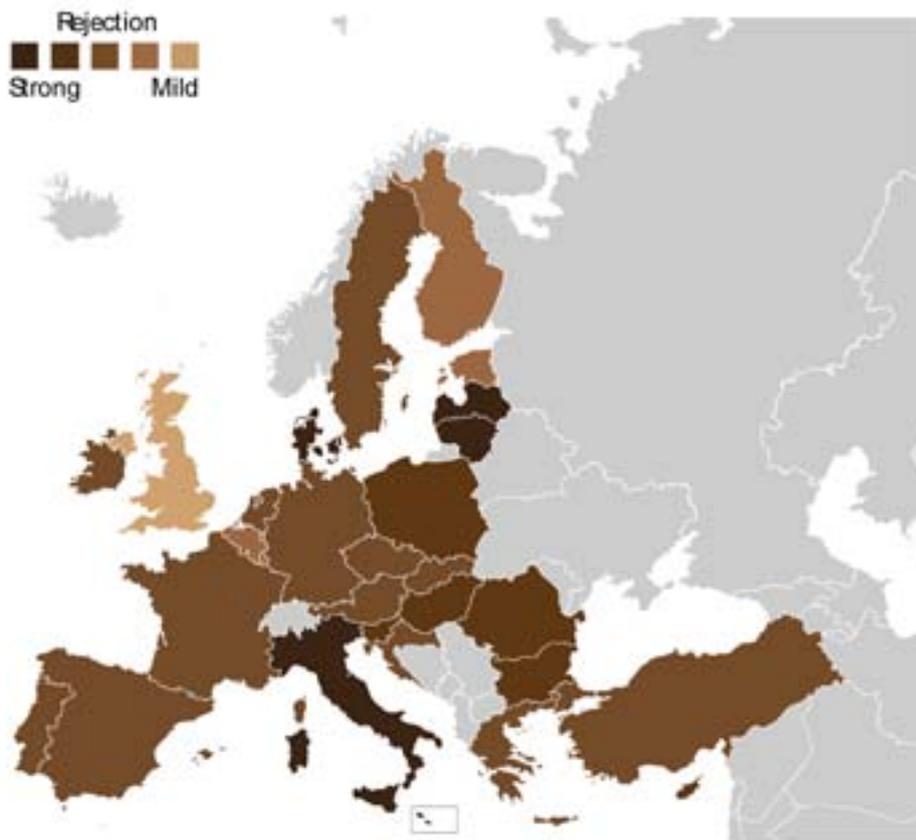


Source: Final LARG Report - QUING¹

Map 1 shows that in most European countries the dominant approach to gender equality is **inclusive** (envisaging women's inclusion in existing social structures without radical transformations of society/gender relations). In only two countries - Sweden and Finland – can the approach be described as **transformative** (whereby gender inequality is seen as the result of unequal power relations between men and women, and policy actions aim to transform society into a more gender equal one).

A mixture of these two approaches is observed in policy debates taking place in twelve countries including Germany, Spain, Italy and Poland. The map indicates that in terms of approach, gender policy debates in Europe are not as regionally pronounced as some analysts had previously thought. Distinct regional differences, however, do emerge in a map that illustrates the strength of **rejectionist** tendencies in debates involving gender equality.

Map 2: Weight of rejective gender equality framing in European debates

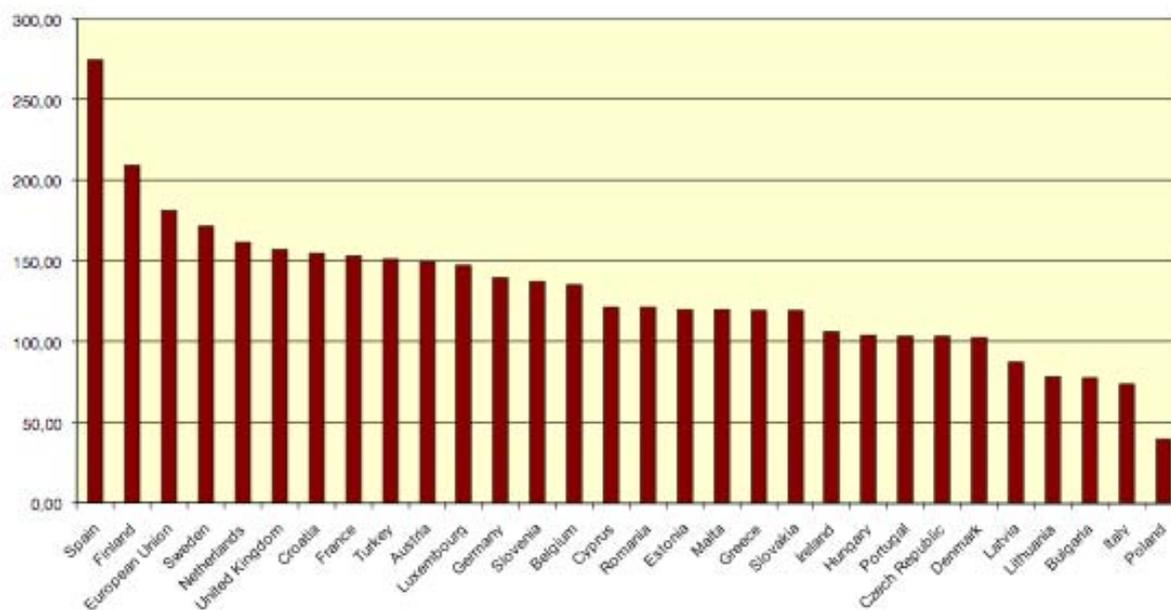


Source: Final LARG Report - QUING¹

Map 2 shows us that – with a couple of exceptions – rejectionist attitudes are more prevalent in gender-related debates taking place in Eastern and Southern Europe. Debates in Lithuania, Malta, Latvia, Hungary, Cyprus, and Slovenia, for example, demonstrate strong rejectionist tendencies, as do those in Italy and Denmark. On the other hand, rejection plays a negligible role in gender-related debates underway in the UK, Estonia, Finland, Luxembourg, and Belgium.

Through the gender equality framing index, which combines the weight of transformative and inclusive approaches to gender equality, the overall weight of explicit pro-gender equality framing, and the strength of either explicitly or implicitly rejective gender framing across countries, (Figure 1), QUING shows us that the *qualitative* strength of gender equality debates in Europe is rather evenly distributed. But there are two major exceptions: Spain and Poland:

Figure 1: Ranking countries by gender equality framing index



Source: Final LARG Report – QUING¹

With respect to gender equality in policy discussions, Spain stands out as having “an extremely strong presence of transformative content” and almost similarly strong inclusive framing. Poland, on the other hand, is notable for demonstrating “the most frequent rate of rejective framing” along with very low transformative and minor inclusive content. (QUING, it should be stressed, was concerned with mapping and analysing gender policy *debates* in Europe, not with policy *implementation*. Those examining the project’s results are asked to keep in mind that there can be major discrepancies between formal policy debates and social reality in any given country.)

The full depth and breadth of QUING’s findings have yet to be exploited. However, the researchers have succeeded in producing an “unprecedented amount of qualitative research data on gender + equality policy processes across most of Europe including some of the notoriously under-researched countries and regions”. Beyond that, they have generated valuable insights into gender training to aid researchers and policy makers moving forward. For anyone working on gender equality issues in Europe (the recently adopted European Pact for Gender Equality 2011-2020², for example), QUING is sure to be an important point of reference.

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¹ See: http://www.quing.eu/files/results/final_larg_report.pdf

² See: http://www.consilium.europa.eu/uedocs/cms_Data/docs/pressdata/en/lisa/119630.pdf

QUING

Quality in Gender Equality Policies

(duration: 1/10/2006 – 31/3/2011) was an Integrated Project funded under the 6th Framework Programme for Research of the European Union, Thematic Priority 7 – Citizens and governance in the knowledge-based society.

See: <http://www.quing.eu/>

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Arts festivals foster cultural exchange: Increased EU support for festivals could enhance their positive impact on society

July 2011

European arts festivals are the ideal platforms to promote the core values of the EU, such as supporting cultural diversity and encouraging transnational integration, according to a new report¹. The researchers recommend an increased 'presence' of the EU at contemporary arts festivals across Europe, through active participation, direct funding and sponsorship.

The **EURO-FESTIVAL** research project was set up in 2008 to evaluate the impact of arts festivals on society, their relevance to Europe and to the aims of the EU. The researchers found that the inherent openness, interest in diversity and spirit of tolerance that drives art, literature and music festivals makes them ideal vehicles to carry a political message or to incite cultural discussion, beyond the level of the nation-state.

EURO-FESTIVAL looked at 13 arts festivals across a range of genres, which represent some of the more prominent of contemporary European arts festivals: the Venice, Cannes, Berlin and Jewish film festivals; the Hay, Berlin and Borderlands literature festivals; the Womad, Umbria Jazz and Barcelona Sonar music festivals; and the Vienna Biennale, Brighton and Vienna urban mixed-art festivals.

For each case study, the researchers attended the event in one or more years and took detailed notes on a specific list of criteria. These included the overall staging of the event, the size and type of the attendees, how each performance was received by the audience and the nature of the festivals' revenue. The researchers interviewed between 10 – 20 individuals for each event, including festival directors, sponsors, artists, journalists and stakeholders. They also collected information from voluntary questionnaires completed by members of the audience, designed to look at public attitudes towards art and festivals. As part of the process, the researchers also examined festival brochures, official and unofficial documentation and any media reports written before, during and after each event.

Using the data, the researchers produced a detailed and insightful analysis of the history of arts festivals in Europe, their evolution, their role in contemporary society and a discussion of methods used for gauging the impact of a festival on society. They highlight the link between the historical incentive for festivals, which were typically held to help "overcome regional divisions", and the trend in contemporary arts festivals towards encouraging internationalisation and cosmopolitanism.

Alongside identifying the potential benefit of arts festivals to a multi-cultural society, EURO-FESTIVAL looked at the challenges facing existing festivals and factors that might discourage the emergence of new festivals. These are predominantly linked to financial sustainability, with many festivals relying on a mixture of public subsidies, private sponsorship and income from ticket sales.

The proliferation of festivals in Europe represents a growing interest in sharing cultural ideologies across society, and policy makers should view them as providing an opportunity to endorse such a progressive, collaborative outlook.

The project's policy-oriented recommendations are to increase practical and financial support by the EU for festival initiatives. This will benefit the arts festival community and the EU vision of an integrated Europe. The researchers suggest that this could be achieved through direct funding, sponsorship of debates and/or focus groups, supporting

legal frameworks and infrastructure or through initiating 'exchange networks' for groups of artists between different festivals.

According to the report, active support by the EU in fostering public initiatives that encourage a gradual progression towards better social and cultural integration is likely to be far more effective in bringing about progressive change than 'top-down' approaches, achieved through direct state intervention.

Alongside their encouraging findings, the researchers are keen to highlight the limitations of the study. Specifically, that the research focused only on a small range of festivals in Spain, Italy, Austria, UK, Germany and France, all of which had similarly young, educated and middle-class audiences. The researchers suggest that further exploratory studies across a wider selection of case studies are necessary to test the extent to which their findings can be generalised. Nevertheless, the report provides a timely review of the contemporary arts scene, its potential role in Europe in the coming decades and positive recommendations for relevant policy areas.

References

¹ See: http://ec.europa.eu/research/social-sciences/pdf/euro-festival-report_en.pdf

EURO-FESTIVAL

Art festivals and the European public culture

(duration: 1/1/2008 – 31/12/2010). FP7 Socio-economic Sciences and Humanities, Activity 5 "The Citizen in the European Union", Research area 5.2 "Diversities and commonalities in Europe". Collaborative project (small and medium scale focused research project).

See: <http://www.euro-festival.org/>

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Using history to combat old stereotypes and foster citizenship

June 2011

Historical stereotypes, xenophobia and prejudices have acquired new vigour and support in the face of economic problems in a growing and expanding Europe. Selective and unquestioned attitudes among historians can underpin pervasive ideas about identities, and national, religious, gender and political stereotypes. Researchers recommend a transnational understanding of EU 'history' to help achieve a more inclusive European citizenship.

CLIOHRES.net, a very large-scale and dynamic research network, has resulted in a new understanding of the relevance of history and how it works. Its results have been taken up by partner networks to support and inform the teaching of history worldwide. The project shows that humanities and history, in particular, are powerful forces in forming people's attitudes and determining how we relate to our neighbours.

CLIOHRES.net involved 180 researchers from 45 universities in 31 countries, primarily in most EU Member States and EFTA (Norway, Switzerland and Iceland), but also in Turkey, Serbia, South Africa and the Russian Federation. The project aimed to achieve a greater understanding of how history is understood (and practiced professionally) in different countries today. CLIOHRES.net brought together historians, geographers, art historians, linguists, theologians, philologists, sociologists and philosophers to explore how both conflicts and positive interaction have developed in the past and how they might develop in the future. Fully one half of the researchers were doctoral candidates, making the network a trans-generational - as well as a transnational and trans-disciplinary - laboratory.

Research was conducted along six themes - states, legislation and institutions; power and culture; religion and philosophy; work, gender and society; frontiers and identities, and Europe and the wider world. In addition, the project studied transversal themes that cut across all nations, of citizenship, identity, gender, migration, discrimination and tolerance.

The researchers brought to light cases where there is disagreement within individual Member States on the way history should be taught in schools and cases of 'divided' or 'missing' memory, where opposing loyalties and evaluations resulting from 20th century conflicts have not yet been brought into the public forum, where they might be resolved. Processes of reconciliation, e.g. in Ireland and South Africa, were investigated to see if they had worked or if they had acted to reproduce existing narratives of conflict.

CLIOHRES.net found that people, including professional historians, are reluctant to address certain issues, and highlighted that special efforts are required to address sensitive historical experiences. For example, significant parts of many histories have been 'swept under the carpet' in recent decades. The researchers point out that different ways of understanding history are deeply embedded - people really care about them. History is not just about the past, but rather a way of dealing with the present and the future. The project stresses that there is no single, unified history of the European Union, but rather multiple histories at the national, regional and European levels, each with many variants and attendant controversies and disputes.

CLIOHRES.net was designed to address the novel historical challenges emerging today, to build and strengthen the foundations of a peaceful, productive European community of citizens. In collaboration with other important European projects and networks, such as CLIOHnet2¹, the Erasmus Academic Network CLIOHWORLD², the Network of Networks HUMAN PLUS³ and TUNING Educational Structures in Europe⁴, CLIOHRES.net has made a difference to the future structure of popular and academic historical research.

Among the tools created by CLIOHRES.net, and further developed and disseminated by the other networks, are learning/teaching materials for topics where teachers have difficulties in finding texts. For example, materials were – and continue to be – produced on Balkan history, Baltic history, the history of the Mediterranean, language and history, the development of EU-Turkey dialogue, and the European Union itself.

CLIOHRES.net has provided input into key policy areas, such as the Bologna Process⁵ (which influences higher education policy and practice in the European Higher Education Area), most recently by helping to develop guidelines and examples for degree profiles as models for social science and humanities programmes across Europe.

Among some of the project's findings and recommendations were:

- **Understanding the national context** – People in the various Member States were found to understand terms such as 'citizenship' and 'democracy' in strikingly different ways. An awareness of the impact of national contexts is highly relevant to any policies that depend on common attitudes for their success.
- **Networking model** – The project resulted in a successful large-scale networking model linking learning/teaching and research. This model can be replicated in other situations where different ways of understanding could potentially lead to conflict. The model is a key tool for researching situations where the knowledge that will result cannot be defined at the outset.
- **Religion and fundamentalism** – The research gave firm support to the view that no religion is 'fundamentalist' by its nature. Policy makers should recognise that all faiths show a range of different attitudes, and that fundamentalism is not exclusively associated with Islam.
- **Environment** – The working group on religion found that there is a long history of people respecting the environment, the biosphere and resources, through religious rituals. By addressing people's inherent ethical concerns, policy makers can tap into a more powerful factor for encouraging citizens to act in a responsible way than through purely economic motivations.
- **Greater understanding of immigration and emigration** – Both short and long term migration was found to be a universal factor in the human experience, and much more common than most people realise. Policies should encourage people to 'make the connection' between the experiences of their forefathers/mothers and the migrants who require their support today.
- **Continuing changes in attitudes toward discrimination and tolerance** – The research found that definitions of what is acceptable, and sensitivities and degrees of empathy towards others, have changed markedly over the centuries. Policy makers should be aware that this trajectory is still ongoing, and the current ways of conceiving and attempting to build equality and wellbeing for humankind will need to be further developed if they are to be relevant for a greater part of the world's inhabitants.

The research has resulted in the publication of 51 volumes on a range of topics, including two on citizenship, which are all available for free download via the project's website (www.cliohres.net) as well as in book form.

References

¹ See: <http://www.clioh.net/>

² See: <http://www.cliohworld.net/>

³ See: <http://www.archhumannets.net/>

⁴ See: <http://tuning.unideusto.org/tuningeu/>

⁵ See: http://ec.europa.eu/education/higher-education/doc1290_en.htm; <http://www.ehea.info/>

(duration: 1/6/2005 – 30/11/2010) was a Network of Excellence funded under the 6th Framework Programme for Research of the European Union, Thematic Priority 7 – Citizens and governance in a knowledge-based society.

See: <http://www.cliohres.net/>

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Expanded EU: Challenges to good neighbourhood relations

May 2011

The expanded European Union has a highly diverse population with many different languages and ethnicities that are continuously changing due to globalisation and migration. This creates complex challenges to and opportunities for good neighbourhood relations across and within nation states.

The **SefoNe** research project suggests that successful integration policies and social cohesion cannot be achieved without all citizens developing a sense of belonging to the community. Policy makers are called on to institutionalise policies of equality and cultural recognition as a basis from which trust and a sense of belonging can emerge. According to the researchers, migrants should be considered as a major resource in our societies instead of a problem. They use the word 'neighbouring' in an active sense, creating the conditions that enable mutual respect and openness in neighbourhoods where cultural diversity is taken seriously.

The **SefoNe** research project believes that in order to understand the opportunities for good neighbourhood relations across state and ethnic borders, it is vital to understand and challenge obstacles created by mental and symbolic divisions. It focused on three main spheres of research:

- Physical borderlands including borders between new EU Member States, such as Hungary to Slovakia and Slovenia, and borders between old and new EU Member States, such as Austria and Hungary.
- Neighbourhoods in multicultural provincial regions where borders are 'fluid' as in Sicily, or where there are former state borders such as within Germany and between Germany and its Eastern neighbours.
- Virtual neighbourhoods focusing on networks of persons of the African diaspora in Austria and Germany.

The researchers integrated theories and methods from a range of disciplines relevant to understanding the possibilities for, and barriers to, good neighbourhoods. Disciplines included linguistics, cultural and media studies, social psychology, social anthropology, sociology and human geography. The team used a mixture of tools such as semi-structured interviews, questionnaires, participant observation at cultural, economic, sporting and religious events, cartography and workshops.

A significant part of the project involved cultural events aimed at bringing people together, for example the Greek and Turkish communities in Cyprus. Artist involvement helped to facilitate cross-cultural encounters without the usual boundaries in formal meetings and researchers hope that such shared ventures will continue.

The project aimed to understand the interdependency of physical and mental borders in the creation and obstruction of good neighbourhoods; to understand the ways in which the concept of 'neighbouring' is experienced by diverse groups of people in Europe; to identify existing policies and official/civil society activities for good neighbourhood-building; to evaluate them through user response and to compare user responses to 'top-down' measures with self-determined, 'bottom-up' activities. Their main recommendations include:

Cross-border relations

- The creation of local representatives/offices directly linked to EU institutions/bodies that can be easily accessed and appealed to for mediation and juridical matters.
- An information policy with generally understandable explanatory texts to facilitate border-crossing procedures and the building of cross-border neighbourhoods, e.g. on the Hungarian/Ukraine border.

- The importance of moving beyond a nationalistic and exclusive interpretation of a nation state's historical and geographical trajectory, e.g. in Cyprus where the conflict pervades all aspects of social life.
- The necessity for language proficiency among majority and minority populations along linguistic border regions, e.g. in Hungary, Romania and Cyprus.
- European instruments for 'good neighbourhood building' should prevent bureaucratic inflexibility. For example, there should be more debate around contested issues such as the meaning of 'European values' or 'peace', and more transparent processes of funding dispersal through national authorities and civil society organisations.

Multi-cultural neighbourhoods

- Anti-discrimination laws are very important but in themselves, insufficient. Policy still has to address questions of social equality, e.g. in matters of language acquisition, labour and education, and cultural recognition.
- More support is needed by local authorities of transethnic, translocal neighbourhood organisations and grassroots activity to help build community from below.
- Racism remains a main obstacle to community integration - it is useful to adopt the notion 'institutional racism' (as recognised in the UK) and 'structural racism', and to tackle it as a deeply rooted social and cultural phenomenon.
- Better representation of citizens of African/Black or non-European descent in non-immigrant and non-ethnic organisations is required.
- Integration should be embraced by all, including the majority, and policy discourses and programmes should consistently reflect the need for mutual accommodation.
- The EU should support the recognition and accreditation of non-EU degrees based upon comparable criteria and evaluation.
- The EU should establish and support projects which do not exclude persons with precarious residency status.
- Funding processes and bureaucracy for integration projects should be more transparent with less red tape and more expediency in decision making.
- More financial autonomy for citizens' associations/houses funded by the European Fund for Regional Development is needed to allow projects more efficiency and long term planning.
- Languages of minority populations should be taught in schools, both to majority students as well as to minority students.

Translocal/transnational flows and networks of the African diaspora

- Recruitment strategies are needed to increase the representation of policy makers from racial and ethnic minorities, and diversity awareness to be part of educational curricula and training for local and state institutions.
- The International Centre for Black Women's Perspectives (AFRA) MIMPOL¹ project could be used as a model in other EU countries - this allowed Austrian female politicians to mentor women from diverse racial, ethnic and religious backgrounds and introduce them to political participation and service.
- Governments could assist communities exposed to racism and discrimination with financial and structural means to establish autonomous institutions that employ mental health care workers adequately trained and experienced in dealing with the psychological effects of these societal ills.

References

¹ See: <http://www.blackwomencenter.org/de/projects/mimpol-ii/mimpol-ii&lang=2>

SeFoNe

Searching for Neighbours: Dynamics of Physical and Mental Borders in the New Europa

(duration: 1/3/2007 – 28/2/2010) was a Specific Targeted Research Project funded under the 6th Framework Programme for Research of the European Community, Thematic Priority 7 – Citizens and governance in a knowledge-based society.

See: <http://www.sefone.soton.ac.uk/>

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FEMCIT: The quest for a gender-fair Europe

April 2011

The **FEMCIT** research project has studied how citizenship is gendered, and how women, as citizens and activists, have been involved in challenging inequalities and injustice across Europe. While the project stresses the significant remaking of citizenship enacted by women's movements over the past four decades, it acknowledges that Europe today is still a long way from being truly gender-fair. As highlighted by the project, although a number of women's movements' demands have been partially or totally accommodated in the past, "ongoing structural and social changes mean that women's movements are facing new challenges".

As the EU struggles to promote gender equality in key sectors (particularly the labour market), FEMCIT reminds us of the broader challenges women face with respect to citizenship. These challenges, which also involve socio-political participation and inclusion, are particularly significant for women who belong to minorities and can, therefore, be subject to additional forms of discrimination.

FEMCIT explored essential aspects of women's citizenship in thirteen European countries (Belgium, Bulgaria, Czech Republic, Finland, France, FYR Macedonia, the Netherlands, Norway, Poland, Portugal, Spain, Sweden and the UK). While focusing on achieving a broad, interdisciplinary understanding of gendered citizenship in today's multicultural Europe, the team of over 40 researchers paid particular attention to differences of race/ethnicity, class, sexuality, religion, region and nationality.

When the project concluded in January 2011, the researchers published a pamphlet entitled *The FEMCIT Manifesto for Multi-Dimensional Citizenship Towards Full, Gender-Fair, Liberatory Citizenship in Europe* (available for download from the project website – <http://femcit.org/news.xpl>). Matching form to content, the Manifesto presents many of FEMCIT's most policy-relevant findings in condensed form. It has the express aim of inspiring debate among key stakeholders, including women's NGOs, gender equality policy makers and academics.

Outlining "some of the most pressing claims and demands of women's movements and feminist researchers in Europe today", the Manifesto handily summarises the main claims of various women's movements, breaking them down into six thematic categories or 'citizenship dimensions': economic, multicultural and religious, intimate, political, sexual and bodily, and social.

In addition to the Manifesto, FEMCIT generated numerous publications and papers that European policy makers should find useful. In particular, the project's country reports provide valuable insights into the ways that women's movements have developed in different cultural contexts. The reports contrast the influence of various policy environments and highlight issues that continue to be of relevance in European societies today. For example, in the context of economic citizenship, Norway was found to have an extremely gender-segregated labour market. Although non-migrant women have a high participation rate in the labour market, there is a considerable gender pay gap and most entrepreneurs in Norway are men.

Although 'ethnic statistics' have been the object of significant debate in the French context, this does not seem to have been the case in Norway or Poland, for example. And in the case of Poland, emigration provokes more public debate and attention than immigration. In both France and Norway, where detailed statistics on the economic experiences of migrants are available, the trends are unsurprisingly familiar: male migrants are more likely to be in self-employment than their non-migrant counterparts. However, female migrants appear to face difficulties in gaining access to the resources required to set up in business.

Also, the female migrant work-force is concentrated in a relatively limited number of occupations, including retailing, transport, unskilled manufacturing and services, particularly industrial cleaning and care services. In unpicking the context of ethnic women's participation, the researchers faced a lack of data in each national context. The researchers conclude that there is a need to understand how particular occupations are simultaneously 'gendered' and 'ethnicised' in specific national contexts. This would provide insights into the consequences of these processes for women's economic citizenship in a multicultural Europe.

In Norway, Spain and the UK, many Christian and Muslim women argue that the women's movement has gone 'too far' in pushing a notion of gender equality. These groups acknowledge the impact of women's movements on women's rights and in areas such as equal opportunities and equal pay, but raise the issue that 'sameness' is not the only route to greater equality. Instead, 'equality' could be viewed in terms of equal value and the complementarity of different gender roles, which may be rooted in biological difference.

In many countries, there is a lack of representation of ethnic minorities and women in political parties, and FEMCIT has identified that women parliamentarians face an 'agency gap', raising important questions about political representation. Women may also feel less well represented by political parties than their male counterparts.

FEMCIT stresses the importance of confronting the considerable barriers to citizenship that women continue to face in Europe, and points to how the public, personal and private spheres are interwoven. For example, "new norms of dual-income families and the expectations that women should be in paid employment throughout their lives (the transition from a 'welfare' to a 'workfare' ideology) mean that women are expected to 'earn' their citizenship rights on the same basis as men, whilst still providing much of the unpaid care". The current state of affairs can hardly be described as 'gender fair', since it continues to place many women, particularly migrants and members of minority groups, in a less favourable position to most men, both in the labour market and in relation to domestic and care work.

Policy makers are urged to recognise that citizenship involves much more than a set of rights and obligations. Citizenship, FEMCIT argues, is lived practice - a combination of participation, identity and belonging. It is a message that applies to everyone, not just to women.

FEMCIT

Gendered Citizenship in Multicultural Europe: The Impact of Contemporary Women's Movements

(duration: 1/2/2007 – 31/1/2011) was an Integrated Project funded under the 6th Framework Programme for Research of the European Community, Thematic Priority 7 – Citizens and governance in a knowledge-based society.

See: <http://www.femcit.org/>

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Marginalised people enact EU citizenship to expand and deepen it

February 2011

New research shows how the actions of groups and individuals on the margins of the European Union, just as much as those of formal EU institutions, have an impact on EU identity and its policies on citizenship.

The **ENACT** (*Enacting European Citizenship*) research project focuses on 'acts of citizenship' which can shape the legal status of citizenship, such as at the European Court of Justice, or politically challenge its scope and content, such as actions by young people in Turkey.

ENACT brings together researchers from five EU Member States (the UK, Belgium, the Netherlands, Hungary and Latvia) and one candidate country (Turkey) to explore in depth how European citizenship is claimed, disputed, built and enacted.

The main focus of ENACT's research was:

- Acts and enacting as a way of looking at European citizenship.
- Enacting EU citizenship in Turkey.
- Deprivation of citizenship in the EU.
- Mobility, sex workers and European citizenship.
- Law and politics in enactment of EU citizenship.

The ENACT project defines 'actors' in this sense as individuals, groups or institutions, and their acts may either constitute claims or refusals to claim EU citizenship. These acts generate new symbols of 'belonging' which differ from the traditional symbols such as voting, social security and military service. How actors express themselves by means of acts is as crucial as how they express themselves by means of opinion, attitude surveys and perceptions. Because the European Court of Justice emphasises the fundamental character of EU citizenship, it functions as a site of possible recourse against Member States' own laws on nationality.

The researchers cite as an example of 'actors' the Kurdish people, who by their actions seek to shape policies on EU relations with Turkey. They do this by means of litigation in the European Court of Human Rights, contacts with officials, and campaigns directed at officials, politicians and the general public. In their case, acts that seek to define EU citizenship are not being performed by formal citizens of Europe. Therefore, not only can non-EU citizens have an impact on EU citizenship, but the EU should also recognise this by creating mechanisms that enable them to interact directly with the EU in addition to the European Court of Human Rights.

ENACT investigated other cases that pose particular dilemmas for policy makers who are responsible for defining the content and scope of EU citizenship. These include people whose cross-border mobility challenges existing concepts of EU citizenship. Such people include very different groups, such as the Roma and sex workers, who although they may be EU citizens, have demonstrated recently across Europe to draw attention to the discrimination they experience over housing, education and jobs, and to their rights of freedom of movement and to work. Regarding the mobility of groups, such as sex workers and - in different ways - the Roma or Sinti people, policy makers must recognise that free movement policies bring with them unintended consequences in terms of new and challenging claims to citizenship rights.

The project also studied the policies of EU Member States, particularly France and the UK, where there has been a recent toughening of legislation on deprivation of national citizenship, linking this with the fight against terrorism. The researchers point out that the loss of national citizenship brings with it also a loss of EU citizenship. National laws on what actions can lead to a loss of citizenship are as important as laws on its acquisition, as both reveal the interaction of state, society and citizen.

The ENACT research on citizenship was conducted by means of qualitative techniques such as ethnographic fieldwork, in-depth interviews and discourse analysis of government documents. Work on the deprivation of citizenship in the EU was carried out through socio-legal analysis, and accounts of cross-border mobility were obtained by various combinations of ethnographic, interpretive, and discourse analysis.

The key message of this research is that claims to EU citizenship, and the rights that citizenship brings with it, are enacted in a range of unexpected and unconventional ways, as well as through the courts and other formal settings. The concept of EU citizenship contains tensions, which will invariably play out in policy terms. A significant challenge is the necessity to create mechanisms to enable non-EU citizens, who enact citizenship indirectly, to claim EU citizenship within the EU law. The most significant challenge to European citizenship by EU citizens who experience discrimination is the necessity to prevent the emergence of a tiered notion of citizenship.

ENACT

Enacting European Citizenship

(duration: 1/1/2008 – 31/12/2010) was a Specific Targeted Research Project funded under the 7th Framework Programme for Research of the European Union, Thematic Priority 5 – The citizen in the European Union.

See: <http://enacting-citizenship.eu/>

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Complexities and challenges of ‘being European’

December 2010

Being European has different meanings for different nations and for different groups of people within those nations. The **IME** project aims to understand the complexities of these identities and their interactions. Its preliminary results have indicated differences in how nations embrace ‘being European’.

The IME project is exploring past, current and future European identities by collecting data from nine countries: Bulgaria, Croatia, Finland, France, Germany, Greece, Hungary, Turkey and the United Kingdom. These represent a range of ‘old’ and ‘newer’ EU Member States and candidate countries. To date, researchers have conducted literature reviews and interviewed representatives from national governments and from the European Commission Representations in each of the nine countries. The next phase of research will investigate views held by civil society actors and EU citizens.

In general, the researchers have found that EU representatives tended to have a low profile in building a European identity, counteracting the belief that a European identity is imposed by elites on indifferent masses. Similarly, the assumption of a constant confrontation between national identity and European identity appears to have little bearing as there is rarely a coherent national identity and, therefore, it is unlikely to be constantly in direct conflict with a European identity. Identities are much more pluralistic in nature. Below is a short summary of the findings in each country:

- **Turkey** is often perceived as predominantly Muslim but it has a legacy of different cultures such as Turkic, Islamic, Christian, Orthodox, Byzantine and Arabic. Its national identity is not singular and it is further complicated by an urban-rural divide. After the 1999 Helsinki summit, Turkey’s Europeanization intensified but after accession talks started in 2005, there was a rise in ‘Euroscepticism’. Turkey’s higher education reform appears to be following two tracks in the country’s identity construction: a discourse about civilisation and religion, and a more universalist discourse promoting art and culture. Depending on how identities develop, Turkey could play an important bridging role between continents and between the Muslim and the non-Muslim world.
- In **Croatia**, the national government is engaged with nurturing a national identity which is also pro-European and, in this respect, government agencies and EU representatives are working harmoniously. The Croatian national government is not opposed to Europeanization, however it does wish to preserve a traditional national identity and this is reflected in its education policy. Researchers suggest that Croatia still feels a sense of betrayal by Europe due to historical events dating back to the Middle Ages. This deep-seated sense of victimisation could be playing out in the interaction between national/European and modern/traditional identities.
- Historically **Finland’s** national identity is influenced by its positive affiliation to the Nordic countries and its negative attitudes towards Russia. The integration of its European identity with its national identity was initially smooth as its national identity was centred on the welfare state. In the 1990s, it shifted to a more competitive national identity but in the new Millennium, Finland looks to be returning to the values of the welfare society while retaining the ideologies it historically shares with the EU, namely liberalism, democracy and capitalism.
- Although historically **France** was one of the main driving forces in European integration, French politicians and intellectuals do not promote the EU as an important issue. This is reflected in education and media where few references are made to the global world and where national issues and identity are prevalent. France tends to consider itself as an influential nation in the EU yet its policies do not consider ‘Europe’ to be of primary importance. Programmes to construct a French identity are often in contrast with EU identity, with the latter focusing more on the future and the promotion of diversity.

- **Greece's** national and European identities are prone to conflict between attachment to tradition and the desire to pursue modernity. Its sense of European identity appears to be infused with the pressure to 'catch up' to actively participate in the West, which has led to some protest as this can be perceived as an imposition of market-orientated values by Europe. Representatives from the national government present European developments as desirable but they also want to boost national pride.
- **Bulgaria** has recently joined the EU. Although its accession is viewed as the last step to modernity many are still uncertain about the 'Europeaness' of their identity. Bulgarians are enthusiastic Europeans but lack self-confidence. EU representatives are trying to increase the level of information regarding the EU, especially among young people and children. However, they operate more as an information service than pro-active agents of change. Although the national government's conceptual goals coincide with those of the EU, it suffers from poor co-ordination between actual actions and projects. There appears to be slight dissatisfaction with the EU because citizens feel that membership has not fulfilled their expectations, which is reflected in a rise in nationalist parties,
- **Germany** considers itself to be a core-European player. However, there exist different visions on what defines 'being European', which is rooted in the past, and different concepts of Europe, such as 'Occident', 'Central Europe' and 'Western Europe'. Interestingly, in education policies there is an emphasis on multiculturalism but adult integration policy appears to be built around a European centre and a non-European periphery, consisting of migrants.
- In **Hungary** there is a strong partnership and shared interest between national government and EU representatives. Nevertheless, there are contradictory messages about the meaning of 'being European'. The literature review suggests that 'new Europeanism' (i.e. Europe as global player and more aligned with the United States) has triggered a lack of understanding about what 'being European' means. In education policy three messages were identified: liberal, liberal-conservative and traditional conservative.
- It is accepted that the **United Kingdom** is a reluctant European member, but IME has revealed that, unlike many other countries, the UK does not regard Europe as a symbol of modernity. There still remains a sense that the UK is an exception and unique in its relationship with the EU and the literature review indicates that the UK tends not to examine its own sense of modernity. Current attempts to construct a British identity are heterogeneous although there are attempts to 're-nationalise' Britishness (as seen in the 'Governance of Britain' green paper¹) due to growing concern over multiculturalism.

Although there is variation between European identities, the IME project has started to uncover some commonalities. On a very broad level, there appear to be similarities between the 'older' EU countries and similarities between those who are more recent members. In both cases, 'Europe' is often equated with being progressive and modern, and EU membership is presented as a developmental goal.

In Western European countries, there is a degree of indifference concerning the significance of European integration, in comparison with a country's national policies which are perceived to be of primary importance. This has implications for enlargement and integration policy that will be further investigated in interviews with representatives from non-state actors, such as trade unions and ethnic minority groups, and representatives from the public who will be from a range of demographic and socio-economic backgrounds.

References

¹ See: <http://www.official-documents.gov.uk/document/cm71/7170/7170.pdf>

IME

Identities and Modernities in Europe: European and national identity construction programmes, politics, culture, history and religion

(duration: 1/5/2009 – 30/4/2012) is a Collaborative Research Project funded under the 7th Framework Programme for Research of the European Union, Socio-economic Sciences and Humanities, Activity 5 – The Citizen in the European Union.

See: <http://fass.kingston.ac.uk/research/european/ime>

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Addressing the combination of gender and racial/ethnic discrimination

November 2010

Discrimination is a complex phenomenon that can occur at many levels. The **GendeRace** project has investigated the combined effects of gender and racial/ethnic discrimination in Europe, and indicated that men and women differ in their experiences and reactions. Although there are comprehensive legal frameworks at both a European and national level to ensure equal treatment, multiple discrimination needs greater consideration.

The project took place in six countries: France, Bulgaria, Germany, Spain, Sweden and the UK. It investigated the intersection of racial/ethnic and gender discrimination, and how national and EU law is currently addressing this issue. Researchers analysed 914 case law and complaint files; conducted 120 interviews with foreign nationals and members of ethnic minorities who were victims of discrimination, and over 60 interviews with stakeholders, NGOs and social partners, which included lawyers dealing with complaints.

The research indicated that gender has a significant impact on the experience of racial discrimination. Women are more often subject to harassment within the work place and in their neighbourhood, whereas men most commonly experience discrimination in places of recreation and leisure. The majority of those who experience multiple discrimination seem more aware of racial than gender discrimination. In terms of reporting or seeking support, victims perceive there to be a number barriers. For example, in many contexts, women have a double burden of domestic and economic responsibilities, which can hinder their initiative to file a complaint. In addition, women's organisations are often highly focused on political action, perhaps at the expense of the provision of legal support. In general, men tend to lodge more complaints and pursue cases further. Those who seek legal resolution tend to be in higher education and steady employment, suggesting it is the most vulnerable who are the least empowered.

The research revealed that although all six countries tended towards creating single laws and equality bodies, they still deal with different types of discrimination separately, and there were no specific legal provisions to tackle multiple discrimination. This could be due to several reasons: the lack of an operational definition of multiple discrimination, the specialisation of legal experts in one type of discrimination and the difficulty individuals have in identifying their experience as multiple discrimination. In general, the research found a scarcity of data on complaints and other measures related to multiple discrimination and little co-ordination of data at both national and local levels.

On the basis of the findings a number of recommendations were made:

- An explicit recognition of multiple discrimination within the proposed European Directive on implementing the principle of equal treatment between persons irrespective of religion or belief, disability, age or sexual orientation¹. Alongside this the development of an operational definition of multiple discrimination that meets the standards set out in the EU's Charter of Fundamental Rights.
- Harmonisation of the EU Equal Treatment Directives to extend the protection against gender discrimination to the same level of protection against racial/ethnic discrimination. The provisions of the Directives should also be enhanced to develop pro-active measures to advance equality and fight institutional and systemic discrimination, as recently exemplified in the UK where public bodies now have positive duties to enhance equality.
- Greater integration of gender issues into all stages of policy making, i.e. gender mainstreaming. Mainstreaming should be genuine and not lead to a 'dilution' of gender dimensions. This is one of the main themes of the recently adopted EU Strategy for Equality between men and women² which runs from 2010 – 2015.
- The promotion of awareness campaigns to inform the community, organisations and networks on legal proceedings to redress discrimination, especially amongst the most vulnerable groups, such as migrant women, Roma and

Muslims. Alongside this there should be professional training on anti-discrimination laws among legal advisors and counsellors, with particular attention to multiple discrimination.

- Provision of financial support for organisations in charge of assisting victims and funding to foster cooperation between NGOs working on single areas of discrimination.
- Involvement of legal experts so that cases of multiple discrimination can impact the legal framework both at a national level and within the European directives.
- Co-operation between civil society (i.e. trade unions, women's groups and ethnic minority groups), lawyers and experts to develop strategies for lawsuits and legal proceedings as a meaningful way to raise awareness of multiple discrimination.
- Adoption of the same criteria and indicators for data collection across different countries so that comparative analyses can be made at an EU level, including the possibility of registering multiple cases of discrimination. This could help EU agencies publish cross-sections of data on gender and other social categories while complying with ethical and data protection provisions.

References

¹ See: http://europa.eu/legislation_summaries/human_rights/fundamental_rights_within_european_union/em0008_en.htm

² See <http://ec.europa.eu/social/main.jsp?catId=422&langId=en>

GendeRace

The use of racial anti-discrimination laws: gender and citizenship in a multicultural context

(duration: 1/2/2008–31/7/2010) was a Specific Targeted Research Project funded under the 7th Framework Programme for Research of the European Union, Thematic Priority 5 – The citizen in the European Union.

See: <http://genderace.ulb.ac.be/>

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Ordinary citizens need to identify with Europe to ensure its long-term success

October 2010

For the long term success of the European Union, it is essential that ordinary citizens identify with the 'European Project'. However, previous research into European identity has taken a 'top down' elitist perspective rather than a 'grass-roots' approach.

The three-year project **EUROIDENTITIES** (*The Evolution of European Identity: Using biographical methods to study the development of European identity*) was set up in 2008 to address this issue. It uses advanced methods of interviewing and analysis of the life-stories of a range of individuals such as transnational workers and farmers.

The project is coordinated at Queens University, Belfast, and includes seven partner teams from large and small nations - both original and accession states - Northern Ireland (UK), Wales (UK), Germany, Poland, Estonia, Bulgaria and Italy. Five groups of people have been interviewed whose life and work experiences could be expected to have sensitised them to issues around how their identity relates to Europe:

- Transnational workers, from menial economic migrants through entrepreneurs to technological workers, who are either presently working in a country different from their country of origin, or whose careers have involved a significant amount of time abroad.
- Adults who took part in cross-border educational exchange schemes, such as ERASMUS when younger, to assess whether educational mobility schemes can realise greater goals of promoting a permanent change in perspective and lasting integration across European national borders.
- Farmers who have to act within a dense structure of regulations and continental markets, so that they have to incorporate 'European thinking' into their daily practices and have long traditions of dealing with European regulations and markets.
- People involved in cultural activities both at high and popular levels, including active participants or spectators of activities that span European borders, and including workers in areas of outstanding natural beauty or traditional cross-border cultures, and scholars developing European school texts, especially history books.
- Participants in civil society organisations which span countries or have a specific European or cross-border context, for example, 'reconciliation' groups of Polish and German people bridging the gap of World War II, conflict-resolution groups in Northern Ireland and environmental groups addressing cross-border or global ecological risks.

In-depth qualitative interviews and subsequent analysis with these groups investigates the relationship between regional, national and European identities and the key factors that could promote or discourage positive identification with 'Europe' and the European Community. Two additional groups have emerged during the course of the analysis that provide special insights into the factors that affect the development of an identification with 'Europe':

- Interviewees who were born into families where the parents are of different nationalities have had to deal with their culturally mixed origins in a way that promotes a 'cosmopolitan' outlook towards Europe. Similarly, many of the interviewees themselves are in cross-border relationships that also drive them to confront their own identity.
- Respondents who either originate from outside Europe as migrants or the children of migrants, along with those 'native' Europeans who have spent a significant portion of their lives elsewhere in the world also have a different perspective on the continent.

According to the researchers, there is an intimate connection between individual biographical identity and collective identity. By analysing people's life stories, they can determine the extent to which Europe already functions as a common reference point or if it is still, as previous studies have asserted, absent as an imagined community.

For example, interviews with former educational exchange students showed the following findings that are relevant to policy in this area:

- While institutions were generally effective at placing students, their reintegration into the educational programme of their 'home' institutions was not always so effective, sometimes with adverse effects on degree progress.
- 'Parental capital', both in terms of economic resources and cultural background, was important both for the ability and inclination to take up an opportunity to study abroad and also for the experience's lasting effect.
- The international experience of Erasmus students was markedly different than that of foreign language students and students doing their whole degree abroad. There is a developing tendency for Erasmus students to find themselves in an Anglophone 'Erasmus bubble' where they interact with students from other parts of Europe but not with the host country.
- There often was a direct link between forming a close romantic relationship with a student from another country and a genuine, lasting change of perspective.

From interviews with farmers the following findings emerged:

- A large number of farmers perceive EU policy as geared towards large-scale farmers and discouraging and marginalising small-scale farmers. Additionally, the EU was seen as incapable of controlling the exploitation of the average farmer by 'middle-men' and large supermarket chains.
- Subsidies were essential for the survival of many farmers located in the 'old' original nations of the EU, and farmers located in the accession states were catching up fast in their ability to manipulate the system.
- EU financial schemes and policies are perceived as not adapted to the skills and competences of farmers, created and implemented without appreciation of the actual situation of the farmers themselves.
- Nevertheless, although farmers have to follow EU-wide regulations, these are controlled locally and nationally, so they did not express particular problems with EU institutions. Instead, they expressed national and local disapproval and criticism. In fact, the EU was often seen as a counterweight to oppressive national systems of regulation.
- The burden of time wasting administration drains professionalism from farmers.

Personal experiences, including the influence of parents and schools, and access to cultural and social capital, are highly relevant to the development of an identification with a 'European social space'. The origins of European affiliations can be found in childhood experiences, through friendships, family contacts, shared experiences and emotions. For some, 'Europe' exists only in instrumental terms, as an environment for economic opportunities or short-term leisure; but, for others, there is a genuine 'cosmopolitan impulse' to seek out new experiences and contact with different cultures. People's experiences in transgressing borders, and coming across cultural otherness, all contribute greatly to the development of individual and collective identities.

EUROIDENTITIES

The Evolution of European Identity: Using biographical methods to study the development of European identity

(duration: 1/3/2008 – 28/2/2011) is a Collaborative Project (Small or medium-scale focused research project), funded under the 7th Framework Programme for Research of the European Union, Thematic Priority 5 – The citizens in the European Union.

See: www.euroidentities.org/

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Building European citizenship by improving democracy in the EU

September 2010

The European Union is facing challenges and questions to its legitimacy and democratic capacities due to a dual process of integration and decentralisation at both the national and European level. At such a time it is particularly important to address the issues around the concept of EU citizenship.

The **IntUne** project addressed this fundamental question by looking at how these challenges are affecting three major dimensions of citizenship - identity, representation and practice of good governance. The main research issues were:

- How does a particular kind of political structuring shape citizenship? In a complex system, how do different identities coexist?
- What sense of obligation is the EU citizenship developing? How do coexisting identities affect the relationship between elites and the general public?
- What do citizens expect from the EU as a level of government?

IntUne – Integrated and United? A Quest for Citizenship in an ‘Ever Closer Europe’ -was a four-year project which began in September 2005 and involved over 100 researchers from 29 European institutions across Western and Eastern Europe. The project was coordinated by the University of Siena in Italy. Interdisciplinary in nature, IntUne involved fields such as political science, sociology, public policy, media, linguistics and socio-psychology.

Attitudinal and behavioural surveys, and semi-structured interviews, were conducted with political and economic experts, and citizens. Television and newspaper attitudes were also assessed and citizens’ juries were conducted. The timing was chosen so as to study the European public in a period of intense political debate, close to a European election (in the fourth year of the project) and in a period in which European issues were expected to be less prominent (in the second year).

Political elites in Member States were asked about their trust in the EU institutions of Parliament, Commission and Council. Economic elites were also asked about their views on national institutions such as national parliaments and government, and regional government.

Most national political and economic elites support the idea of Member States continuing as the central actors in the policy making process, and national governments are largely seen as effective. Although the same proportion was in favour of strengthening the power of the European Parliament, their support for enhancing the powers of the European Commission was far less strong. Only a minority of respondents shared a clear identification with Europe, while national identification was significant.

The researchers believe that by increasing understanding of how governance can be legitimised at the EU level, they have come up with usable knowledge for policy makers, key actors and the general public. Their wide-ranging methods provide evidence of the relationship existing between participatory governance, enhanced policy outcomes, and an overall improvement of the democratic functioning of the EU system.

A wide range of working papers has resulted from the data. For example, from the paper *Nation-State vs. the EU in the perceptions of political and economic elites. A comparison among Germany, Spain and Poland*¹ it emerged that:

- In Spain, Germany and Poland, 100% of the economic elite believe that EU membership has benefited their country.

- The German political elite have above average trust in the European Parliament, while Poland (comparable with the UK) has the least confidence in the institution.
- In Spain and Germany, the elite mostly perceive EU membership as beneficial. This is in line with the pro-EU stance held by the majority of the public in Spain and in Germany.
- Post-Communist countries in general were a little below average in their attachment to Europe, although almost nine out of ten of the interviewed elite felt positively about their countries becoming an EU member.

The paper *Changing Patterns of Political Engagement in Europe and the EU, 1945-2002*² revealed:

- EU citizens' preparedness to turnout in national elections has, in most Member States, declined moderately over recent decades.
- People engage less in politics as they get older, and men engage more than women.
- People who make more use of the media also engage more with politics.
- People who locate themselves at the centre of the political spectrum are less engaged than people on the political extremes of left and right.

References

¹ *Nation-State vs. the EU in the perceptions of political and economic elites. A comparison among Germany, Spain and Poland.* Miguel Jerez-Mir and Rafael Vázquez. See: <http://www.intune.it/research-materials/elite-group>

² *Changing Patterns of Political Engagement in Europe and the EU, 1945-2002.* David Sanders, Paolo Bellucci. See: http://www.intune.it/file_download/68/David

IntUne

Integrated and United? A Quest for
Citizenship in an 'Ever Closer Europe'

(duration: 1/9/2005 – 31/8/2009) was an Integrated Project funded under the 6th Framework Programme for Research of the European Union, Thematic Priority 7 – Citizens and governance in a knowledge-based society.

See: <http://www.intune.it/>

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European contract law: boosting cross-border trade and ensuring strong rights for consumers

July 2010

Organisations frustrated by many differences in contract law within the European Union may soon find relief. The European Commission has just appointed an 18-member expert group to examine the possibility of creating an 'optional European contract law'. The group is carrying forward work done by an EU-funded Network of Excellence which has already produced a Draft Common Frame of Reference (DCFR). The Frame of Reference could provide a basis for harmonising European contract law.

Pooling input from more than 150 comparative lawyers from all jurisdictions of the European Union, the six-volume Frame of Reference aims to establish a common point of reference and a basis of understanding for all European lawyers. Viviane Reding, the EU Commissioner for Justice, has called the Frame of Reference the "embryo for a European Civil Code".

The Draft Common Frame of Reference was developed by the **CoPECL** Network, an EU-wide research project launched in 2005. Setting out to compare all national jurisdictions in the area of private law (mainly contract law), the participants in the Network used their findings to produce a 'toolbox' of pan-European model rules for the EU legislature. Effort was made throughout the project to address the needs of a broad range of stakeholders – policy makers, legal practitioners, businesses, consumers and academics. Strong ties were cultivated with the Council of Bar and Law Societies of Europe, which was instrumental in disseminating the Network's findings to members of the legal profession throughout Europe. National bar associations were also integrated into the project's dissemination activities, further enhancing CoPECL's practical relevancy.

The Network's diligence has been rewarded with sustained interest from the policy making community. The European Council, the European Parliament and the European Commission have all been considering how the Frame of Reference can best be adapted and utilised to improve coherence in contract law in the EU. Bringing together legal experts, lawyers, consumer rights advocates and business representatives, the 18-member expert group appointed by the Commission is examining the possibility of creating an 'optional European contract law'. This would provide businesses and consumers in the EU with a legal instrument that they could opt for in conducting cross-border transactions. The experts have been asked to draft an easily accessible text showing how the model rules might be applied under different circumstances during the lifecycle of a contract.

The Commission offers examples of how such an optional law might work in practice. For example, an Irish retailer who is unfamiliar with French law could opt for a European law contract when dealing with a French supplier. Another might be "a Polish consumer shopping on the Internet could push a 'blue button' on the website and choose the European contract law instrument, which would guarantee a high level of consumer protection". The Commission is hoping that harmonised contract solutions will help tackle what it calls 'bottlenecks' in the Single Market. Ultimately, the goal is to boost cross-border trade and ensure strong rights for consumers.

The Draft Common Frame of Reference is likely to play a significant role in the European Union's efforts to achieve coherence in contract law. The desire for that coherence has been written into the Commission's 2020 strategy and is being actively pursued through a process of public consultation as of this summer. For the legal scholars who produced the Frame of Reference, it is gratifying to see that their work is gaining such wide recognition. CoPECL's

coordinator, Prof. Dr. Hans Schulte-Nölke, says he had hoped for some effect of the project, but never expected the project's research results to have such an enormous impact within the policy making community. Now serving on the Commission's expert group on a Common Frame of Reference, he notes that the European Council has held several working group meetings on the subject and that the European Parliament has called on the Commission to assure that the Frame of Reference is made available in the highest possible number of relevant languages.

An outline edition of the Frame of Reference is available on the European Commission website: http://ec.europa.eu/justice_home/fsj/civil/docs/dcfr_outline_edition_en.pdf

This version can also be purchased in print form.

CoPECL

Joint Network on European Private Law

(duration 1/5/2005 – 30/4/2009) was a Network of Excellence funded under the 6th Framework Programme for Research of the European Union, Thematic Priority 7 – Citizens and governance in a knowledge-based society.

See: <http://www.copecl.org>

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New network encourages active citizenship in Europe

June 2010

New insights into the role of cultural diversity and active citizenship in Europe have emerged from a research network set up to encourage more citizens to participate in policy making at all levels of society. Mass emigration, dual nationality, the rise of nationalism and inter-ethnic conflicts are all important current issues that question society's previous straightforward understanding of state citizenship. The **CINEFOGO** network believes that in order for people, especially young people, to practise active citizenship, they need to form an identity, develop a set of civic values and develop a sense of belonging to a democratic entity.

In order to define citizenship, policy makers must, therefore, understand the subjective definition of the political entity with which people identify – this could be their immediate locality, their region, the continent of Europe, or the world. One of the main outcomes of the CINEFOGO network has been the breaking-down of barriers between institutions from different Member States and the enabling of joint European integrated and coordinated research in this area.

The CINEFOGO network received input from over 200 researchers from 45 universities and research institutes in 16 countries. It ran for more than four years from September 2005 to November 2009, under the EU's 6th Framework Programme.

The network was set up to take forward EC strategy papers including the *White Paper on Governance*¹ (Brussels, 25.7.2001COM (2001) 428 final) and the communication strategy entitled *Action Plan to Improve Communicating Europe*², the so-called 'Plan D' for democracy, dialogue and debate in Europe.

Thanks to the participation of outstanding scholars and institutions from both older and more recent EU Member States, a strong and lively network has been created that is especially valuable for young researchers. Collaborative research was conducted and disseminated on three main themes:

- Identities, values and civic cultures in Europe – integration and diversity.
- Citizenship and civic participation in relation to social protection.
- Multi-level governance and organised civil society.

These themes were aimed at improving the understanding of what constitutes European citizenship and how Europe's citizens can participate in civil society.

The network's research also identified a new move towards decentralisation, especially in highly centralised states, and innovative forms of horizontal collaboration between state actors and civil society that are replacing strong state power.

The network recommended three particular issues that need further consideration:

- The ways in which welfare services outside state institutions are accessed.
- The mechanisms by which citizens can participate in society.
- Broader forms of participation including the voluntary sector.

Active citizenship and the organised civil society fulfil a broad range of tasks in the democratic process of decision-making in all EU Member States. A number of advantages derive from the inclusion of civil society and active participation in political processes, such as:

- Engagement in dialogue with civil society is a viable way to enhance public participation, in the context of decreasing trust in political institutions.
- Civil society organisations can supplement political parties in informing debates and aggregating preferences, and they can take account of the increased cultural and ethnic differentiation of European countries.
- Civil society organisations have to be involved in the implementation of policies, because public authorities are often no longer able to deliver services that meet the needs of an increasingly differentiated population.
- Participation of civil society at the EU level is a useful way to address the perceived democratic deficit of the European Union as well as other supra-national institutions

CINEFOGO has, with its database of more than 200 publications, and its other research and dissemination activities, including numerous conferences, seminars and workshops during more than 4 years, established a solid platform for improving dialogue and integrated research on new forms of governance and citizenship in the European Union.

The network has paved the way for a continued dialogue between researchers, policy makers, public service institutions and organised civil society on the political future of the European Union, especially with respect to promotion of citizens' involvement and participation in policy making. This goal has been pursued particularly through CINEFOGO's programme for the dissemination of scientific results, the OUTCOME database and a monthly e-letter with news from the CINEFOGO network.

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² See: http://ec.europa.eu/dgs/communication/pdf/communication_com_en.pdf

CINEFOGO

Civil Society and New Forms of Governance in Europe

(duration: 1/9/2005 – 30/11/2009) was a Specific Targeted Research Project funded under the 6th Framework Programme for Research of the European Union, Thematic Priority 7 – Citizens and governance in a knowledge-based society.

See: <http://www.cinefogo.org/>

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Europe faces migration-related challenges in education, the labour market and politics

April 2010

Increasing migration in Europe means that greater efforts are needed to integrate migrant groups in three important areas – schools, the labour market and politics. Policy makers in these areas at both national and EU level are urged to improve access to schooling regardless of the legal status of the student, to prevent schools from developing an ‘all immigrant’ demographic, to fight discrimination in the labour market and to give political rights to long term immigrants.

Cultural diversity can be considered one of Europe’s most valuable assets; however, increasing migration-related diversity also poses challenges. The nine EU Member States (Belgium, Denmark, France, Germany, Greece, Latvia, Poland, Spain and the UK) selected for case study and comparative analysis by the European supported project, **EMILIE**, face a range of challenges in integrating groups of migrants into their education systems, labour markets and the political process.

The aim of the EMILIE project was to investigate these challenges and the different approaches adopted by EU member states to deal with them, and to provide policy recommendations at national and EU levels on the educational, legal and political challenges raised by immigration.

Education

According to the researchers, the disadvantages facing migrant groups contravene basic EU values and undermine efforts towards prosperity and social cohesion. For example, despite EU Directives on racial equality and employment, (Racial Equality Directive 2000/43/EC¹ and the Employment Equality Directive 2000/78/EC²), migrants still face widespread discrimination in the labour market and lack political voice. In addition, achieving cultural and religious diversity in European classrooms remains a challenge. There is a lack of consistency in methods for measuring diversity among school children across the EU – some countries use mother tongue, while others base statistics on country of birth. EU Member States also differ in the ways they accommodate other faiths at school – some allow separate faith schools while in other countries schools are purely secular institutions.

Labour market

Challenges in the labour market mean that migrants and minorities are concentrated in insecure or low-skilled jobs for which they are overqualified. Migrants also have lower wages and poorer career prospects compared with their native counterparts. Although the Directives on racial equality and discrimination have the force of domestic law in all EU Member States, only the UK and, to a lesser extent, France have developed a broader anti-discrimination strategy addressing different forms of prejudice.

Political sphere

In the political sphere, research shows a lower level of electoral participation among migrant voters than among nationals.

Recommendations from EMILIE to address these challenges include:

Education

- Guarantee access to schooling regardless of the legal status of the students or their parents.
- Train teachers in multicultural awareness.
- Train teachers to teach the language of the host country as a second language.
- Provide incentives for teachers in schools with large minority groups, such as fewer hours, smaller class sizes or additional pay.
- Ground multicultural education on a firm basis of citizenship education.

Labour market

- Make obligatory annual reporting on anti-discrimination compliance for public institutions and private companies, with specific procedures for monitoring.
- Launch information campaigns to explain how discrimination and inequality are intertwined, which identify legal remedies for those discriminated against in the labour market.
- Review the set-up and procedures of each country's equality body.

Political participation

- Concede local voting rights to third-country nationals.
- Recognise length of stay in the host country as a criterion for political participation rights for long-term migrants.
- Intensify efforts to promote voter registration.

The three year EMILIE project produced European Policy Briefs on a comparative and individual country basis for the three policy areas – Multicultural Education, Discrimination in the Labour Market and Political Participation – as well as an overall Policy Brief highlighting the main policy implications and recommendations. Data analysed included policy documents, media coverage, scholarly studies, statistical data, qualitative interviews, and discussion groups with civil society actors and policy makers. Policy Briefs can be downloaded from <http://emilie.eliamep.gr>.

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EMILIE

**A European Approach to Multicultural Citizenship:
Legal, Political and Educational Challenges**

(duration: 01/07/2006 – 30/06/2009) was a Specific Targeted Research Project funded under the 6th Framework Programme for Research of the European Union, Thematic Priority 7 – New forms of citizenship and cultural identities.

See: <http://emilie.eliamep.gr>

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Socio-economic and scientific indicators





New indicators on patenting activities can support European innovation policy

February 2012

New indicators on patenting activity in Europe, produced by the **InnoS&T** research project, increase understanding of the pathways by which inventions can lead to economic growth. Until now there has been no way to make direct and detailed comparisons of science and technology patenting activity across all regions and industry sectors in Europe, or explain to what extent scientific research leads to technological progress.

The number of patented inventions has exploded in the last three decades, and patenting technological advances has several benefits for society. When applying for a patent, an inventor includes 'disclosure information' on the science behind an invention and how it can be replicated. Sharing this knowledge is valuable as it can save time and form a basis for future developments. Patenting also provides a financial incentive to inventors who own a monopoly and can license or sell their technology.

Around 42% of patents taken out in Europe are unused by their holders, according to InnoS&T's survey. Although this may be for strategic reasons, it has important implications for policies, such as decisions to fund public research organisations (PROs) or encourage links between science and industry.

The survey (*PatVal-EU II*) investigated 22,533 European Patent Office patents issued between 2003 and 2005 in 20 European countries, including some New Member States, for whom patenting is a relatively recent activity. Data from the US, Japan and Israel were also included. Patent holders were asked about the invention process, their motivations to patent, the use and value of the patent, and the links between science and patented inventions.

The researchers then used algorithms to develop indicators on the linkage between scientific research and technology innovations, based on citations of scientific research within the patents, by European region, industry sector, firms and research organisation.

Key questions investigated were: which factors determine the rate of commercialisation of inventions; to what extent did science contribute to this technological progress; are differences in technological performance between countries related to the scientific intensity of technology; based on citations with scientific references and university patents; how can policy support the production of valuable inventions and their commercial exploitation; and how can policy help remove impediments in the markets for technology.

Summary of main findings:

- Around 53% of patents are used for commercial purposes, i.e. in a product, service or manufacturing process, 8% are licensed and 5% are sold.
- Significant differences were found across Europe in the tendency to use patents commercially in new processes or products. In Austria and Denmark the use of patents is above average, in Germany, the UK, Japan and the US it is average, and in France and Spain it is below average.
- The patent trade (sale and licensing) is above average in the UK and the US, and below average in France, Germany and Japan. Technology-based entrepreneurship varies, with the tendency to use patents to start a new firm above average in the UK and the US, and below average in France, Germany and Japan.

- A higher science intensity of the national patent portfolio (the number of citations to science in patent applications) was found to relate positively to a country's technological performance. However, only 29% of patents taken out by public research organisations are used, as compared with 55% for firms.
- About 42% of patents remain unused, of which half are due to firms taking out patents for strategic reasons to block their rivals' investments in related inventions. Other reasons for inventors not commercialising their inventions include applicants not possessing the assets to produce and market them or the small value of many inventions.
- Larger firms (5000+) are less likely to use their patents commercially than smaller firms. Many large firms own unused patents, a large number of which have been shelved for blocking reasons. Patents resulting from collaboration with customers and users are more likely to be used.
- Time saved for future developments by the information disclosed in patent applications is relatively low, varying from 2.7 hours in the telecoms sector to 99.8 hours in organic chemicals.
- The proportion of female inventors in the sample was very low, at 5%.

Policy recommendations:

- Create more favourable conditions for the creation of new technology-based firms which contribute to economic growth.
- Encourage markets for technology, such as online marketplaces, to enable use of unused patents by licensees in a better position to extract value from them.
- Identify the technologies, the type of patent owner and patent characteristics that are most associated with significant misallocation of patent rights.
- For early stage inventions, compulsory licensing policies should not be applied, and arguably inventions based on basic research should not be patented at all.
- Alternatives to compulsory licensing, such as deferred examination of patents - allowed in some countries like Japan, Germany and the UK - would stimulate better exploitation of 'sleeping' patents.
- Provide further encouragement for women to study science at university and take an increased share in technological invention.
- Stimulate academic entrepreneurship through incentives to universities to become involved in patenting.

The researchers point out that it is important to encourage patent 'breadth' based on genuine innovations - i.e. the generality and applicability of a patent to several technological classes - and discourage those that are aimed at creating strategic defences. Understanding the extent of the 'inventive step' - the effort necessary to bring an invention to commercial production - is a good guide to future value, so that policies that encourage inventive steps are likely to enhance an invention's economic value.

(duration: 1/4/2008 - 31/3/2011). FP7 Socio-economic Sciences and Humanities, Activity 6 "Socio-economic and scientific indicators", Research area 6.2 "Developing better indicators for policy". Collaborative project (small and medium scale focused research project).

See: <http://www.innost.unibocconi.it>

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Towards more reliable measurements of poverty and social exclusion in Europe

November 2011

Only the most accurate and reliable methods to measure poverty and social exclusion in Europe should be used to inform policy. By following a set of recommendations developed by the EU-funded **AMELI** research project, policy makers can now make sure they extract the maximum benefit from estimates of social exclusion, known as Laeken¹ or poverty indicators.

Poverty indicators can vary in complexity, by taking into account different variables (i.e. personal income, perception of health), and by estimating poverty in absolute terms or relative to a specific value or point in time. They are calculated using complex methods that estimate a parameter (such as the poverty gap or the at-risk-of-poverty rate) based on the statistical distribution of an 'actual' measured variable, such as personal income. Therefore, indicators are approximations of a given parameter and are useful for visualising an extremely large dataset.

The AMELI project compared poverty estimates for Europe based on a range of available state-of-the-art poverty indicators, all calculated from data about income and living conditions in Europe collected during the extensive EU-SILC surveys². The researchers focused on poverty estimates for population subgroups at the regional scale, known as Small Area Estimation.

As well as optimising the method that should be followed when each indicator is used, the researchers highlighted the importance of understanding the uncertainties linked with their estimation in order for policy makers to apply the results accurately.

Policy recommendations

- Improve communication between poverty data providers and data users, particularly about estimated errors in the data, in order to lead to more accurate interpretation. Approximations of error should be given in all cases.
- Take into account how the data are collected and prepared when using indicator data for policy decisions to avoid misinterpretation.
- Improve robustness of social indicators to identify long-term trends in the data as well as natural variation in the short-term.
- Consider small area estimations in European policy as well as over a larger area, i.e. global indicators.
- Increased collaboration across disciplines, including sociology, economics and statistics in the production, interpretation and application of poverty indicator data.

Statistical fine-tuning

One of AMELI's first objectives was to agree on a common definition of social exclusion, to ensure consistency between estimates for different countries in Europe. This involved compiling results from previous studies using poverty indicators, such as the Luxembourg Income Survey, the ECHP and the EU-SILC surveys.

The researchers examined the sensitivity of each state-of-the-art indicator to variations in the complex sampling designs and statistical methods used. 'Goodness of fit' tests against the real data gave an estimate of the performance of each indicator in terms of accuracy, potential bias, how well it represented progress over time and how it was able to deal with contamination of the data (i.e. extreme outliers). By fine-tuning the methods, the researchers

found a more appropriate statistical methodology for each indicator under different conditions and survey designs. For example, each indicator should be able to be used reliably to detect a trend in any European country, while still allowing for variability between countries.

Detailed analyses of statistical tests and the outcomes for each indicator are presented in a series of reports available on the website. For some applications, such as estimating the poverty gap, the researchers found that increasing the complexity of the modelling of income did not necessarily improve the accuracy. In others, the default approach generally used yielded results of poor quality, which could be significantly improved by fine-tuning the statistical methods.

The AMELI participants (from Austria, Estonia, Finland, Germany, Slovenia and Switzerland) also analysed the most effective ways to visualise indicator data for use by policy makers. Maps are generally the favoured tool but indicator data can also be illustrated in the form of checker plots, sparklines, mosaic plots and star plots, some of which allow the visualisation of more than one indicator at the same time.

Despite being focused on poverty indicators, many aspects of the AMELI project, particularly the recommendations on statistical analyses, can be applied to other policy areas, therefore providing a model EU framework for all indicator-based studies.

References

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AMELI

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(duration: 1/4/2008 – 31/3/2011). FP7 Socio-economic Sciences and Humanities, Activity 6 “Socio-economic and scientific indicators”, Research area 6.2 “Developing better indicators for policy”. Collaborative project (small and medium scale focused research project).

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Assessing quality of European socio-economic research: Towards a new prototype

July 2011

A new framework is emerging to help scholars, university administrators and funding bodies assess the quality of research publications covering social sciences and humanities (SSH). The preliminary framework, which was developed by the **EERQI** research project, should offer a more comprehensive and accurate way of judging the relevance of research publications in a multi-lingual world. The EERQI consortium is convinced that the framework has the capacity to raise the worldwide visibility of European research.

To appreciate the significance of EERQI's assessment framework prototype, one must first be acquainted with the limitations of conventional assessment methods. Traditionally, assessing the quality of SSH research publications has meant measuring citation frequency and weighing journal impact factors. According to the EERQI project, the customary use of these methods is biased in three significant ways:

- US publishing houses are over-represented.
- English is hugely over-represented as a language for publication.
- The approach to text production is rooted in the natural sciences and is not appropriate for SSH research.

These biases, which are imbedded in the traditional ranking method of quality assessment, are hugely unfavourable for European sciences and institutions, the consortium argues. The method produces an evaluation context in which individual European researchers and institutions are simply ignored. It also brackets out important subject domains and puts entire languages at a severe disadvantage. Motivated in part by "the need to remedy the inadequacies of this situation", the initiators of the EERQI project set themselves the task of helping to adjust research quality indicators and methodologies to the European context.

As a starting point, the project decided to narrow its focus to research in educational science. The consortium operated on the assumption that educational science and research is "prototypical for vast areas of the whole field of Social Sciences and Humanities". Education research was thus deemed to manifest characteristics of knowledge production that are also found in other SSH disciplines. As with other SSH subject areas, education research was considered by EERQI to be a field where existing methods of quality assessment "are not valid because they do not measure what they claim to measure".

Illustrating the above mentioned language bias in the traditional ranking approach to quality assessment in scientific publications, the project noted that 89% of relevant education research journals included in the Social Sciences Citation Index (SSCI) are in English – see Table 1.

Table 1: Languages covered in SSCI-ranked educational research journals

Language	Number of journals	Shares (%)
English	179	89
German	5	2.5
Spanish	4	2
Turkish	4	2
Multilingual	3	1.5
Croatian	1	0.5
Italian	1	0.5
Japanese	1	0.5
Portuguese	1	0.5
Russian	1	0.5
Slovenian	1	0.5
Total	201	

Source: Prof. Dr. Ingrid Gogolin (2010), *EERQI State-of-the-Art Report*¹

The researchers observed that nearly the whole ‘Romanic-speaking’ research area – particularly the French-speaking world – is missing from the SSCI grid. Obviously, that omission limits the SSCI’s ability to capture the full range of education research publishing found in Europe.

Among some of the helpful tools developed by EERQI that do address this kind of limitation is a multi-lingual web-based search engine (<http://www.eerqi.eu/page/eerqi-searcher>). The methods utilised by this search engine are useful for educational research document retrieval and are also transferrable to other fields. Moreover, the search engine’s multilingualism could serve as a model for European search engines in general.

In addition to creating a searchable content base representing a more complete range of education research texts, EERQI developed sophisticated instruments to assist quality assessment efforts. These instruments were designed to support the process of detecting research quality in texts and to make the evaluation process more transparent. During the initial stages of the project, the researchers determined that there are two basic types of textual quality indicators: those external to the text, such as bibliometric (e.g. citation analysis and content analysis) and webometric features, and those that are internal (signals given within the words, graphs and metaphors, for example).

Thanks to EERQI, the task of identifying these indicators in education research texts can now be approached systematically. The EERQI toolbox offers two essential instruments – the Peer Review Questionnaire and Automated Semantic Analysis – for identifying quality in research texts. Learning to use these instruments properly may require some detailed instruction (exceeding the scope of this article), but the increased prospect of detecting quality more than justify the effort.

The EERQI researchers stress that their framework should be regarded as a prototype, and they admit that the project only “scratched the surface” of a monumental task. However, the project has taken us one step further in the ongoing quest to use correct tools to assess the quality of EU research in the socio-economic sciences and humanities.

References

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EERQI

European educational research quality indicators

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See: <http://www.eerqi.eu/>

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Sharing healthcare costs in Central and Eastern Europe: The quest for fair and sustainable policies

April 2011

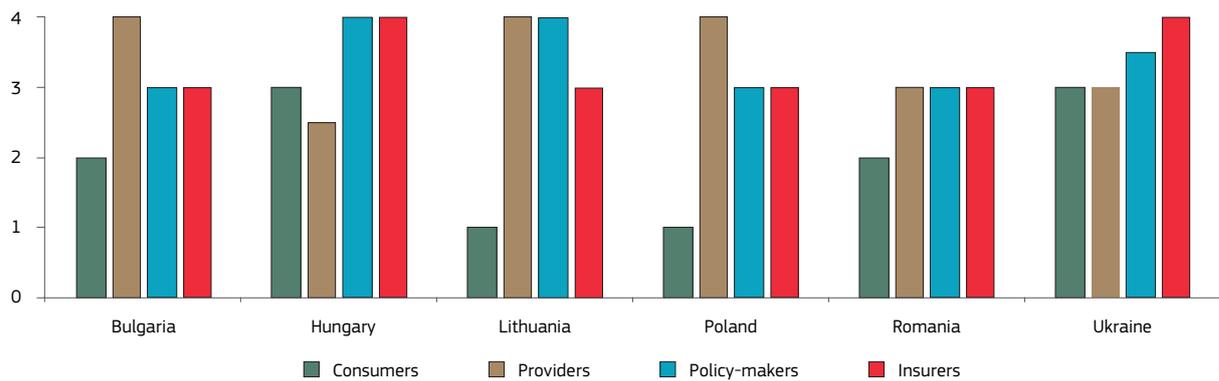
Striking the right balance between providing healthcare services and paying for those services is a challenge for all societies. In Central and Eastern European (CEE) countries, this challenge is complicated by a mix of formal and informal patient payments that have evolved through decades of political change. In order to assess the patient payment policies in the region, the European Union launched a major collaborative research project a few years ago known as **ASSPRO CEE 2007**. Preliminary results from the project show just how diverse payment policies are in CEE states, and why any effort to change those policies should be approached with considerable caution.

The ASSPRO research project is analysing the efficiency, equity and quality effects of patient payment policies in six countries of the CEE region. Five of these - Bulgaria, Hungary, Lithuania, Poland, and Romania - are EU Member States, and one - Ukraine - is on the European Union's eastern perimeter. What all of these countries have in common (to greater or lesser degrees) is a tradition of patients paying informally for healthcare. These can be voluntary or involuntary cash payments or payment in kind rendered to both medical staff in hospitals and physicians in polyclinics. As the ASSPRO consortium reminds us, the practice is strongly associated with healthcare provision in former socialist countries, although it is sometimes also seen in prosperous parts of Western Europe.

Informal patient payments are highly problematic from a policy perspective. They distort the healthcare system in numerous ways: by jeopardising efficiency, undermining equity and ultimately compromising the quality of healthcare. Indeed, the ASSPRO researchers make it quite clear that informal payments constitute a threat to public health. The most serious risk associated with these kinds of payments is that patients who cannot afford them may postpone or forego medical treatment.

Those who live in a system where informal patient payments are common may concede that the practice is less than ideal. But changing that system and introducing a viable alternative can be extremely difficult. One reason is that the practice tends to be culturally embedded. Beyond that, its persistence is frequently attributed to a chronic lack of resources for healthcare provision. Taking this into account, the researchers decided to survey the attitude of different healthcare stakeholders toward the idea of introducing (or expanding) a system of formal patient fees. The results (see Figure 1) show considerable differences in attitude among healthcare consumers, providers, policy makers and insurers.

Figure 1: Support for formal patient fees by country (median values)



0 = strongly oppose, 1 = oppose, 2 = neither support/oppose, 3 = support, 4 = strongly support

Source: ASSPRO CEE 2007 European Policy Brief: Patient payments in Central and Eastern Europe: The opinions of health care stakeholders (forthcoming).

In all six countries examined, the research reveals that healthcare consumers are the group who least support formal patient fees. This is especially true of Lithuania and Poland, regarded as economically advanced CEE countries. Healthcare providers, insurers and policy makers, on the other hand, generally favour formal fees, regardless of what country they happen to be in. Interestingly, the researchers note that stakeholders across the board are united in doubting that official fees can reduce or eliminate informal patient payments. This is especially visible in the case of Bulgaria, where official fees for healthcare services were introduced a decade ago but informal payments for such services continue to exist.

While the ASSPRO team acknowledges differences in the specific policy context of each country examined, the consortium has succeeded in formulating a number of insights aimed at providing policy makers with guidance on this vital issue. The following suggestions (slated for inclusion in a forthcoming ASSPRO Policy Brief) are addressed to policy makers at the European level:

- Encourage countries to improve governance and accountability in their healthcare sectors and urge them to create a transparent system of monitoring and control with regard to both healthcare use and payments for healthcare services.
- Develop professional codes of conduct related to non-medical activities of physicians and other health professionals at the European level, where the request or acceptance of any informal payment (either in cash or in kind) is banned. This ban should extend to gratitude payments.
- Establish instruments to increase awareness among European patients, physicians and policy makers about the negative effects of informal patient payments. Promote patients' rights, particularly the right of access to healthcare services of adequate quality with no informal charges or gratitude payments.
- Promote research on the measurement of corruption in the healthcare sector in general and on informal patient payments in Europe in particular. This research should combine quantitative and qualitative research methods from a broad range of fields related to socio-economic science and humanities.

ASSPRO CEE 2007

Assessment of patient payment policies and projection of their efficiency, equity and quality effects. The case of Central and Eastern Europe

(duration: 1/3/2008 – 28/2/2013). FP7 Socio-economic Sciences and Humanities, Activity 6 “Socio-economic and scientific indicators”, Research area 6.2 “Developing better indicators for policy”. Collaborative project (small and medium scale focused research project).

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New indicators on EU poverty at local level

February 2011

Existing figures on poverty and living conditions in the European Union are not statistically reliable for small areas such as Local Administrative Units (LAUs). The **SAMPLE** (*Small Area Methods for Poverty and Living Condition Estimates*) research project has suggested new indicators, such as levels of debt, quality of housing and ability to access services, as additional measures for estimating poverty and living conditions at the local level.

Currently, the main source of estimates on poverty is the EU-wide Survey of Income and Living Conditions (EU-SILC)¹ run by Eurostat. However, these estimates are not well-suited to areas as small as individual municipalities or city districts. SAMPLe recommends improving their usefulness by identifying and developing new indicators and by linking EU-SILC survey data with information compiled by local government agencies. Researchers in the SAMPLe project are also developing robust methods of applying these indicators at the local level throughout the EU.

Local government agencies often collect large amounts of data on social exclusion and deprivation in order to monitor their activities tackling inequality within society. For example, they hold data on social security and unemployment claims and also on a range of benefits requested by households and citizens. SAMPLe researchers took the EU-SILC data for Tuscany (Italy) which showed that 15.8% of households had an income below the poverty level, and combined it with more detailed regional data on unemployment and poverty.

Researchers then surveyed 690 stakeholder organisations, including local authorities, health authorities, trade unions, counselling centres and immigrant associations, on the importance and relevance of the main poverty indicators, such as the Laeken indicators used by EU-SILC. Of the respondents, 37.3% were public institutions and 62.7% were private 'not-for-profit' organisations. Using questionnaires and expert panels, SAMPLe surveyed respondents' current perceptions of poverty in their areas, how these have changed over time and their methods of recording and managing data.

The survey showed that:

- Unemployment was seen by 86.4% of respondents as either very or somewhat relevant as an indicator of poverty.
- Inequality in income distribution was regarded as a better indicator of poverty (83.9%) than actual income (74.3%).
- The relevance of health as an indicator yielded mixed results: 55.1% thought it was somewhat or very relevant while 44.9% thought it was somewhat or very irrelevant.
- The majority (65.3%) of the respondents considered school drop-out rate as somewhat or very relevant, while 33.7% thought it was not very relevant as a measure of poverty.
- Quality of housing was viewed as somewhat or very relevant by 86.7% of respondents.

A comparison of these indicators of poverty showed that they were seen as having the following order of importance: problems with housing, unemployment, income inequality, income, school drop-out rate and state of health.

New indicators proposed by the survey participants include: levels of debt, quality of food, difficulties in paying for utilities, and access to services. Most respondents (68.2%) felt that the existence of indicators at the local level could be very useful for social policy planning, and the vast majority (90%) were of the view that an observatory to monitor poverty, vulnerability and social exclusion would be somewhat or very useful.

The researchers are exploring the feasibility of applying the same methods in regions of Poland. The SAMPLe project's final goal is to provide a toolkit of reliable indicators of poverty and deprivation which will prove useful for local government agencies. By integrating official data on poverty with stakeholders' views, the ultimate aim is to establish

a permanent observatory of poverty and social exclusion. SAMPLE will produce its final report in March 2011, which will be available to download via the project website: <http://www.sample-project.eu>.

References

¹ See: http://epp.eurostat.ec.europa.eu/portal/page/portal/microdata/eu_silc

SAMPLE

Small Area Methods for Poverty and Living Condition Estimates

(duration: 1/3/2008 – 28/2/11) is a Specific Targeted Research Project, funded under the 7th Framework Programme for Research of the European Union, Thematic Priority 6 – Socio-economic and scientific indicators.

See: <http://www.sample-project.eu>

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New tools to improve statistical data for policy

January 2011

Those who produce statistical data for policy making typically adhere to very high quality standards, yet there is always room for improvement. One area of concern involves the representativity of statistics derived from survey samples and registers. Simply looking at response rates may not provide a clear picture of how representative the statistics are of what they are measuring.

In order to improve the quality of statistical data from surveys and registers, the **RISQ** research project, a consortium of European researchers, is advocating the use of special methodological tools known as 'R' (representativity) indicators. These indicators can be used to assess levels of data quality more effectively. Importantly – especially for international policy coordination – the research suggests that the levels of data quality produced using this method can be used as benchmarks for comparing different data sources, including those from different EU Member States.

Involving researchers from the national statistical institutes of The Netherlands, Norway and Slovenia, with input from the universities of Leuven (Belgium) and Southampton (UK), the RISQ project specifically aimed at improving the scientific evidence base for statistics based on surveys and registers. By developing open-source software integrating R-indicators, the project goes beyond the theoretical level, offering companies and institutions the means to produce high quality statistics more efficiently.

Though somewhat technical in nature, the methodology advocated by the RISQ researchers focuses on properly assessing the phenomenon of 'non-response' (i.e. the incidence of not providing any answer to a survey request or query). Non-response, as the consortium observes, has two main consequences. First of all, it logically reduces the sample size, thereby decreasing the precision of the estimates. Second, it affects the sampling design. Sampling design is driven by theories of probability which are extremely important for generating meaningful survey data. As the researchers explain, "the probability to obtain an observation depends on both the selection probabilities specified in the sampling design and the unknown probabilities of responding." It is on these 'probabilities of responding' that RISQ has focused its attention, proposing R-indicators as a way of reducing non-response bias in survey data.

Unfortunately, non-response bias is not eliminated by a high response rate. Indeed, even if a survey does have a high response rate, there can still be a high non-response bias if there are big differences between those who respond and those who do not respond. So while precision may be directly related to response rate, bias is a function of both response rate and the extent to which respondents and non-respondents differ.

By helping to reduce this non-response bias, R-indicators are a tool to help produce more accurate statistical data. Helpfully, RISQ has provided the tools for applying these indicators to many different kinds of data that are used by policy makers on a routine basis. Software for this purpose is now available on the project website (<http://www.risq-project.eu/index.html>) and the researchers have plans to continue developing the programs in the future.

After successfully testing its tools on multiple surveys in different countries, the RISQ consortium concluded that:

- "potentially the method using R indicators can be extended to many other surveys and register based statistics and thus improve the underlying evidence base for many different policies".

The researchers note that their findings could be:

- “especially useful for those managing surveys and registers as well as for policy makers that use survey or registry data to inform their decisions”.

RISQ

Representativity Indicators for Survey Quality

(duration: 1/3/2008 – 30/6/2010) was a Specific Targeted Research Project funded under the 7th Framework Programme for Research of the European Union, Thematic Priority 6 – Socio-economic and scientific indicators.

See: <http://www.risq-project.eu/publications.html>

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Crime and confidence: The benefits of trust

September 2010

For criminal justice systems to function properly, the public must have confidence in the *institutions* of justice. In other words, they must trust that their police and justice officials are exercising legitimate authority. Efforts to build this kind of confidence could yield significant dividends for European societies. Potential benefits include increased compliance with the law and a greater sense of public security. Those are among the key propositions being explored by the ongoing research project EURO-JUSTIS (previously JUSTIS).

Co-financed by the European Union's FP7 Research programme, **EURO-JUSTIS** is developing tools to enable "evidence-based assessment of public trust in justice and feelings of security across Europe". At the heart of the project is an effort to create a standardised system of scientific indicators that will measure confidence in criminal justice and public feelings of security. These questions, which are being integrated into the 30-country European Social Survey, are designed to yield indicators of trust that will serve the specific needs of European Union institutions and Member States.

Led by the Institute for Criminal Policy Research at King's College London, the EURO-JUSTIS research consortium argues that fresh indicators are needed to improve crime policy in anticipation of a number of 'rapid' changes in European society. Economic change, population flux, and shifting patterns of migration and immigration are expected to impact upon European crime levels and social stability, the researchers say; in this altered socio-economic environment, maintaining commitment to the rule of law will become "a growing challenge".

One of the main hypotheses being tested by the project is that public trust in the institutions of justice generates compliance with the law. This notion, rooted in procedural justice theory, assumes that if people regard their institutions as legitimate, they will grant those institutions the right to dictate appropriate ways to behave. The public will then obey the law because they feel that complying with the authority that enacted them is the right thing to do. If, despite that, people see the police and justice officials acting unfairly, they are likely to become cynical about the rule of law.

The researchers note that the procedural justice model (associated with the work of Tom Tyler) has been explored primarily in English-speaking cultures and has not yet been sufficiently tested in the kind of multi-cultural societies found in continental Europe. EURO-JUSTIS aims to correct this knowledge deficit, asserting that "belief in the legitimacy of formal authorities" may be a powerful mechanism for normative compliance with the law.

Data for testing the project's hypotheses are being gathered through a series of public surveys. On the basis of pilot surveys conducted in Bulgaria and the UK, the researchers have developed a series of 45 questions focusing on people's attitudes toward the police, the courts and punitivity. These questions have now been integrated into a 'trust in justice' module of the European Social Survey (ESS), a critically important vehicle for collecting policy-relevant information for governments and judicial authorities in over 30 countries.

Fieldwork for the next round of the ESS is scheduled to begin in September of this year, with data expected to be ready for analysis in the autumn of 2011. The EURO-JUSTIS consortium says that with the inclusion of the project's justice module, the ESS will constitute a unique resource for monitoring public trust and perceptions of institutional legitimacy across Europe.

(duration: 1/3/2008-28/2/2011) is a Specific Targeted Research Project funded under the 7th Framework Programme for Research of the European Union, Thematic Priority 6 – Socio-economic and scientific indicators.

See: <http://www.eurojustis.eu/>

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Get to the POINT: who uses indicators?

May 2010

To what extent do indicators of sustainable development (SD) influence policy making? Do policy makers have the indicators they need to make sound decisions about sustainable development? Do they make good use of the ones that they do have? What influences policy makers' 'use' of indicators? Would better indicators lead to better policies – and possibly avoid errors of judgement by policy makers and lead to better sustainable development policy making? These are some of the critical, but under-examined questions being explored by a multinational EU-supported research project called POINT.

Pooling intellectual resources from nine institutions in six EU Member States, POINT aims to fill basic gaps in our knowledge about the role of indicators in policy making. Preliminary findings from the project suggest that contextual factors (such as the *will* to make use of indicators, *caring* about the need to go beyond narrow economic indicators, such as GDP and *understanding* what SD indicators are and where they have come from) play crucial roles in determining how indicators are constructed and used.

Recognising the global relevance of its subject matter, POINT seeks to 'recommend ways to enhance the likelihood that indicators indeed contribute seriously to the process of policy making for sustainable development'. One of the first steps suggested for achieving this goal is to persuade policy makers to make more effective use of indicators already at their disposal. At the moment, the researchers contend, most policy makers do not use indicators in any 'direct, instrumental' way despite the often-repeated-rhetoric used by politicians and others regarding the importance of making policy more evidence-based. While some parties may indeed use indicators in that manner, according to the POINT consortium this is 'rather an exception than the rule'. POINT identifies factors at play in the use of indicators by policy makers; they are, however, but one factor amongst many influences. Quoting an OECD declaration from 2007, the project highlights the need to promote a 'culture of evidence-based policy making' in parallel to the development of new measures. Indicators seem to condense complex datasets into easily understandable and digestible 'bites' of information which should provide a valuable input to this.

Among the methods being used to test POINT's propositions is the interactive workshop. Data gathered in workshops in six representative EU countries (Belgium, Malta, Finland, Slovakia, Denmark and the UK) appear to support the hypothesis that 'will' – among policy makers, stakeholders, and indicator producers – to produce bridges between them influences both the creation and use of indicators. The data also indicate the importance of the related issue of 'caring'. As noted in the project's initial policy briefing document: 'There is little point in creating indicators (no matter how good the methodology and technical concept) if people do not care about them.'

Encouragingly, the Finnish government has incorporated the issue of 'caring' into an indicator-based policy making initiative. Using input from a POINT consortium member, the government's initiative is said to 'link the producers and the consumers of indicators by adapting the presentation of the indicators to the wishes and capabilities of the "clients"'. At the same time, however, the POINT researchers are quick to concede the limitations of an adaptive approach in measuring the progress of societies. GDP, for example, may be inappropriate as 'a metric for societal well-being', but the consortium admits 'there is no guarantee that a more appropriate measure of societal progress would not fall prey to the same problems of misuse and misinterpretation as GDP'.

In fact, when it comes to the thorny issue of 'use and non-use' of indicators, the academic community is far from arriving at a common understanding of the problem. Nonetheless, judging from a 2009 World Forum address by OECD Secretary General Angel Gurría, the risks associated with inappropriate use of indicators seem clear. In that speech Gurría suggested that inappropriate use of indicators "can lead to biased analysis, wrong policy targets and

can be damaging both to the credibility of political action and to the very functioning of democracy". The secretary general's statement highlights the need to continue the kind of research being pursued by POINT.

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POINT

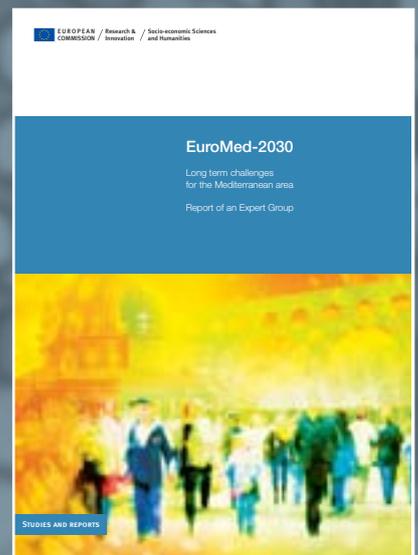
Policy Influence of Indicators

(duration: 1/4/2008 – 31/3/2011) was a Specific Targeted Research Project funded under the 7th Framework Programme for Research of the European Union, Thematic Priority 6 – Socio-economic and scientific indicators.

See: <http://point.pbworks.com/>

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Foresight activities





MEDPRO - Arab Springs spark rethink of EU Policy

June 2012

In 2010-2011, the Arab Springs marked a dramatic turning point in the histories of many Middle Eastern and North African countries, beginning a transition from repressive autocratic rule to democracy. Cooperation in the region could now go in a number of directions, according to the **MEDPRO** research project, but the EU needs to update its relations with the region and leave behind its 'business as usual' approach of the last few decades.

For many decades, the EU settled for cooperation with authoritarian regimes in the Southern Mediterranean (collectively referred to as the MED11 region¹), seeing no credible prospects for radical threats to political stability. However, what seemed like stability was in fact stagnation and repression, say the MEDPRO researchers. Respect for human rights, quality of health care, education and natural resources in those regions deteriorated, while unemployment and poverty increased. Economically, the MED11 region accounted for just 2% of global GDP in 2010.

In the aftermath of the Arab Spring, MED11 governments will have to manage a number of socio-economic and sustainability challenges, including trade liberalisation, attraction of foreign investment, modernisation of infrastructure and management of natural resources. Against this backdrop of major change in the MED11, it is also critical that the EU adapts its policy approach to the region. However, the commitments required to meet these challenges remain embedded in outdated policy approaches, according to MEDPRO.

Scenarios for change

In their first research phase, the MEDPRO researchers, coordinated by the Centre for European Policy Studies in Brussels, highlighted commonalities and differences between MED11 countries in four main areas of socio-economic development:

- Geopolitics and governance.
- Demography, ageing, migration, health and gender issues.
- Sustainable development, management of resources, adaptation to global warming, energy and climate change mitigation.
- Economic development, trade and investment, financial services, capital markets and human capital, education and development of skills.

In general, the region shows a distinct lack of integration with divergences in some key areas, notably in annual GDP (PPP) per capita between Israel (high income group - over US\$ 27,000), Lebanon, Libya and Turkey (upper middle income group - over US\$ 11,000) and the rest of the region, belonging to the lower middle income group.

The MEDPRO researchers then formulated three possible contexts to assess how socio-economic development in these areas and cooperation with the rest of Europe might evolve from the present situation until 2030:

Red transition – 'Euro-Med region under threat'

- Most disastrous scenario.
- The EU is unable to achieve cooperation in key sectors, i.e. agriculture, research and education, migration, security and energy.
- Mounting socio-economic difficulties, political uncertainties and exacerbated tensions provide opportunities for terrorist organisations and radical movements to take hold.

Green transition – ‘Euro-Mediterranean common union’

- Best-case scenario.
- Union for the Mediterranean (UfM)² is seen as a mechanism to revive trans-Mediterranean relations.
- Integrated union with a common market is established, following the European Economic Area (EEA) model.
- Current tensions and conflicts in the Euro-Med region are settled.
- Emergence of a tri-polar world (United States, China and Euro-Med).

Blue transition – ‘Euro-Mediterranean alliance’

- Looser integration with the EU and Northern Mediterranean countries on one side and Southern Mediterranean countries on the other.
- EU enlargement policy becomes obsolete as Southern Mediterranean countries do not join the EEA. However, they sign an Alliance Treaty with Europe under a new UfM framework.
- Related countries and sub-regions within the North and South work in association towards the same aims of peace, security and sustainability, but as distinct geographical regions in a multi-polar world.
- It is likely that current Arab-Israeli and Western Sahara conflicts are not resolved.

What does this mean for the EU?

Before the Arab uprisings, a ‘business-as-usual’ scenario prevailed in the EU, characterised by partial Euro-Mediterranean cooperation. However, these policies did not succeed in driving the region towards a sustainable future. Adapting these policies has become even more important in the political uncertainty following the uprisings.

Early signals are that the MED11 region is veering towards more divergence, with significant hope for achieving state sustainability but no clear target or direction. The EU’s stance as reflected in the European Commission’s Communication on ‘Partnership for Democracy and Shared Prosperity’³, issued in March 2011 and later followed by ‘A New Response to a Changing Neighbourhood’⁴, issued in May 2011, has been generally muted, with no major change predicted in the region’s state of affairs, according to the project.

Initial policy recommendations:

The aim of the ongoing MEDPRO project is to help the MED11 reform process as well as provide deeper insight into the different policy options available for the EU, as represented by each of the above scenarios. The first stage of the research suggests that help provided by the EU to its neighbours could include:

- Financial assistance.
- Targeted support for developing and sustaining political parties.
- ‘Mobility partnerships’ to better manage migration flows.
- Free trade agreements to open the door to the EU’s single market.

By integrating partner institutions from Europe and the Southern Mediterranean (Belgium, Poland, Cyprus, Italy, France, Egypt, Spain, Greece, Tunisia, Palestine, the Netherlands and Germany), MEDPRO aims to reinforce Euro-Med research links in terms of the long-term outlook for the region.

The dissemination effort undertaken by the consortium will also reinforce the project’s impact by means of a trilingual website (see: <http://www.medpro-foresight.eu>), media appearances, external events and published materials, such as flyers, policy briefs with final policy recommendations, peer-reviewed papers and regular newsletters.

References

- ¹ MED11 region is defined as the group of ten countries of the Middle East and North Africa participating in the Barcelona process (Algeria, Egypt, Israel, Jordan, Lebanon, Libya, Morocco, Palestine, Syria, Tunisia) plus Turkey.
- ² See: <http://www.ufmsecretariat.org/en/who-we-are/>
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(duration: 1/3/2010 – 28/2/2013. FP7 Socio-economic Sciences and Humanities, Activity 7 “Foresight activities”, Research area 7.1 “Wide socio-economic foresight on key challenges”. Collaborative project (small and medium scale focused research project).

See: <http://www.medpro-foresight.eu/>

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AUGUR: Routes to financial recovery in Europe

March 2012

The major global financial crisis, into which Europe plummeted in 2008, showed the existing framework of banking regulation to be vulnerable. The **AUGUR** research project explored possible scenarios for Europe's economic, social, political and environmental position in 2030, and produced a set of recommendations to policy makers on how to tackle the deficiencies in the banking sector. The key is greater cooperation at the international level and 'macroprudential regulation'.

The banking crisis in 2008 is mainly attributed to the excessive build up of debt across the financial system, miscalculation of risk and overreliance on unstable, short-term funding (non-core liabilities) rather than actual cash flow (core funding). Since 2008, the danger posed by financial institutions previously deemed 'too big to fail' has been widely recognised.

It is now accepted that countries should avoid the situation where they are forced to bail-out such institutions. An overhaul of banking regulations is seen as essential to regain stability and to improve the way risk is managed in the long-term. But the important question is *what could these changes look like in Europe?*

As part of the AUGUR project, an international team of researchers explored a range of feasible scenarios on how regulation of the financial sector could take shape by 2030 and the role of international cooperation.

What is the best strategy for Europe?

The key to overall financial stability, according to AUGUR, is effective 'macroprudential' regulation. It requires a level of international cooperation which is consistent with the level of financial integration. This means addressing the stability of the financial system as a whole as well as the stability of individual financial institutions (i.e. banks, building societies, mortgage loan companies and insurance firms).

Such an approach has been proposed before but is still not fully addressed under the Basel Committee Doctrine III¹, which is the international regulatory framework set up in 2009 in response to the financial crisis.

The implication of macroprudential regulation is increased supervision of the financial sector by Central Banks, taking into account the systemic risk induced by 'herding behaviour' of financial actors. This may imply increased coordination at the international level. Depending on the extent to which a macroprudential approach is taken, the AUGUR researchers envisage four possible scenarios for the future of finance in Europe in 2030:

- **Reduced government** – Multinational corporations take advantage of competition between national governments which seek to become more attractive by reducing their regulatory standards. The debt issue leaves most governments with very little room for manoeuvre.
- **China and US intervention** – The world of finance is dominated by two super powers which dictate key global finance regulations. This scenario would likely result in two different and competing models
- **Regionalisation** – Economic spaces are created at the regional level and governed by common financial regulations. Regions include the EU and NAFTA (North-American Free Trade Agreement) but also new groupings, for example in Asia.
- **Multi-polar collaboration** – Major world economies reach an agreement to create a World Financial Authority to regulate financial markets worldwide.

The first scenario could lead to fragmentation by allowing sovereign states to regulate their own financial services. This 'reduced government' scenario would be a retrograde step in terms of financial stability.

The 'regionalisation' scenario represents a step-wise progression towards the best-case scenario, which is better allocation of capital and distribution of risk through a multi-polar (global) governance system. The level of coordination required, and the fact that the regions should be of sufficient size to adequately maintain and govern financial stability, means that the most realistic scenario by 2030 is regional regulation of financial institutions.

In order to make progress towards the regional or even multi-polar solution, the AUGUR researchers make the following policy recommendations:

- **Macroprudential policy tools** – Develop new instruments to act as early warning indicators of instability, e.g. monitoring the ratio of non-core liabilities to core funding could gauge potential vulnerability.
- **Levy on non-core liabilities** – Impose a levy or a tax on the non-core funding that makes banks vulnerable, to limit systemic risk. This would have the effect of an automatic stabiliser while leaving the essential functioning of the financial system unaffected.
- **Liquidity management** – Increase the amount of core funding (cash) banks are required to hold, to protect themselves against the risk of unexpected loss. This amount may vary with the level of economic activity in order to support reasonable growth rates.
- **International cooperation** – Establish a degree of coordination in line with the degree of financial integration necessary, to avoid international regulatory arbitrage.

What's next for the project?

In the closing months of the project, the AUGUR team will further explore the links between Europe's financial future and their projections for Europe in other sectors, including politics, society, trade, transport, the environment and technology. The development of these sectors and particularly of emergent markets, such as green technology and climate change adaptation, are likely to be underpinned by the financial situation in the coming decades, and the extent of regional or international cooperation.

However, the problem is that stability in the financial sector is difficult to predict since, experience tells us, the sector is vulnerable to a wide range of shocks. The question now is whether BASEL III, ratified at the G20 meeting in Seoul (November 2010), can meet the challenge of global stability by incorporating macroprudential innovation, which has previously fallen between the gaps in the regulatory system, and the extent to which this regulatory standard will be implemented by local regulators around the world.

Although the ideal outcome is a multi-polar macroprudential approach, we are also yet to see how far countries are willing to allow international governance of their finance sectors and, therefore, at which level (national, regional, European or international) a solution will emerge.

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- ¹ International regulatory framework for banks (BASEL III). See: <http://www.bis.org/bcbs/basel3.htm> and, for an abstract: <http://www.bis.org/bcbs/basel3/b3summarytable.pdf>

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See: <http://www.augurproject.eu/>

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Harnessing IT to enhance foresight activities

November 2011

Research plays an essential role in addressing the complex socio-economic challenges facing Europe today. But it also performs a forward-looking role, helping us anticipate (and perhaps avoid) problems that could occur in the future. The EU-sponsored research project **iKNOW** (*Interconnecting Knowledge*) has been exploring the potential of networked information technologies to support this foresight activity. The results suggest that exploitation of internet-based information platforms can substantially enhance the efficiency of forward-looking activities in general.

Even the most sophisticated extrapolation models cannot prepare us for unforeseen reconfigurations of socio-economic variables - much less offer guidance on how to cope with them. Yet policy makers need to be prepared for all eventualities, including those that may seem far-fetched. That is why the European Commission and other institutions allocate resources enabling experts from a broad range of fields to engage in policy-relevant foresight activities.

These experts assiduously scan the horizon for subtle signs of change ('weak signals') and contemplate a range of possible (if unlikely) 'wildcard' scenarios.

Wildcards are defined as "situations/events with perceived low probability of occurrence but potentially high impact if they were to occur". Weak signals, meanwhile, are described as "unclear observables warning us about the probability of future events (including wild cards)".

The international team working on the iKNOW project are demonstrating how publically accessible IT networks can support such foresight activities. At the launch of the project in late 2008, iKNOW set out to "advance knowledge and tools related to events and trends potentially shaping - and shaking - the future of science, technology and innovation (STI)". The EU-relevant themes represented in the iKNOW platform include: health, agriculture, information communication technology (ICT), nano-science, energy, the environment, transport, social sciences, space and security.

The team of eight partners, coordinated by the Manchester Institute of Innovation Research, created a powerful interactive internet-based platform (<http://wiwe.iKNOWfutures.eu/>). A multifaceted web portal, the site has not only become a dynamic depository for foresight-related knowledge, it has also succeeded in stimulating dialogue among researchers and policy makers on a broad range of European themes.

According to the iKNOW website, the wildcards and weak signals (referred to jointly as WI-WE) "implore us to consider alternative interpretations of an issue's evolution to gauge its potential impact". The iKNOW project exploits web-based technologies to identify WI-WE phenomena (using deep search techniques); invites users to reflect on their meaning; captures user input and offers expert interpretation

Conceived as a contribution to European Commission efforts to build an 'early warning system' regarding future challenges and opportunities, the iKNOW platform seeks to provide policy makers with sound and strategic information and generate timely debate. The 'Library' section of the project's website allows visitors to access hundreds of internal and external documents dealing with the themes outlined above and many more besides, reflecting the broad scope of the project's WI-WE tracking component.

Among the more thought-provoking documents in the library are the ten iKNOW Policy Alerts dedicated to different wildcards. No more than four pages in length and following a standard format, the iKNOW Policy Alerts take us through the implications of various scenarios, rating the wildcard's potential impact on Europe in eight broad policy

categories (from the environment and ecosystems to infrastructures) on a five-point severity scale. Most of the wild card scenarios were inspired by group discussions and brainstorming sessions during iKNOW workshops.

Among the iKNOW Policy Alerts, one can find for example the “Scientists up for murder as ethical issues are abolished”, the “Universal electronic systems breakdown”, the “Outburst of the black economy” and the “Abrupt disintegration of the Euro Zone”. As with all documents in the series, the latter provides an overview of potential impacts (e.g. a rise of nationalism), suggests possible policy actions (e.g. regulate financial markets) and concludes by offering recommendations for further research.

(duration: 11/1/2008 – 30/04/2011). FP7 Socio-economic Sciences and Humanities, Activity 7 “Foresight Activities”, Research area 7.4 “Blue sky research on emerging issues affecting European S&T”. Collaborative project (small and medium scale focused research project).

See: <http://wiwe.iknowfutures.eu>

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Alternative future relationships between security and defence policy, and the European Research Area

September 2011

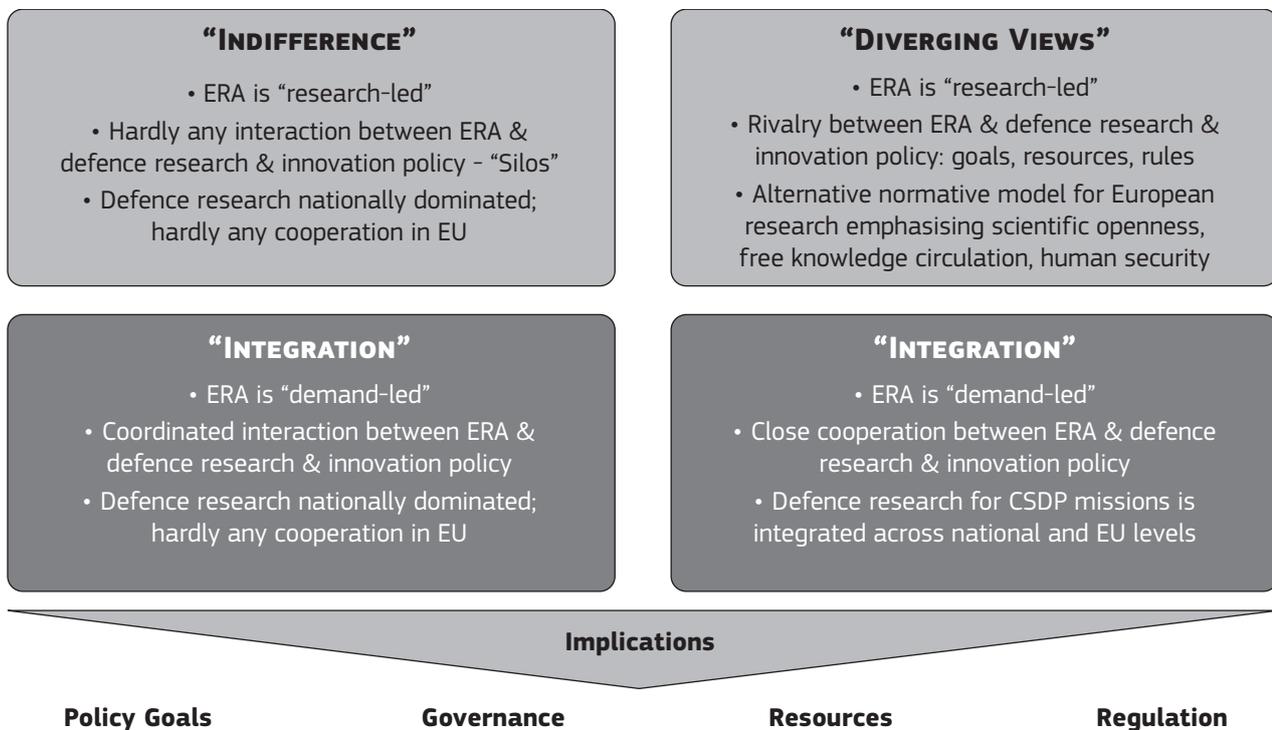
Recognising the far-reaching implications of the EU's emerging defence and security dimension¹, the Research and Innovation Directorate of the European Commission funded **SANDERA**, a 'blue sky' foresight research project exploring the relationship between European security and defence policy, on the one hand, and research policy on the other. A carefully planned and executed foresight exercise, the project yielded a set of detailed scenarios suggesting how the relationship might evolve between now and 2030. The scenarios offer valuable orientation to forward-thinking practitioners in both policy domains.

Above all, SANDERA's results will be of interest to anyone responsible for anticipating future developments affecting the construction of the European Research Area (ERA)². The ERA is composed of all research and development activities, programmes and policies in Europe which involve a transnational perspective. Together, they enable researchers, research institutions and businesses to increasingly circulate, compete and co-operate across borders.

While SANDERA produced a range of helpful analytical outputs (including a 'Policy Analysis Toolkit', which is available at www.SANDERA.net under 'Activities & Output/Output', and a thoughtful analysis of change indicators), the project's primary focus was elaborating scenarios. Noting that "the goal of any foresight exercise is not to forecast but to initiate debate and to raise awareness of important issues which might otherwise be overlooked", the consortium proceeded to construct four contrasting visions of how the relationship between the ERA and defence research and innovation policy might evolve over the next two decades.

The four scenarios – each describing a possible dominant ‘tone’ in the relationship – are illustrated below (Figure 1):

Figure 1: Four scenarios to discuss the future interaction between ERA and security and defence research and innovation policy



Source: *The Future Impact of Security and Defense Policies on the European Research Area*³. SANDERA Final Project Conference, Brussels, 10 May 2011.

SANDERA researchers assert that their contrasting visions are designed “to help policy makers and other stakeholders to identify the implications of certain policy developments and specific policy decisions” that may involve “a move towards a closer (or more distant) relationship between defence research and the ERA”. Indeed, accompanying each of the four scenarios is a concise list of opportunities, challenges and recommendations for policy makers to consider (Figure 2).

Figure 2: Summary of the policy implications of the four scenarios

Scenario	Policy opportunities	Policy challenges	Facilitators of a move towards the scenario	Barriers to a move towards the scenario	Policy recommendations
Indifference	<p>ERA is able to focus on its own policy concerns.</p> <p>Strong ERA may generate dual use benefits.</p> <p>European defence research could be conducted in a more appropriate setting.</p>	<p>Policy making would take place in “silos”.</p> <p>Potential inefficiencies & failure to exploit synergies between defence & civil programmes.</p>	Inertia	<p>Existing ERA-defence research relationships.</p> <p>Institutional movements towards cooperation.</p> <p>Generic technologies may make institutional separation more difficult.</p>	<p>Enhance strategic policy intelligence capacity within ERA policy process.</p>
Cooperation	<p>Potential for synergies.</p> <p>Each field retains its distinctive features.</p>	<p>Depends on recognition of mutual benefits.</p> <p>Policy rationales for ERA & defence are very different.</p> <p>Achieving synergies whilst maintaining the boundary between ERA & defence.</p> <p>Cooperation may slow the ERA integration process.</p>	<p>Existing ERA-defence research relationships.</p> <p>Institutional movements towards cooperation.</p> <p>Cuts in defence budgets of MS.</p> <p>Move towards demand orientation by ERA.</p>	<p>Differences in rules governing civil & defence.</p> <p>Asymmetry in budgets between European Commission & EDA.</p> <p>Stakeholder opposition.</p>	<p>Develop a dialogue between ERA & defence.</p> <p>Identify common interests.</p> <p>Allocate resources.</p> <p>Mitigate the impact of differences in rules between civil & defence research.</p>
Integration	<p>Use of EU research resources to support CSDP.</p> <p>Bring defence research into the ERA.</p> <p>Enhance connectivity between defence & civil S&T in Europe.</p>	<p>Policy rationales for ERA & defence are very different.</p> <p>Cooperation may slow the ERA integration process.</p> <p>A major change in the character of the ERA.</p> <p>Threat to budgets in other S&T fields.</p> <p>Effective user & customer engagement.</p>	<p>The potential for variable geometry.</p> <p>A major security shock</p>	<p>Need for vertical integration.</p> <p>Lack of a strong European security culture & clear European defence policy.</p> <p>No sectoral DG with a defence mandate.</p> <p>Stakeholder opposition.</p>	<p>Define policy goals.</p> <p>Develop a shared vision.</p> <p>Establish the Defence of the European Citizen as a Grand Challenge.</p> <p>Establish European Union procurement for CSDP capabilities.</p> <p>Bridge the regulatory gap between defence & civil research.</p>
Competition	<p>An open debate on the role of security & defence in the ERA.</p> <p>A distinctive European approach to science & technology policy.</p>	<p>Conflict about the openness of the research system the circulation of knowledge and people – a struggle which can arise only if both defence and ERA are strong enough to take on each other.</p> <p>Policy making would take place in “silos”.</p> <p>Potential inefficiencies & failure to exploit synergies.</p>	<p>Vertical integration in the defence domain and the ERA will be rather strong.</p> <p>Backlash against “militarisation” of the ERA.</p> <p>Coherent & organised reaction by the scientific community.</p> <p>A strong advocate for human security within EU policy process.</p>	<p>Existing ERA-defence research relationships.</p> <p>Institutional movements towards cooperation.</p> <p>Generic technologies may make institutional separation more difficult.</p> <p>Stakeholders are likely to avoid open conflict.</p>	<p>Develop policy goals based on the principles of human security.</p> <p>Strengthen institutional separation.</p> <p>Establish a human security Grand Challenge.</p>

Source: *The Future Impact of Security and Defense Policies on the European Research Area*³. SANDERA Final Project Conference, Brussels, 10 May 2011.

In approaching their task, the researchers started out with a few basic assumptions (what they refer to as ‘common themes’) that apply to all the scenarios – assumptions which themselves provide useful indications of what the future might hold. For example, it is assumed that within the EU “stringent budgetary constraints will persist at least until 2025” and that “Asia and in particular China and India will become strong powers in science and technology”. It is further assumed that “the EU’s defence policy will be primarily concerned with events in the European neighbourhood” (including the Mediterranean and Eurasia) and that ‘expeditionary security’, i.e. the Petersberg Tasks⁴ of the European security and defence policy (ESDP), will become part of the EU agenda.

But while the four scenarios share some common assumptions, there are major differences. The key difference, say the researchers, is the degree of ‘vertical integration’ – i.e. how far the two respective policy domains are ‘Europeanised’. While the *Indifference* scenario foresees weak vertical integration of all policy domains concerned, the *Integration* and *Competition* scenarios show strong vertical integration. The *Cooperation* scenario, meanwhile, is characterised by continued weak vertical integration in the defence domain but strong (demand-led) integration in the ERA. The main policy challenge in the Cooperation scenario is to maintain the essential division between the ERA and the defence sphere while exploiting potential synergies.

Finally, while SANDERA stresses that it has not made normative policy recommendations as to which scenario would present a preferred future, the foresight exercise offers guidance for policy makers when deliberating alternative future relationships between defence research and innovation, and the ERA. Anyone dealing with these policy domains moving forward would certainly stand to benefit from reading the project’s Final Scientific Report.

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SANDERA

The future impact of security and defence policies on the European Research Area

(duration: 1/6/2009 – 31/5/2011). FP7 Socio-economic Sciences and Humanities, Activity 7 “Foresight activities”, Research area 7.4 “Blue sky research on emerging issues affecting European S&T”. Collaborative project (small and medium scale focused research project).

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Future European innovation policy: results of a foresight exercise

April 2011

Findings from an innovative research project, **FARHORIZON**, warn policy makers to steer clear of creating an innovation policy silo and recommend taking a less conventional approach to research and innovation policy. This, they argue, would help Europe mobilise its research assets to achieve long-term policy goals in areas as diverse as adaptation of agriculture to climate change, and teaching and learning in an ICT revolutionised society.

FARHORIZON used a collaborative methodology: pre-meeting survey on wildcards, key note speech, plenary session with the identification of key drivers, sub-groups by themes and key conclusion. The University of Manchester (the project's coordinator), organised four thematic workshops aimed at producing immediately useful results for participants in the research-policy nexus. The project's overall goal was to "pilot the use of foresight to align strategic and applied research with longer-term policy needs in Europe".

In their effort to achieve this, the project partners employed a workshop-oriented methodology known as 'Success Scenario'. This involved recruiting a group of high-level participants to collaborate in formulating a joint vision of future success, a vision which includes a 'stretch' target for all stakeholders to aim towards.

The selection of participants in Success Scenario sessions was crucial. As the researchers point out, the method "relies on those who take part being in a position to influence the policy/strategy in question". All participants are expected to apply their talent, imagination and influence to the task. Building an 'advocacy coalition' is part of the concept.

Following the advice of an independent panel, FARHORIZON explored four foresight themes, each of which was covered in a separate workshop:

- Giving innovation a central role in European policy.
- Adaptation of agriculture to climate change.
- Critical minerals and metals.
- Teaching and learning in an ICT revolutionised society.

The FARHORIZON partners reported several policy priorities in the participative workshops including the one entitled **Giving Innovation a Central Role in European Policy**. These included recognition of the need to link Europe's 'Grand Challenges' to the creation of lead markets, i.e. markets where local conditions, such as regulations, or customers willing to pay a premium or provide high quality feedback, favour the emergence of innovations which subsequently spread to other places. The successful emergence of wind energy in Denmark and Germany provides one such example.

The exercise also identified a need to improve procurement processes for innovation while reinforcing existing innovation policy instruments, such as grants for firms and support for clusters. With respect to broader issues, the workshop participants concluded that Europe is in need of a "less conventional innovation policy", warning that linking research and innovation policy can actually become a problem if it ends up focusing vision "only on research-driven innovation". They specifically urged stakeholders to "avoid creating another innovation policy silo".

Looking ahead to success scenarios leading up to 2050, the FARHORIZON workshop on **Adaptation of Agriculture to Climate Change** produced a vision that foresees possible development of several breakthrough technologies. These include new varieties of plants with reduced need for fertilisers as well as a network of disposable wireless

sensors for early detection of fungal disease. The workshop also identified a need to use existing knowledge more effectively, suggesting that much of the plant molecular biology of the late 20th century was at risk of languishing in research silos for lack of an integrated approach to the adaptation challenge.

Minerals and metals are essential to almost every aspect of modern life and every economic sector, particularly in high technology areas such as electronics and new green technologies. Europe relies heavily on imports of scarce metals and minerals (including, for example, rare earths), thus creating a strategic dependence. In partnership with the French geosciences agency BRGM, the workshop ***Breakthrough Technologies: For the Security of Supply of Critical Minerals and Metals in the EU*** called for an integrated strategy for Europe until 2030. Research priorities identified included the need for better minerals intelligence, including sharing of information, new technology for 'urban mines', which separate rare materials from other waste, and ways of mitigating the environmental impact of mining and processing.

Teaching and Learning in an ICT Revolutionised Society formed the subject of the fourth workshop. It sought to achieve a clearer vision of what is needed to create a digitally competent European society; one which is able to compete on an even footing with other advanced nations and continents. The workshop explored the underestimation of the role of ICT not only as a tool for learning but also as tool for teaching new skills required to engage effectively in a digital society and economy. It covered themes such as future scarcity of teachers and the exclusion of the ageing population. Participants called for a high-level initiative driven by the European Commission and more effective collaboration with other policy domains, such as innovation and industrial policy.

FARHORIZON

Use of foresight to align research with longer term policy needs in Europe

(duration: 1/9/2008 – 1/2/2011). FP7 Socio-economic Sciences and Humanities, Activity 7 "Foresight activities", Research area 7.4 "Blue sky research on emerging issues affecting European S&T". Collaborative project (small and medium scale focused research project).

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Citizen input could make future EU research more relevant

January 2011

January 2011

The concerns and needs of society should be taken into account when deciding on future science and technology issues/policies, if Europe is to become the most advanced knowledge society in the world. Research agendas that are more relevant to society could strengthen the European economy in an era of global competition.

Citizens are the carriers of expectations and uncertainties about the future, and with the right facilitating methods, these concerns can be transformed into research agendas relevant to future European Framework Programmes.

Debate with a more engaged and informed public, and better conditions for collective choices on science issues are needed to achieve this goal. The **CIVISTI** research project has developed and piloted a cost-effective process of citizen engagement through a series of consultations in seven EU countries. This process could help EU decision makers define relevant and proactive research agendas for the next Eighth Framework Programme.

The main aims of the CIVISTI project are to:

- Produce a list of new and emerging issues for European Science and Technology (S&T) research.
- Produce a set of policy options of relevance to future European Framework research programmes.
- Base these on a novel process of citizen participation in seven EU Member States, supported by the analytical capacity of recognised national and European experts.

Seven citizen panels of 25 people were established in Denmark, Finland, Belgium, Malta, Bulgaria, Hungary and Austria. Thousands of citizens were invited to participate in the panels. Participants were selected from a wide variety of socio-economic backgrounds, to ensure diversity, in terms of age, gender, employment and levels of education. Through a visioning exercise, informed by introduction material, each citizen panel formulated a long-term view of society's needs, wishes, concerns and future challenges.

This resulted in a range of visions for the future on topics such as the environment, transport, the countryside, employment, scientific innovations, e.g. biotechnology and the human/machine interface, demographic change including ageing and immigration, and citizen participation.

These were then transformed by experts and stakeholders, such as scientists, policy analysts, NGOs, and representatives of governmental bodies involved in S&T research agendas, into policy options for European research. The experts were from Austria, Belgium, Bulgaria, Denmark, France, Germany, Hungary, Switzerland and the United Kingdom. The transformation of visions into policy options occurred during a three-day intensive workshop in which the experts were involved in a process of evaluating the visions, extracting the S&T content, and formulating policy options. The outputs from this analysis were validated from the point of view of faithfulness to the related vision, effectiveness and desirability, and prioritised by a second meeting of the citizen panels.

The results will be presented and discussed at a policy workshop in Brussels on 24 January 2011. Some of the prioritised recommendations are:

- **Promote technical and social innovations to enhance use of public transportation** - promote technical and social innovations towards access to transportation schemes through an intelligent and interactive network covering and integrating both local and transnational travel in a flexible, user-friendly and environmentally sound way.

- **Foresight and research to explore sustainable options for energy production** – implement foresight studies and research into the governance challenges related to different scales and levels of energy production and distribution, in order to develop new options for decentralised, sustainable energy production.
- **Tools for disabled people** – implement a policy which investigates the state of the art in the development of tools for disabled people. Policy should be based on the introduction of a balanced multidisciplinary approach to the issue by involving experts from technological and social sciences.
- **Go and re-appropriate the countryside!** – foresight studies should be established to develop new visions of the future for attractive, contemporary life in the countryside. Foresight studies should include mobility, cultural and political life, employment and balance between production and recreation in the countryside.
- **Optimisation of urban space: towards European eco-cities** - initiate a pilot project creating an eco-city in Europe with new methods of waste management, transportation, urban space use and energy usage. Eco-city development should be based on 'bottom-up' approaches and citizen participation.
- **Develop effective urban infrastructures supporting multigenerational lifestyle** – support development of communication and mobile technologies that help multigenerational families. Support urban design and infrastructural development that provide a friendly environment for large families and their changing needs during family life cycles.
- **Social innovations for ageing societies are needed** – research should be carried out to investigate the effect that a transition period between full-employment and full-retirement would have on the labour market. The aim of this would be to re-evaluate the rigid retirement age/pension system that currently characterises pension policy.

Citizens, experts and stakeholders involved in CIVISTI have a positive impression of the process and results. The CIVISTI project is considered as a good starting point towards a more citizen-based planning of European research programmes by many of the participating citizens. The majority wants to see more citizen panels like CIVISTI being organised to support the planning of public research programmes.

The researchers point out that ordinary citizens have a valid contribution to make to the process of defining relevant and proactive scientific research agendas, and that these agendas would benefit from such consultation. They believe they have established a new concept of cross-European citizen participation that could increase the EU's foresight capacity in a very cost-effective way, compared with existing methods. The process is also relevant to fields other than science and technology, such as policy studies, democracy studies, ethics and philosophy.

CIVISTI

Citizen Visions on Science, Technology and Innovation

(duration: 1/9/2008 – 28/2/2011) is a Specific Targeted Research Project, funded under the 7th Framework Programme for Research of the European Union, Thematic Priority 7 – Foresight activities.

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Innovation futures in Europe: Visions, scenarios and implications

October 2010

For policy makers, the future is a subject of enduring fascination - impossible to predict, yet necessary to anticipate. Using the powers of empirical observation and sophisticated modelling techniques, we have become pretty good at calculating how societies will develop within a limited set of measurable parameters. Some desirable human activities, however, remain notoriously difficult to measure and anticipate accurately. Among the most important of these is *innovation*, which in recent years has achieved the status of a holy grail in economic policy making circles. No one, of course, expects to get definitive answers on how innovation will proceed in the future, but the research consortium **INFU** has been working hard to provide us with some credible scenarios.

Described as “a foresight exercise on emerging patterns of innovation”, INFU (*Innovation Futures in Europe*) has been scouring the European landscape, documenting innovative phenomena in all walks of life.

Presenting their preliminary findings, the researchers identify various kinds of novel innovation, through the development of 19 innovation perspectives, and offer illustrative examples from different geographical and sociological contexts. They also suggest what implications these innovation patterns could have for European society. Utilising ‘what if?’ scenarios, the project elaborates a series of examples based on observed patterns of innovative activity and extrapolates from there.

For example, on the subject of ‘web-extracted innovation’ we are invited to consider the question: “what if we scan the internet for ideas and automatically pick the ones that best answer to current customer needs?” The scenario then considers the potential impact of that development on the economy and society, noting the utility of ‘crowd-sourcing’ where individuals with similar interests contribute to idea generation. This approach could have a huge impact on market research, making forms reliant on small numbers of ‘users’ obsolete. However, these strategies are not without risks, such as an increased exposure to data hackers. This scenario provides a warning signal for anyone dealing with data protection issues.

Another relevant topic touched on by the project is ‘social innovation’, which is gaining increasing attention as part of the Europe 2020 strategy and Innovation Union communication. Highlighting the relevance of a 2009 OECD report on the subject, the INFU project notes that while there is currently no consensus on what social innovation actually means, one strand of discussion sees it as a “different mode of innovation characterised by a hybrid profit/non-profit structure”. In this context, social innovation involves a blurring of boundaries between the public and private sectors, with business practices being applied in the public sector and social orientation emerging as an important factor in business. The discussion provides helpful context for understanding the vogue of corporate social responsibility.

Waste-based innovation holds promise for those concerned with resource consumption. If a ‘cradle-to-cradle’ approach is widely adopted, the economy would become more environmentally-friendly. Greater awareness of material costs could open the door to improvements in recycling technologies and production. Waste trading would emerge as a profitable business with consequent environmental benefits.

INFU identified threats to the European economy from issues, such as the relocation of innovation to emerging markets and a focus of business innovation impact on the 90 per cent of the world’s population currently living in poverty. Both scenarios are likely to make it harder for European businesses to compete in the global economy.

Exploring both ends of the innovation spectrum, INFU also anticipates the possibility of innovation experiencing a backlash in society. In a scenario described as 'no-Innovation', the researchers ask: "what if innovation fatigue takes over?" This scenario explores the possibility that unchanging quality may become more important for market success than a constant stream of new offers. Should this trend take hold, the economic focus would then be on process innovation to assure high quality and efficiency, driving demand from business for greater productivity. The researchers suggest that the ecological focus would be on "longer consumption cycles and therefore less waste".

Much of the data consist of what the researchers describe as "weak signals" expressing "a hint of a potential for change with a possible disruptive impact which is already apparent and visible, but has not yet entered the mainstream". No fewer than 63 signals have been identified by the INFU project. The methodology used was based on various foresight methods (identification of "Nodes of Change", online surveys, interviews of experts and the organisation of mini-panels).

Under the coordination of the Austrian Institute of Technology, INFU is scheduled to complete its work in January 2011. The project's preliminary findings, including a number of case studies, some fascinating innovation scenarios and a video are available on INFU's website. See: <http://www.innovation-futures.org/>

INFU

Innovation Futures in Europe: A foresight exercise on emerging patterns of innovation. Visions, scenarios and implications for policy and practice

(duration: 1/6/2009 31/1/2011) is a Specific Targeted Research Project funded under the 7th Framework Programme for Research of the European Union, Thematic Priority 7 – Foresight activities.

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Promoting smart, sustainable and inclusive cities

June 2010

European research into urbanisation is at the forefront of efforts to promote sustainable urban development: sustainable in social, economic and environmental terms. A new report, *World and European Sustainable Cities: Insights from EU Research*, published by the European Commission draws together the findings of research on urban issues, such as meeting the needs and service demands of urban populations, migration and settlement patterns, and new forms of poverty and exclusion that European policy makers will need to address if we are to shift toward a more sustainable culture by 2020.

A key challenge facing Europe and the world is to promote sustainable growth of urban populations. The problems are brought into sharp focus by demographers who predict that by 2030 5 billion of the world's 8 billion people will live in urban areas. While many of these urban dwellers will live in sprawling slums in Latin America, Africa, Asia and the Middle East. Europe will also continue to experience increased urbanisation; by 2050, around 83% of the European population (nearly 557 million) are expected to live in cities

Urbanisation needs and service demands

Unsustainable urban growth brings with it a host of challenges for city authorities: how to provide sufficient water, energy, transport and waste service for urban populations and how to ensure the infrastructure needed to support urban populations is managed sustainably.

The Pathways for Carbon Transitions Project (**PACT** Project)¹ has identified four urban forms and the impacts these have on transport needs:

- Urban sprawl: in this form a central city core is surrounded by suburban sprawl. In European cities, places for work and consumption tend to be concentrated in the central area which is surrounded by rings of decreasing density. Typically, this form of city generates high volumes of car dependent traffic, and 'rush hours' arise as traffic flows in and out as people travel into the city to work.
- City network: employment, consumption and living spaces are provided in each urban core. Opportunities for high quality, rapid transport are provided between urban centres allowing for easy day trips or commuting. While city networks tend to suffer less congestion than more traditional urban sprawl models, restricting car use in urban centres can further reduce congestion problems.
- Small compact city: cities or towns that provide a full range of consumption and production opportunities for a population which lives mainly within the city boundaries. Small and densely populated, these urban areas may be some distance from other cities and are not served by frequent rapid transport. If workplaces and housing are located nearby, inhabitants can walk, cycle or use light transport (e.g. buses).
- Rural/tourist area: without a dominant urban centre, workplaces, consumption opportunities and houses tend to be scattered across a large area which may lead to significant personal car use, though this can be mitigated to some extent by high speed (broadband) internet services. Low population density means there is little incentive to provide public transport or high speed road networks.

Migration and settlement trends

European cities also face challenges from immigration, as many new immigrants settle in cities. Already, by 2000, immigrants represented 7.7 per cent of the population in Europe and increasing migration, together with declining

birth rates, means that the diversity of the European population is likely to continue to increase. But research, reported in *World and European Sustainable Cities: Insights from EU Research and coming from the IMISCOE Network of Excellence*² shows that recent migration is more fluid. Improved transport and communication networks result in transnationalism, whereby immigrants adopt new patterns of residence, integration and community formations. This suggests that greater flexibility is needed on the development and implementation of integration policies. National and EU level frameworks and guidelines are required, but city authorities need to be given the flexibility to adapt integration policies to meet local needs. Long-term, consistent integration policies are required that meet local needs to ensure cities remain vibrant, viable communities providing a high quality living environment.

Poverty

Although urban poverty declined during the 20th Century, it remains a serious problem; according to Eurostat (2010)³, 17 European families out of 100 were considered at risk of poverty in 2007. Modern definitions of poverty focus on relative deprivation and social exclusion. While the causes of poverty often arise from national policies, urban centres must play a key role in alleviating deprivation and social exclusion.

The recent economic downturn has put a squeeze on public spending, and while high profile cases, such as Greece, show the vulnerability of some European economies, welfare provision is under pressure in all EU countries. The EU supported project, **Social Polis**⁴ suggests two approaches that could help meet the demand for welfare provision: the development of local service provision, through community initiatives and setting up socio-economic citizenship that grants access rights to welfare services for those who are currently denied access.

- Local service provision: in its most creative form, local services can be provided by drawing on a range of participants such as local business, academia and public authorities to create a neighbourhood development strategy and plan which meets the basic needs of the local population
- Socio-economic citizenship: universal access to social services is ensured by the state, and a balance is sought between provision for all and a more bottom up provision where services are tailored to individual needs. Institutionalised spaces must be provided so that innovation can be promoted beyond volunteerism and spontaneous social mobilisation.

Sustainable green cities

In Europe, cities have tended to become less densely populated in the past 50 years, gobbling up farmland as they grow. The EU-supported **PLUREL** project⁵ explored four scenarios for future urban growth, based on the Intergovernmental Panel on Climate Change (IPCC) Special Report on Emissions Scenarios:

- Hyper-tech: a future of rapid economic and technological growth coupled with declining energy prices.
- Extreme water: a heterogeneous world with regional and fragmented economic growth and technological development.
- Peak oil: an environmentally and socially conscious society with a global approach to sustainable development and high energy prices.
- Fragmentation: slow economic growth, international distrust and the development of a fragmented society in terms of age and ethnicity.

The PLUREL project predicts that these scenarios will have differing effects on urban development. For example, the hyper-tech scenario is predicted to favour the growth of small, polycentric towns which is likely to increase the conversion of agricultural land to urban environments. In contrast, the high transport costs associated with the 'peak oil' scenario would favour the development of high density urban living. The 'extreme water' scenario will probably require significant sums to be spent on land defence and adaptation measures against climate change. More dispersed cities, with a concentration of migrants in the inner core, are predicted to develop if a 'fragmentation scenario' develops.

A key challenge for future cities, arising from research supported by the European Commission, is to develop as compact urban centres where the residents have easy access to local green space. Basic requirements to achieve such a 'green compact city' are:

- Coordination between transport, land use and open space planning.
- Preservation of green infrastructure for walking and cycling.
- Creating new urban landscapes in the green compact city.
- Urban containment and integrated territorial policies.
- Promotion of urban-rural interfaces.

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World and European Sustainable Cities: Insights from EU Research is a report published by the European Commission, DG Research.

See: http://www.test.ec.europa.eu/research/social-sciences/research-current-initiatives_en.html

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The World in 2025 – can challenges become opportunities?

April 2010

In fifteen years the EU will have a different position on the world stage, according to new research by the European Foresight Expert Group. Compared to Asia, its population and trade will lessen but there will be an increase in the proportion of Europeans aged over 65 years. To face these challenges the research suggests that the EU should adopt a new socio-ecological model. This would re-define our patterns of consumption and production, consider the changing dynamics between rural and urban areas and incorporate the shifting balance between generations.

The findings are the result of analysis by a range of experts, including representatives from think tanks, universities, industry, the EC and governmental bodies. The experts developed predictions for the world in 2025, firstly by highlighting the global trends in population, development, trade and poverty and secondly by outlining the tensions in natural resources, migration and urbanisation. The researchers identified several transitions necessary to cope with these trends and tensions.

Trends

- According to the UN, the world population will increase by 20 per cent to 8 billion between now and 2025. 97 per cent of this growth will occur in developing countries. The EU population will account for 6.5 per cent of the world population and will have the largest proportion of people aged over 65 years.
- The centre of gravity of world production and technological development will move towards Asia. EU exports could drop from 39 to 32 per cent of total global production.
- There will be an estimated 250 million migrants in 2025 and 65 per cent will be in developed countries.
- Poverty will be concentrated in cities and mega-cities (those with more than 10 million inhabitants).
- World energy demand will increase by 50 per cent by 2025 and in 2030 the EU will import almost 70 per cent of its energy needs.
- If Europe is not followed by other powers in its efforts to slow climate change, we are unlikely to reach the objective of remaining below a 2°C global temperature rise.

Tensions

- The population increase will cause tensions with food availability and malnutrition will increase. Buying up farmland abroad could threaten the livelihoods of the poor. Biofuels are a potential threat to agriculture, especially if second generation biofuels are not available by 2025.
- In 2025 it is estimated that 3 billion people will not have access to clean water. Although desalination technologies could help, the first generation desalination plants will use combustion energy and increase CO₂ emissions unless powered by renewable energy.
- A constant rise in energy prices could be contained by increases in renewable energy and reductions in energy consumption. However, a possible 'oil peak' in 2025 would cause major tensions.
- Increasing multi-culturalism in cities could have positive impacts but could cause conflict, triggered by events such as economic crises and pandemics.

Transitions

- In the last sixty years world governance has been either bipolar in nature between the USA and the Soviet Union or, latterly, dominated by the USA. From 2008 until 2025 the world will need to become multi-polar. With its common governance system that recognises the diversity of nation states, the EU could lead by example.
- Pressures on the environment and raw materials mean that the EU will need a new way of producing, consuming, living and moving. This will mean a transition to a socio-ecological model that considers the interaction of individuals and their environment, including the development of green goods and services whose worth is expected to double by 2020.
- The possible 'oil peak' in 2025 will require a transition towards the 'after-oil era'. Advances are needed in renewable energy, carbon capture and storage, nuclear power, hydrogen and fuel cells. Hand-in-hand with this must go economic incentives such as taxation and a market for pollution permits. Changes in behaviour are essential; stimulated by appropriate policies to reduce consumption.
- The growth of cities, particularly in Asia, will require investment in infrastructure and housing, estimated at 200 trillions of dollars from now to 2030. These could provide a major opportunity for collaborative sustainable development projects between the EU and international partners.
- The expected aging of the European population will produce tensions in public finances. However, the EU could benefit from new markets in pharmaceuticals, medical equipment and cultural products for elderly people.
- Finally, to promote the above transitions the EU will need better co-ordination between national and EU policies as well as different policy areas.

The World in 2025

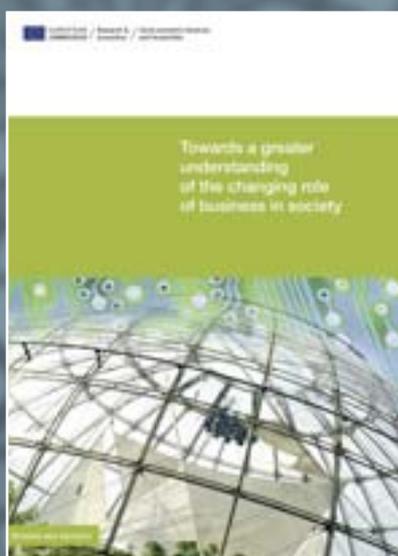
Rising Asia and Socio-Ecological Transition

(duration: 01/01/2008 – 31/12/2008) was a Specific Targeted Research Project funded under the 7th Framework Programme for Research of the European Union, Thematic Priority 7 – Foresight activities.

See: http://ec.europa.eu/research/social-sciences/pdf/the-world-in-2025-report_en.pdf

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Strategic activities





Family-friendly policies needed as women are still the major carers in society

April 2012

The increased involvement of women in the European workforce, while in tune with the *Europe 2020* agenda to raise employment, and reduce poverty and social exclusion, results in a greater burden on women since they are also mainly responsible for child and elder care. Family-friendly measures to allow for reconciliation, including those to enable fathers to increase their share of caring roles, should be encouraged.

The **WORKCARESNERGIES** support action brought together research findings from twenty EU Framework Programme research projects¹, on topics such as family policy, female equality and empowerment, 'flexicurity' (flexibility and security) of jobs, and social cohesion; and highlighted specific themes to aid policy making. All projects focused on universal issues of 'work-care' - how families in different societies and settings combine work and caring responsibilities, including child or elder care.

The project results were disseminated by local key mediator teams, at 77 local information and discussion events, to community groups, trade unions, policy makers and NGOs in Austria, Denmark, Hungary, Italy, Poland, Portugal and the United Kingdom. The focus in each country was chosen to reflect current local concerns, but many of the themes and policy messages were universal.

The WORKCARESNERGIES dissemination project was a very successful two-way transfer of knowledge from the EU to local level, enabling examples from other EU countries to be used as benchmarks. Novel methods for an exchange of information and cross-fertilisation of insights included the screening of short films which sparked debate. These films can be viewed at <http://workcaresynergies.eu/videos/>

Local dissemination, discussion and policy outcomes:

Austria - Work-care tensions

- Balancing more women working with the tradition of caring for small children at home, especially at a time of economic crisis, and with increasing numbers of grandparents still working and unable to take traditional childcare roles, is a challenge.
- Mothers in Austria, and the wider EU, still bear the main responsibility of combining work and family duties.
- Reconciliation of work and family is possible if all parties contribute - the state, by providing financial and care support, and public communication of modern role models; employers, through family-friendly work time arrangements and offering work-related opening hours; and families through social networks and intergenerational support.
- Reducing gender wage gaps between men and women would avoid the automatic reproduction of traditional role models. When children are born, partners usually revert to the male 'breadwinner' and female caretaker model. This initial allocation of paid and unpaid work continues throughout most women's lives, having a negative impact on women's careers, incomes and social security coverage, especially in old age.
- The concept of 'flexicurity' has become a key aspect of modern European policy. Policies should ensure flexibility and security for *both* men and women - not flexibility and security for men, but flexibility without security for women.

Austria – Work-life balance

- A culture of long working hours, in combination with time and target controls, risks blurring the boundaries between work and private life. Flexible working times, and more autonomy for individuals to manage their workload, could lead to clearer boundaries and a more successful work-life balance
- The social and economic value of unremunerated work should be made more visible through public campaigns and awareness-raising.
- More information is needed on regional differences in the availability of care, especially of elder care, at a time of privatisation of care services. Better education and training of care staff would improve the quality of care, build trust, and create opportunities for career advancement in social work

Denmark – Flexibility in work and care

- The existing family policy model in Denmark has clear advantages, such as enabling women to take one year's maternity leave without negative career consequences, and childcare is comprehensive and high-quality.
- However, these family-friendly policies are at risk from recent trends including an increase in weekly working hours, and budget cuts by local authorities in services brought about by the financial crisis.

Hungary – Social cohesion

- Part-time employment by mothers promotes social cohesion, attracts inactive people to the labour market and reduces poverty. In some EU Member States, the 'one-and-a-half-breadwinner' model is relatively widespread, but these types of jobs are scarce in Central and Eastern European countries, such as Hungary.
- Incentives to increase the extremely low labour market participation of mothers with young children in Hungary include shifting resources from cash benefits to services, to allow parents to combine childcare with work, lowering travel-to-work costs, and providing affordable, good quality childcare.

Italy – Social care and work-care balance

- Reconciliation of work and care is not yet fully part of political and public debate. Intervention during schooling is needed to develop awareness of gender and generational equality.
- Strategies to cultivate a work-life balance exist but they are informal or fragmented, and need public support to improve quality of life and economic and productive performance.

Poland – Elites and work-care relations

- To tackle gender equality and the problems women face in reaching higher positions in science, politics and other sectors, awareness should start at primary school level. Textbooks and other educational materials should be revised, teachers trained and psychological barriers towards atypical careers addressed.
- Assistance with grants and help for women to update their knowledge and research is needed.
- Monitoring of promotion of men and women in scientific institutions, and creation of gender-balanced structures is needed.

Portugal – Work-care and gender equality in private and public contexts

- There is a shortage of good quality affordable childcare, especially for children under the age of three. Pre-school and school provision for children over this age is often for short hours and does not meet the needs of parents where both work.
- In the absence of affordable childcare, it is generally women who take time out of the labour market, or who take on insecure part-time employment to fulfil caring responsibilities. This has lifetime consequences for women's economic security.
- Flexible work arrangements should be regulated and accompanied by social protection for workers to improve quality of work.

Scotland (UK) – Social quality

- To encourage fathers to take up paternity leave schemes, they should be offered a period of more than the current two weeks' leave allocation; paternity leave should be well compensated, and employers should support men taking paternity leave.
- For fathers to be more involved in childcare there should be shorter working hours and incentives for employers to introduce family-friendly policies.
- Policies should promote gender equity in the labour market and reduce the gender pay gap, and ensure working parents have access to high quality affordable and flexible childcare.

UK – Labour market transitions

- Low skilled individuals have difficulty getting access to education and training to enable them to join the labour market. If sanctions are imposed for not taking up work, there is danger that disadvantaged individuals will leave schemes to work in the informal economy. The introduction of a Universal Credit in the UK could improve the attractiveness of low paid work to the unemployed.
- There are concerns about the quality and pay of work that mothers with caring responsibilities can access. Although the UK government has made parental leave more flexible, with higher remuneration, and extended it to fathers, there still remains a significant pay penalty for those who interrupt working in order to care for others.
- The quality of available jobs for older people should be enhanced, along with possibilities for gradual retirement and policies to keep skills up-to-date.
- There is a need for a variety of elderly care providers.

In an uncertain economic climate, there is more need than ever for policy makers to address the quality of available jobs and how these are distributed across the population.

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- ¹ For a full list of projects, see: <http://workcaresynergies.eu/links/>

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See: www.workcaresynergies.eu

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EU development policy at stake

September 2011

Europe plays a major role internationally through its development policy. However, the **EDC2020** research project indicates that its successful current role will be challenged in the near future. Among the several issues of concern, three were thoroughly analysed by the project.

The first one consists of the arrival in the international development scene of new actors. Countries such as China, India, Brazil, the Gulf States and South Africa have become much more active in developing countries, sometimes pursuing their own agendas beyond those of the OECD's Development Assistance Committee (DAC)¹ member countries and often rejecting the term 'donor' in relation to their foreign aid policies.

As their preferences on governance issues are sometimes perceived as being at odds with EU policy, the Union will need to tackle this issue in its future development agenda. The financial crisis has accelerated the global power shift towards emerging economies. The EU should contribute to the adaptation of global governance frameworks to reflect this shift. Also, one aspect many new actors have in common is that development cooperation is closely tied to foreign policy, which adds pressure for the EU to ensure its development goals are more firmly embedded in its emerging foreign relations apparatus.

For example, China's engagement in Africa (worth around US\$ 2.5 billion) has raised concern among EU donors. According to the EDC2020 working paper, *European Good Governance Policies Meet China in Africa: Insights from Angola and Ethiopia*², EU policies on promoting good governance face considerable difficulties in Angola and Ethiopia. The research also found that in practice the EU and China have different objectives, their engagement is primarily in different policy fields and their policies are not in direct conflict. There are constraints other than China's growing presence in Africa that contribute to difficulties in influencing good governance reforms and policy effectiveness, including the gap between EU aspirations and actual interventions.

EDC2020 also found that reporting on flows of development funding continues to be inadequate. Investment in better data collection and encouragement for new donors to improve financial reporting are essential to improve co-operation and avert possible goal conflicts.

The second issue concerns the sometimes divergent objectives between Europe's development and energy policies. It is clear that the EU increasingly depends on energy imports, notably from regions experiencing democratic instability. Also, the role of biofuels in the energy supply is expected to increase, and they are sourced partly from developing countries.

European policy makers recognise that a key 'emerging need' is to better understand the relationship between energy imperatives on the one hand, and policies related to development, 'good governance' and democracy promotion on the other. Policy makers acknowledge that longer term and sustainable energy security must incorporate a governance dimension, and move away from fixed, bilateral contracts, concluded without due regard to producer states' record of development and democracy.

The project analysed energy partnerships in sub-Saharan Africa, the Middle East and Central Asia. Specially detailed case studies of Bangladesh and Indonesia gave examples of how the EU could operate more effectively and also provided useful suggestions for climate change finance development at the international level. EDC2020 recommends that a tighter linkage between development and energy security should be applied in all contexts; and a shift from focusing on the 'hardware' (pipelines, contracts etc) of energy contracts to focusing on the 'software' (good

governance of energy resources). The EU should develop a truly inclusive approach that incorporates both the national policies of all Member States and the actions of European multinationals into a more governance orientated policy.

The third issue relates to climate change as by 2020 greenhouse gas emissions from developing countries are expected to overtake those of developed countries, and it could cause increased water stress for 75 to 250 million people in Africa. These concerns are emerging at a time of global financial crisis, pressure on donor country aid, increased economic growth in Middle Income Countries (MICs) and some Least Developed Countries (LDCs), and questions over European identity. EDC2020 found that the EU should adopt principles such as transparency, accountability and equitability in relation to how climate change funds are mobilised and managed.

As a conclusion, EDC2020 points out that this diversification of the donor landscape provides a timely stimulus for reflecting on the goals and the future direction of EU development policies. New actors challenge the EU to present a clearer vision of its role in the world and better embed development co-operation in foreign policy. Their presence has moved the debate away from national-level poverty reduction strategies towards a new conversation about global risks and challenges. The researchers believe that some form of international agreement on climate financing can be expected by 2020, which should mean greater policy certainty in the following decades.

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A trans-national approach needed to support South Asian minorities

June 2011

With increasing globalisation, human and minority rights are becoming an important supranational policy issue. The **EURASIA-Net** research project investigated the knowledge base on minority protection, comparing current European and South Asian approaches, and creating a framework for future research cooperation between Europe and South Asia. It suggests a more coherent and pan-regional research policy in relation to human and minority rights, and an inter-disciplinary approach that stresses globalisation and trans-nationality.

South Asia has a long tradition of regional research in the field of cultural, religious, linguistic and ethnic management but there are few attempts to integrate this research across nations. The EURASIA-Net project has analysed the status of research and knowledge in this area, to identify the type of study and collaboration that could inform policies to reduce ethnic-religious conflicts in South Asia. It consisted of Scholar Exchanges and Summer Schools for European and South Asian scholars, as well as information sessions and exchanges between EU Officials and South Asia stakeholders such as academics, media, decision-makers and NGOs.

The project identified a number of important features in current policy and research that could influence future study:

Research on minority and human rights

Minority research is not centrally organised in South Asia but conducted at different levels, which can sometimes be at cross-purposes. Although minority research has become a hot topic, it tends to be uneven and focused on the 'large' minorities that have been recognised by the state. Following on from this, most studies focus on minorities within individual countries and very little work has been done on comparing or discovering their continuities and links across borders. This may be accentuated by concern that cross-border linkages could create a threat to the integrity of the states of South Asia. Minorities tend to be seen as 'national minorities' and governing them has become an issue of placing minorities within a national body rather than recognising them as an international group.

The project also suggests that existing comparative research tends to be between 'politically benign' countries – i.e. states which have good political relations, such as the minorities of India and Malaysia. There is a lack of comparative research on minorities in countries which have tense inter-state relations, for example comparative research on Indian and Pakistani minorities is under-researched.

Policy on minority and human rights

Currently, the South Asian Association for Regional Cooperation (SAARC) is the main body for co-ordination of minority and human rights issues. The SAARC Social Charter¹ was signed by the seven states of Asia in 2004 to protect minority and group rights, especially those of the elderly, women and children. There is also a South Asian Charter on Minority and Group Rights, which can be used as a reference tool by governments, human rights institutes and NGOs to promote legislative reform. As a follow up to this the Charter on Minority Rights in India has been drafted which lays out 11 principles. These are not enforceable but facilitate the enforcement of existing provisions.

Despite the existence of these charters they state little about protecting minorities within their respective territories. This has been hindered by some deep-rooted tensions among Member States, an asymmetry in power between different regions (in particular India) and the lack of involvement from some governments. Compared with Europe,

there is a lack of regional autonomy, meaning it is difficult for minority voices to be heard politically. For example, in Bangladesh the Chittagong Hill indigenous people are still struggling for fundamental rights and territorial autonomy. There is also little attention paid to languages as a regional issue whereas the Council of Europe has the Framework Convention for the Protection of National Minorities (FCNM)² and the European Charter for Regional or Minority Languages³ which both attach the utmost importance to language rights.

However, the project suggested that SAARC was not comparable to the Council of Europe and could not be approached as such. It highlighted the challenges of understanding and overcoming the differences between the EU and South Asia. It suggested that these are mainly due to South Asia's underdeveloped regional perspective and the existence of large asymmetries between South Asian regions, as exemplified by India's hegemony.

When compared to the Organisation for Security and Co-operation in Europe (OSCE), it appears there are several limitations in the SAARC procedures and institutional development. For example, SAARC lacks a mechanism to settle disputes within its organisation, which has hindered the development of a regional South Asian concept of peace and security. It is suggested that the SAARC processes need a thorough review to agree on a roadmap for progressing the association from a declaratory to an implementation phase. This would probably include an amendment to the SAARC charter and its rules of procedure to permit consideration of both bilateral and contentious issues within its remit. Some believe that SAARC should create an office of Special Rapporteur, which would review and report on the status of minorities in the different countries.

The project did note the work of national Human Rights Institutions in South Asia which, in cooperation with the civil society sector, could play an important role in convincing governments and SAARC to put human rights on the agenda. It also suggests that the EU should work on issues related to autonomy and social justice in its dialogue with South Asia.

The project provided several recommendations for future research, which could help inform policy in this area:

- Research should have a more pan-regional and supranational focus. Current research tends to focus on minorities as confined to state territories and as victims of discrimination. A research approach that examines the linkages and connections of minority groups across borders could help inform more effective protection of minority rights.
- Migration across nation-states has increased rapidly over recent years. This has created new minorities and triggered schisms between locals and migrants. Cross-national research is needed in the area of migration to inform strategies to manage it appropriately.
- In the context of minority rights, language is an important issue. More research is needed on its social and cultural impact and on comparing the linguistic rights of ethnic minorities in Europe and South Asia.
- More in-depth research is needed on minorities within minorities, a complex reality which comprises minorities living in territories where another (larger) minority exists (e.g., the Ladins in South Tyrol, Italy), or members of minority groups such as women, adherents to minority religions and persons of homosexual orientation, or indeed, persons combining a number of minority characteristics.
- Closer examination is needed of the few cases in South Asia that serve as models to be followed. For example, the Indian state of Mizoram that broke away from India has been showcased as a success in supporting minority rights; however, on closer examination, it appears that individual rights tend to be suppressed in this new society.
- Research should be more focused on informing policy and evaluating institutional alternatives for promoting minority rights, such as some of the exiting autonomy arrangements in Europe (e.g., the Åland Islands in Finland).
- Research must consider the historical interplay of European and South Asian experiences as well as current impacts of globalisation. Europe can learn from South Asia, especially with respect to new minorities in Europe.

In order to facilitate research into these different areas, EURASIA-Net suggested the following:

- Continuation of the study visit programme and summer schools started by EURASIA-Net. This should be done by universities in Europe and South Asia with external support.
- An inter-disciplinary approach that stresses globalisation and trans-nationality, i.e. to foster regional and trans-border studies.
- An agreed research policy and trans-national platform between the two regions.
- Formalised processes to support co-ordination between universities in Europe and South Asia.
- EU involvement for a centre for peace studies in South Asia.
- Dissemination of publications that reach a wider audience, such as the educational material, material for media and materials for NGOs produced by the project. In addition, more creative ways of producing research data are needed, such as video documentaries.
- The creation of information collecting points in EU Member States and South Asia where reports can be disseminated.

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EURASIA-Net

Europe-South Asia exchange on supranational (regional) policies and instruments for the promotion of human rights and management of minority issues

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Effective challenges to internet counterfeiting, piracy and illegal file-sharing

May 2011

Instant exchange of music, video and computer games through online file-sharing technologies pose policy challenges which are further complicated by the increasing array of user-generated content (UGC) available through the internet. The **COUNTER** research project highlights the need for more effective strategies aimed at combating counterfeiting, piracy and file-sharing. COUNTER recommends that education, while essential, should be balanced by engagement with consumer perceptions, practices and demand. It also needs to be balanced by innovation in legal online distribution channels for media content and retail of physical products

The two-year project brought together researchers from the UK, Austria, Sweden, Italy, and Slovenia to address the issue of counterfeit goods and protecting IP while recognising the originality inherent in UGC. It drew upon economics, sociology, law, psychology, and management and information science to integrate the demands of consumers and the actions of industry, and investigate policy implications for national, EU and international anti-piracy and IP protection regulations.

Among the objectives were to identify best practice in challenging counterfeiting, piracy and file-sharing; deepen understanding of consumer attitudes; contribute to the innovative development of legal channels for online distribution of media content, and examine the legal challenges associated with the increasing popularity of UGC.

Recommendations from consumer perspectives

COUNTER's model of consumer behaviour on counterfeiting, piracy and file-sharing was tested through stakeholder focus groups and questionnaires. Most participants regarded the internet as a channel to exchange information and ideas on a global scale, blurring traditional boundaries of ownership. Focus group discussions showed clear evidence of consumer desire for media content on demand, so counterfeiting, piracy and file-sharing cannot be examined in isolation from wider consumption practices.

- **Increase the utility of legal products, content and distribution channels** – This should address the perceived limitations of legitimate products and distribution channels, and develop innovative strategies to increase their utility thereby reducing levels of file-sharing.
- **Increase transparency and consumer trust** - Consumers want transparency on costs of production, distribution and profits. Many participants distrust government sanctions as serving corporate rather than consumer interests.
- **Increase consumer engagement** - An open and engaged dialogue is essential to build consumer trust.
- **Increase consumer understanding of copyright law** – The disconnect between users and copyright law is a barrier to creative and cultural uses of UGC and its potential to generate revenue for service providers. Educational strategies and clear guidelines such as European good practice guidelines for users are needed.
- **Develop mechanisms for evaluating consumer education strategies** – The effectiveness of educational campaigns aimed at reducing levels of counterfeiting, piracy and file-sharing should be properly evaluated by establishing both qualitative and quantitative performance indicators, and baseline measurements.

Recommendations from legal/industry perspectives

COUNTER examined the licensing regimes of 538 websites legally distributing digital media content online, including payment methods, technical restrictions, licensing and uploading regimes, and privacy policies to identify best practices for managing IP rights online and to find ways that UGC platforms can incentivise user submissions through monetary reward schemes.

- **Harmonise copyright limitations and exceptions to address the increasing use of streaming in content distribution** - Streaming technology is a possible alternative to file-sharing. However, there is a lack of clarity in copyright law as to whether streaming content on a home computer without authorisation of the copyright owner amounts to infringement. It is unclear whether streaming amounts to 'temporary reproduction' of the work under art. 2 of Directive 2001/29¹ and whether the exception for 'temporary acts of reproduction' in art. 5(1) would apply. Private copying exceptions are fragmented across the EU so streamed content could be lawfully accessed in one country and not in another, or a copyright holder could successfully enforce their rights in one Member State and not in another.
- **Increase transparency and standardisation in use of "browse-wrap" agreements** - There is no agreement about the legal enforceability of 'terms of use' or 'terms and conditions' - these cover ownership and licensing conditions of content uploaded by users and there is a need for EU best practice guidelines.
- **Reform copyright law to accommodate the rise of participatory culture and UGC** - The current copyright regime is viewed as ill-suited to the rich potential of the internet for consumer expressivity, and this belief underpins positive attitudes towards piracy and file-sharing.

Recommendations regarding copyright, cultural heritage and education

Counterfeiting, piracy and file-sharing are part of a wider debate about IP and copyright in relation to digital forms of cultural production, distribution and consumption. COUNTER reviewed international and EU copyright law, focusing on mass-digitisation projects in the cultural heritage sector and publication in academic and educational institutions.

- **Recognise the need for legal solutions** - Copyright is a significant barrier preventing online access to a large proportion of cultural content from the 20th century, particularly 'orphan works'² and out-of-print works, but the current polarisation between major stakeholders hinders development of appropriate legislative initiatives.
- **Increase the copyright awareness of cultural heritage institutions** - In-service training within cultural heritage institutions can prepare them to meet the challenges of digitisation and develop strategies for tailor-made copyright management.
- **Develop proactive solutions for orphan works** - Publishing orphan works without complete certainty of their copyright status is a potential strategy to release a large amount of locked-in and valuable content to users and make contact with unlocated rights holders.

The increasing popularity of UGC means service providers could develop platforms and business models which combine content produced by users with distribution of content from established rights holders. These platforms and services could utilise creativity, interactivity and social networking to monetise UGC in a way which incorporates users as both producers and consumers. To do this, users must be sufficiently clear about associated copyright and IP issues, but there is a lack of consumer clarity about the existing legal regime in relation to illegal distribution, re-use of copyrighted material and ownership of content. A balance is needed between commercial interests of rights holders and involved industries, and the rights and responsibilities of consumers and users. These issues must be addressed sufficiently flexibly to accommodate changes in technological developments and consumer behaviour.

An observatory of the research data will be made available as an open platform to enable development of future statistics and trends and as an important resource for industry, academics, policy makers and stakeholders.

The recommendations should assist policy makers at EU and national levels to ensure that legal and regulatory responses to protecting IP are transparent and provide equal protection to rights holders, consumers, cultural creation and heritage.

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² 'Orphan works' are works where the right holders are not known and/or cannot be located. They are a particularly difficult issue when digitising large collections and threaten to lock in important parts of 20th century cultural heritage, particularly in Europe.



Are faith-based organisations taking the place of the welfare state?

March 2011

Faith-based organisations (FBOs) may be filling the gap left behind after the withdrawal of the welfare state. The **FACIT** research project is exploring the role of FBOs in matters of urban poverty and social exclusion with a view to making them more effective. Generally FBOs appear to reach vulnerable groups and have good relations with public authorities. If supported and monitored appropriately, their role could become more valuable, especially with the possible increasing levels of social exclusion due to the current economic crisis.

FBOs are organisations that provide welfare and that refer either directly or indirectly to religion or religious values. They have been growing in importance and diversity in Europe but have not yet received much attention. The FACIT project has investigated their role and opened up a new approach to welfare state research by exploring the 'welfare society', a term referring to welfare provided by the civil society (or NGOs) rather than by the state. Using literature reviews and interviews with key figures from public authorities and civil society, FACIT researchers have analysed the presence and the role of FBOs in Belgium, Germany, Spain, Sweden, the Netherlands, Turkey and the UK.

The research indicates that the role of FBOs depends upon the current welfare regime and the importance of different religions in the country. In some countries, the state has extensive responsibility for welfare and provides it universally i.e. it is for everyone and not focused exclusively on the needs of the poor. Here FBOs are less present and this is particularly the case in **Sweden**. In comparison in **Spain**, the state has traditionally played a weaker role in welfare provision and the family has tended to provide support. Here FBOs are more common. Countries with a history of 'pillarisation', such as **Belgium** and the **Netherlands** also have many active FBOs.

In these countries society still tends to be vertically divided according to religion, and these 'religious pillars' have their own institutions, schools, media etc. Results therefore indicate that in some countries FBOs are replacing the welfare state and in others they appear to be supplementing it, depending on the welfare regime and religious context. Whichever the case, smaller FBOs in particular are providing help to some of the most vulnerable groups in society, such as the homeless, sex workers and people with drug dependency problems, who often slip through the net of the formal welfare system.

The variety of FBOs is complex. Some religious movements are more fundamentalist and some are more liberal. Most focus on community orientated activities. Catholic and Protestant FBOs tend to deliver help and services on a universal basis without discriminating against faith. Muslim FBOs tend to be concerned with integrating those from their own culture and upholding their traditions. In **Turkey** most FBOs have a charitable nature. Jewish FBOs also tend to assist only those in their community.

FBOs range from large professional umbrella organisations to smaller less formal groups. It is mainly the larger FBOs with dedicated fundraising resources that receive public funding. This also means they take more account of legislation and national policy. Some FBOs (such as Evangelical ones) refuse money in order to preserve their independence. Generally, relations between FBOs and public authorities are good and FBOs sometimes have an impact on the policy making process.

On the basis of their findings, the FACIT researchers made a number of recommendations:

- **Equal treatment of FBOs** - New initiatives from FBOs do not always develop successfully because FBOs do not fulfil requirements for funding or tax relief, or they do not have the resources to undertake required administrative

procedures and monitoring or evaluation. For example, in **Germany** FBOs catering for migrants, especially Islamic ones, are not entitled to the same legal status as their Christian counterparts, which means they do not benefit from tax exemptions.

- **Foster sustainability of FBOs** - More and stronger FBOs are needed to deal with increasing social problems and larger numbers of marginalised groups. Public authorities should foster the sustainability of FBOs, if not by providing funding then by implementing supportive measures, such as allowing tax exemptions for donors.
- **Increase quality and professionalism** - Evaluation of services and programmes of FBOs should become a structural feature. A good example of this occurring is in the UK where the well-established regulatory bodies ensure accountability and transparency of FBOs. In addition, training should be available to all religious groups, particularly in providing skills in bidding for contracts.
- **Strengthen support for voluntary work** - As public funding lessens in the face of the current economic crisis, FBOs will rely more on voluntary work. Supporting frameworks for voluntary work should be strengthened. For example, by providing advice on volunteering and subsidising budgets for volunteer expenses.
- **Promote collaboration between faith groups** - Local governments should attempt to represent different religions by bringing them together on different issues. This has been achieved in **Sweden** where both local governments and FBOs contribute to encouraging co-operation between different religions. In the **UK**, the 'London Citizens' project¹ campaigns on shared social issues in neighbourhoods, and brings together different faith groups and labour, educational and community-based organisations. FBOs, on their part, should not reserve their buildings for religious aims but allow them to be used for activities that promote the needs of vulnerable people, irrespective of their religion.
- **Pay attention to groups with multiple deprivations** - FBOs should be encouraged to consider the specific needs of elderly migrants, women and other vulnerable groups within their remit. In the **Netherlands**, this is encouraged by the Dutch Social Support Act², which integrates people with limitations in society and there has been evidence of this in **Turkey** where a coalition has been established between different kinds of NGOs, for example between Islamist groups, NGOs campaigning for gay/lesbian rights and other groups.
- **Take spatial dimension into account** - There is a patterning of social exclusion in certain urban areas and policy could help FBOs located in these places. For example, there are many Roma in certain **Spanish** regions and municipalities and some Catholic FBOs have worked towards integrating them into the community.

The economic crisis may well increase the number of people in poverty and excluded from society. Public funding to directly support these groups is likely to decrease and, therefore, assisting FBOs to support them is a positive alternative - especially if FBOs are linked to social enterprises which contribute to sustainability, for example by creating jobs for people to make low-priced environmentally-friendly goods, such as recycled products.

References

¹ See: <http://www.citizensuk.org/about/london-citizens/>

² See: <http://english.minvws.nl/en/themes/social-support-act/>

FACIT

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Regenerative medicine in Europe: New knowledge for the challenges ahead

November 2010

Global advances in regenerative medicine have medium and long-term implications that have yet to be addressed in Europe, according to the **REMEDiE** (*Regenerative medicine in Europe*) research project. The pace of change in this complex area of biotechnology affects stakeholders such as national and European regulators, scientific, corporate and clinical sectors, and patients in different Member States.

Regenerative medicine is the process of creating living tissues to repair or replace tissue or organ functions. It includes the regeneration of damaged tissues and organs in the body itself by stimulating previously irreparable organs to heal themselves, or the growing of tissues and organs by scientists in the laboratory for implant.

The project examines the socio-economic, political and bioethical issues that are emerging in this field, to provide a basis for stabilising its market and strengthening research activity in Europe. Regenerative medicine is an important sector for Europe, with the UK and Germany being the main centres of activity. However, it faces growing competition from Asia, notably China and India, and North American regions where health biotechnology development is a priority and where there are growing investments in what is perceived to be an industry of the future.

The three year research project (due to end in 2011) brings together social science and humanities researchers to provide new knowledge about the challenges that Europe is facing. It analyses Europe's competitive position, the requirements that need to be in place for successful innovation and investment, and the EU policies needed to support Europe within this global biomedical field.

It is preparing a database on the geo-economic pattern of activity within the field which will be available to policy-makers via the REMEDiE website in April 2011, and engages with national and international policy makers to test and refine the implications of findings for future European policy and regulations. Among the key results so far are:

- **Stem cell and tissue transplant** - there is a lack of an internationally unified regulatory framework for stem cell and tissue transplants. For example, there are inconsistent procedures for tissue banking, donor consent and maintaining donor anonymity. Regulation of stem cell 'tourism' to Spain, India and China needs to be supported by an analysis of direct-to-consumer web advertising, where much marketing is optimistic and unsupported by clinical evidence. Such tourism can complicate post-treatment monitoring and the protection of patient rights.
- **Innovation and investment** - there is little or no commercial investment in embryonic stem cell technology in the EU. There are even difficulties in securing markers for more 'traditional' adult stem cell therapies: a crucial question relates to the reimbursement strategies in Europe which are multiple and often confusing – who decides on this and for what geographical region? Policy needs to provide a steer in the direction of a harmonisation of reimbursement practices across Europe. In addition, given the current reduced availability of Venture Capital and risk-averse orientation of investors, there is a strong argument that public policy support for the emergent European industry is needed to enable its ongoing financial viability
- **Governance of regenerative medicine** - EU governance of this field is highly fragmented because of differences across Member States and the multiple agencies involved. There is considerable variation in contexts for clinical trials and the social role they play beyond trials. As interaction between states, international bodies and networks become more complex, so new forms of multi-level governance, (transnational, public/private, global) become urgent.
- **Governance and ethics** - recruitment of patients/tissue donors is an important route for accessing core material but issues of informed consent and the impact of cultural and religious differences are still being debated.

There is no clear definition of 'embryo' (in terms of legal status as a person), and what is patentable varies by country. The moral issues that have emerged as a result of regenerative medicine challenge various dimensions of Intellectual Property (IP) law compared with earlier debates on the patenting of human genes: it is vital that a more detailed assessment of the moral exceptions under IP law is undertaken.

Although some similarities were found with the emergence of biotechnology in the 1980s, including regulatory uncertainties, ethical debates, the issue of securing intellectual property rights and the dominance of the US market, the study shows that there are important differences too. These differences include:

- The need for new regulatory models and procedures, for example Advanced Therapy Medicinal Products (ATMP) in Europe, adopted in 2008 due to ignorance of longer term effects of RM.
- The need for new structures for conventional Clinical Trial process.
- Specific political and bioethical issues on property rights and usage of tissue, and women and their labour as biological resources.
- The existence of diverse models of innovation/state/market relations in competitors such as in China and India.

The final REMEDIÉ conference is due to be held in April 2011 in Bilbao.

REMEDIÉ

Regenerative Medicine in Europe

(duration: 1/5/2008 – 30/4/2011) is a Specific Targeted Research Project funded under the 7th Framework Programme for Research of the European Union, Thematic Priority 8 – Strategic activities.

See: <http://www.york.ac.uk/res/remedie/>

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European Commission

**EUR 25765 – European Union – Scientific evidence for policy making:
Research insights from Socio-economic Sciences and Humanities**

Luxembourg: Publications Office of the European Union

2013 — 340 pp.

ISBN 978-92-79-28196-9

doi:10.2777/45029

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This publication compiles a set of short policy papers developed by the EU-funded project SCOOP (2009-2012), aimed at strengthening the links between research and policy making in Europe.

The collected papers summarise the findings of EU-funded research projects in the field of Social Sciences, formulating research results in a way that targets policy makers, civil society organisations, business and the media.

Presented in reverse chronological order, the papers address key challenges regarding the social, economic, political and cultural make-up of Europe. The subjects covered are:

- Growth, employment and competitiveness in a knowledge society;
- Combining economic, social and environmental objectives in a European perspective;
- Major trends in society and their implications;
- Europe in the world;
- The citizen in the European Union;
- Socio-economic and scientific indicators;
- Foresight;
- Strategic activities.

Project information

