Response to the public consultation on the Europe 2020 Strategy 2014
RESPONSE TO PUBLIC CONSULTATION ON THE EUROPE 2020 STRATEGY

October 2014

EU member states, regional and local authorities have all been confronted with major socio-economic, budget and fiscal challenges during the last few years. The public debt crisis, the eurozone upheaval and economic reforms dominate the agenda of politicians and policy-makers. The EU 2020 Strategy was developed to fight the crisis and define key objectives for Member States’ socio-economic policies, a process that is coordinated by the ‘European Semester’.

The three mutually reinforcing priorities of higher levels of employment, productivity and social cohesion are framed within the broader aim of encouraging a smart, sustainable and inclusive economy. Specific objectives and targets on employment, innovation, education, social inclusion and climate and energy are defined for all Member States. Concrete policies and activities at EU- and Member State-level ensure that the objectives are met by 2020.

Up until now however, the Europe 2020 Strategy has largely failed to achieve its goals. One of the reasons might be that the Strategy was too ambitious to begin with and that it did not sufficiently take into account uncertain (macro-economic) developments in the years to come. Unclear governance structures and a lack of assertive leadership have also stood in the way of creating and implementing appropriate policies at Member State-level.

More effort and commitment is required to take the necessary steps to get Europe out of the economic and social crises and lead the continent towards a prosperous future for all. In particular, there is a need for strategic planning, adequate funding and cooperation with stakeholders for concrete implementation. Above all, the focus should be on tackling youth unemployment and the reduction of poverty and social marginalization. This response from FutureLab Europe to the public consultation on the EU 2020 Strategy therefore focuses on:

- investing in jobs, especially for the young and disadvantaged Europeans;
- investing in people: mobility, education and social welfare;
- investing in a new economy: research, development and innovation;
- tips for a strong implementation of the EU 2020 Strategy.

INVESTING IN JOBS

The EU 2020 Strategy should become more oriented towards the real needs of European citizens, especially the ones that are most vulnerable. In the context of employment and the labour market, we have identified the younger generation (age group 20-35) as being the most vulnerable group in society. Under the EU 2020 Strategy, those groups that are now left behind should be targeted specifically. In addition to the younger generations, the EU should also pay close attention to minority groups, women, disabled people, and others.
Investment in jobs should be focused on sectors where there is a strong potential for growth, but also in those sectors where the qualities and skills of the above mentioned groups can be fully appreciated. We therefore wish to advocate to further support programmes that foster opportunities for the development and growth, targeted at particular sectors and young job seekers.

With regards to young people in particular, the EU 2020 Strategy should also encourage Member States to act on the following issues:

- Efforts to make labour markets more flexible should prevent the possible perverse effect that more people are forced into self-employment without any labour rights or social benefits. In addition, public policies should aim to limit the possibilities of employers to offer temporary contracts or zero-hour contracts;
- Traineeships and internships should serve their purpose and be done by those who are still in school or have just finished their education. Public policies should prevent that jobs are turned into internships or voluntary work to save resources.

**INVESTING IN PEOPLE**

*Mobility*

Youth on the Move is one of the EU’s flagship initiatives on mobility. The programme encourages people, civil society organisations, education institutions and businesses across Europe to cooperate. Here lies a great economic and social potential for enhancing mobility across the EU.

The EU 2020 Strategy should however take into account that many young people are not ‘on the move’ because they choose to be, but because there are no available jobs close to home. This is not only harming people’s individual lives, but also worrying from a macro-economic perspective, because it can create a brain-drain in certain regions of Europe. Therefore, the EU 2020 Strategy should above all prioritise the creation of jobs in all regions.

On the encouragement of young people’s mobility across the EU, we see a great potential on two points in particular. First, we would encourage the further development and support for the search engine EURES that allows people to look for suitable jobs across the continent. Second, we see that investment in digital infrastructure and an increase of access to the internet would allow people to connect online and create synergies for (new) business, knowledge sharing, education and other opportunities. This could particularly help regions with high unemployment rates.

*Education*

At the moment there is a clear mismatch between what young people have learned at school and the needs of the current labour market. We therefore see a need to:

- research what the (future) job market in EU Member States will look like, in order to avoid people being educated for jobs that are no longer available after graduation. If for
instance, current policies are promoting the re-industrialisation of economies, education should adapt as well;

- to fill the gap in the labour market in the IT sector, there should be a special focus and (financial and political) support for higher education programmes and research grants in this field. In addition, there should be more focus on IT education in the basic training of all;
- further encourage the (re-)training people that are in the age group of 25-35 and are currently NEETs (not in education, employment or training);
- educate young people on interdisciplinary skills at school, so as to increase their flexibility, which is seen one of the key factors of the EU 2020 Strategy towards reaching a 75 % employment rate.

Social welfare

The austerity measures of recent years have often not sufficiently taken into account the most basic needs of people living in Europe’s most vulnerable regions. Poverty levels for instance have only increased across the EU. In our view, the investment in people through securing a minimum welfare level (such as basic income, child and health care) for all is equally important as investment in jobs, as it contributes to people’s empowerment. In addition, the social dimension of the EU 2020 Strategy should have the clear aim of securing the inclusion of certain vulnerable groups in societies and labour markets, such as people that are disadvantaged because of their socio-economic background, or people that are discriminated because of their gender, religion, ethnicity, sexual preferences, and disability or otherwise. Also, specific attention should be given to the self-employed (increasing share of employed) and their disadvantaged position with respect to social welfare.

INVESTING IN A NEW ECONOMY: RESEARCH, DEVELOPMENT AND INNOVATION

The EU 2020 Strategy should guide Europe towards a smart, sustainable and inclusive economy. More concrete goals have been developed to encourage further research, development and innovation. We see large differences in research, development and innovation potential and existing barriers between EU Member States. We are here calling for a Strategy that encourages the blooming of RD&I where there is actual potential, by making the choice for a certain degree of centralisation to avoid inefficient or double investments in the same field or sector. In particular, the EU 2020 Strategy should aim for:

- investments in science to increase the EU’s competitiveness on the global market for innovative solutions;
- sufficient access to finance, which has come under pressure after the financial and economic crisis. The EU 2020 Strategy should make further attempts to remove this barrier to research and development projects and the actual realization of innovative ideas;
- an attractive and flexible climate for investments in research, development and innovation. The EU should look for opportunities to adapt EU regulations in order to respond more quickly to new ideas (e.g. in the light of patent laws and standardisation) to ensure that these can be developed without much delay. This will encourage private
investments and ensure the competitiveness of the EU on the global market. Of course, people’s health and environmental protection cannot be marginalised;

- a revolution in the way public and private sectors cooperate, notably through Innovation Partnerships between the European institutions, national and regional authorities and business;
- a pan-European common space for research and for exchange of information, with a strong emphasis on diversification and effort-sharing where this is deemed beneficial.

**TIPS FOR A STRONG IMPLEMENTATION OF THE EU 2020 STRATEGY**

- Set realistic targets and clear intermediate timelines;
- Provide support on concrete implementation, in particular to those Member States falling behind;
- Monitor progress through annual reports;
- Further integrate all stakeholders involved in the development and implementation of Member States’ policies, in particular decentralized authorities, businesses and education institutes;
- Create multi-stakeholder Inter-Groups at EU-level to share experiences and identify best practices;
- Develop further linkages between the EU 2020 Strategy and the EU Urban Agenda, such as in tackling youth unemployment and the development of social innovation tools for more inclusive policy-making.

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**About FutureLab Europe**

This position paper is a collective product of FutureLab Europe, a programme for ambitious bright young professionals who want to play an active role in shaping the future of the European project. FutureLab Europe is a project of the European Alliance for Democratic Citizenship, affiliated to the Network of European Foundations and coordinated by the Körber Foundation. It is operated by the European Policy Centre. Follow us on [www.futurelabeurope.eu](http://www.futurelabeurope.eu), on [Twitter @FutureLabEurope](https://twitter.com/FutureLabEurope) and on [facebook.com/FutureLabEurope](https://facebook.com/FutureLabEurope).

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