Ireland and the European Social Inclusion Strategy: Lessons Learned and the Road Ahead

A 20th anniversary publication from the European Anti Poverty Network Ireland

EAPN Ireland invited a broad cross-section of actors to contribute to
this publication. The opinions expressed are their own and do not
necessarily reflect the views of EAPN Ireland or its membership.

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Acknowledgments

Contents

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Gerry Mangan, prior to his recent retirement, was the Director of the Office for Social Inclusion in the then Department of Social and Family Affairs. He had previously worked in its Planning and EU/International Divisions. He was the first Chief Executive of the Pension Board from 1991 to 1996. He represented Ireland for periods on the EU Social Protection Committee and the Council of Europe Committee for Social Cohesion.

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Candy Murphy is the Policy & Research Manager of One Family, the national representative body for one-parent families. In this capacity she has been involved in a number of campaigns aimed at improving the equality and rights of non-traditional families. Candy is a board member of the European Anti-Poverty Network Ireland. Candy also runs her own consultancy company and has carried out many studies on equality and social inclusion for clients in Ireland and for the EU. Prior to this Candy worked as the Principal Consultant with Goodbody Economic Consultants where she was responsible for a wide range of policy and evaluation studies.

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Jim Walsh

Jim Walsh is Assistant Principal Officer in the Social Inclusion Division, Department of Community, Equality and Gaeltacht Affairs. Formerly, he was team leader in the Combat Poverty Agency, with responsibility for leading the organisation pending its integration with the Office for Social Inclusion within the Department of Social and Family Affairs. Jim's professional background is research and policy analysis.

Chapter 01

Foreword
Philip O'Connor & Anna Visser
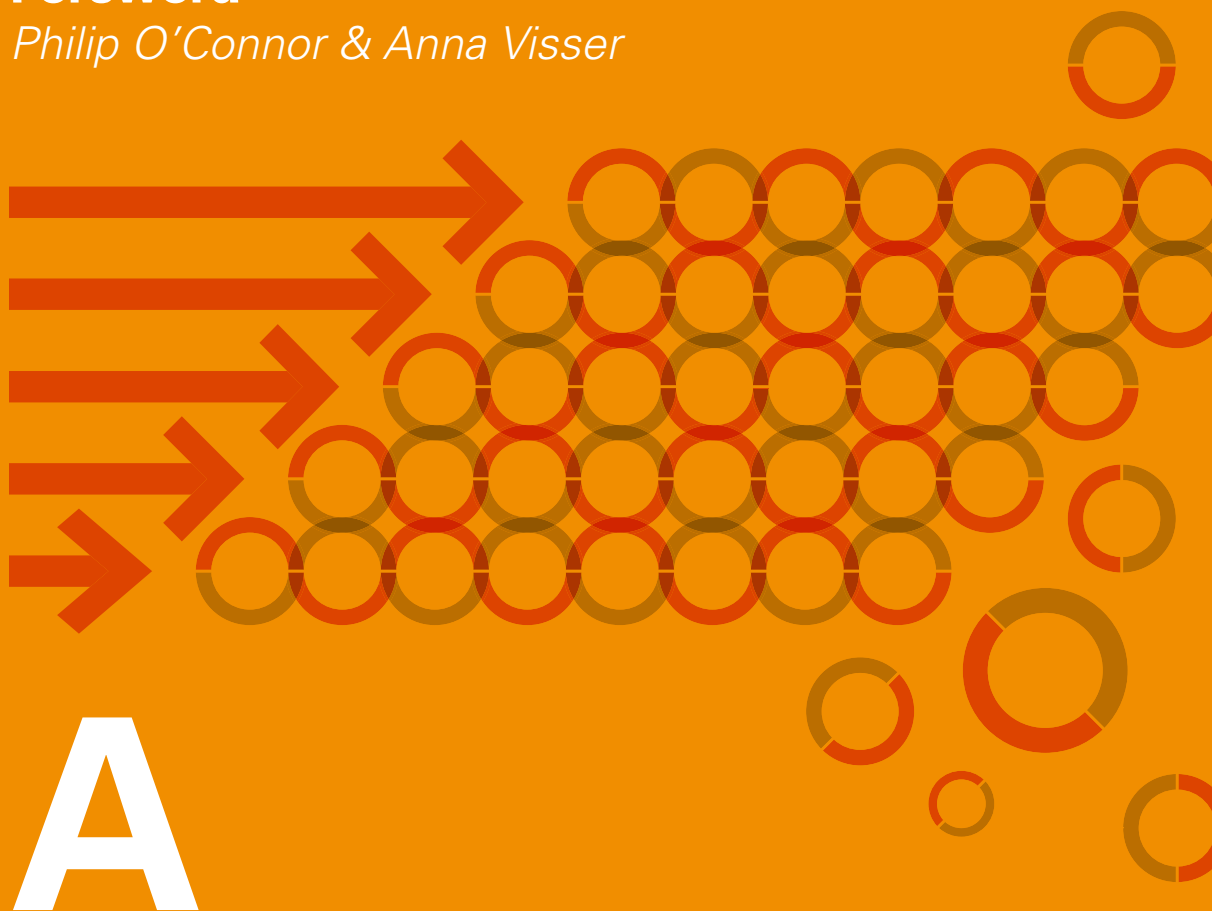
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EUROPE'S SOCIAL LIFE

…an organisation of the world that will allow all resources to be exploited as well as possible and to be distributed as evenly as possible among persons, so as to create peace and happiness throughout the entire world," Jean Monnet, a founding father of the European Union.[1]

European unity has resulted in substantial and formative change in how Member States seek to end poverty and include those who are vulnerable in society. The EU contributes to the fight against poverty in different ways and on different levels. Discrimination has been legislated against where individual countries have failed to protect human rights; social challenges such as homelessness have been prioritised where Member States have sometimes failed to effectively act themselves; and innovative new approaches to issues like migrant inclusion are learned and shared across the Union.

These changes are possible because, through joint policy making processes, the EU has talked and listened to a broad range of stakeholders and in more recent years, has particularly prioritised the inclusion of people experiencing poverty and their organisations in these processes. Politically and financially, the European Union has also supported the sustainability and development of a confident, skilled and robust NGO sector, capable of contributing to important political debates and providing expert advice and analysis at national and European level.

Despite progress in many areas, Europe has underperformed in the broader fight against poverty, exclusion and inequality. Poverty in Europe remains stubbornly high; millions experience discrimination and exclusion on a daily basis while the gap between the rich and poor grows ever larger. Civil society is under increasing political and financial pressure in many Member States, while political leaders have not yet risen to the challenge of substantially addressing inequality in their societies.

In analysing the many successes and failures in tackling poverty, it is important to remember that the European Union's role in that regard has only lately been added to its competencies. The notion of a more social Europe emerged slowly; at times in tandem with the orientation of European politics and occasionally in response

1. From Mak, G. (2008) In Europe. London: Vintage. London, pp. 25

to demands from Member States and their citizens. As this book demonstrates, the role and political remit of the EU in tackling poverty has been limited to soft approaches, such as shared learning and support for innovative approaches and pilot schemes.

EU social policy has evolved slowly because Member States, including Ireland, have engaged with it sometimes enthusiastically and at other times reluctantly. As the European Union grew larger, that awkward dynamic became more apparent, with some Member States broadly supportive of increased EU competence in social affairs and others opposed to it.

In 2000 the EU agreed a Social Inclusion Strategy as part of the Lisbon Process. The objective of the Strategy, signed by all Member States, was to 'make a decisive impact on poverty by 2010', the year of the conclusion of the Lisbon Agenda for Growth and Jobs, and the designated European Year for Combating Poverty and Social Exclusion. Taking Ireland as a case study, this book attempts to analyse the return on the European Union's financial and political investment in the emerging European framework for tackling poverty. As Europe seeks to frame and learn the lessons of the recent past, it is hoped that this volume will contribute to that debate, analysing the unique impact and specific contribution of a common EU approach, while also making recommendations for the future.

In graciously accepting to take on the task of contributing to this volume, the authors agreed to succinctly and critically assess the European Social Agenda from three broad perspectives. The first section of the book looks at the history of Ireland's engagement with an emerging joint European social framework. The second section attempts to present the evidence of the impacts of European social inclusion strategy and specifically references a cross-section of persistent challenges common to poverty and exclusion in all Member States. The final part of the book looks forward to the potential of a European approach to ending poverty, exclusion and inequality over the next 20 years. All of the contributors were asked to take particular account of the role that civil society organisations might play in this collective effort and in particular their attempts to directly involve those experiencing poverty in the decisions that impact them.

When we approached the authors, we knew we were presenting them with a challenging task. Measuring the impact of 'soft' policy is notoriously difficult, compounded by the relatively recent nature of the institutional response to poverty and exclusion at the European level. We are extremely grateful to the contributors who took on that challenge. What is presented in these pages represents the first substantial effort, from an Irish perspective, to comprehensively detail the importance and impact of European social policy, its unique contribution to ending poverty, and the considerable challenges that we will face in the future.

2010 also represents an important milestone for the European Anti Poverty Network (EAPN); the 20th anniversary of the organisation in Europe and in Ireland. For two decades EAPN members have sought to influence the emerging policy and legal framework, secure the participation of those experiencing poverty in these processes, and identify the future challenges and opportunities for the EU and its Member States. In Ireland EAPN is very proud of the long history of its membership in securing progress in these areas, and building a strong and vibrant network of committed, influential actors at European level. As the Network reflects on this history, we are conscious of the enormous contribution of all of those who have been involved in making this work possible over the last 20 years: the founders, members, activists and staff who have all contributed to maximising the particular contribution of the European Union in ending poverty in Ireland. Everyone who has worked with EAPN has shared an understanding that a common European approach provides an invaluable opportunity to tackle poverty and social exclusion in Ireland and Europe.

It is difficult for those experiencing poverty to see the impact of their engagement at a time of rising unemployment, decreasing income supports, and cuts to public services and to the community infrastructure which has supported their participation. As energy is diverted from the longer term challenge of ending poverty and exclusion towards crisis management, it can be difficult to hold on to the vision and commitment of a European Union that really can and should make a very significant contribution to ending poverty. These pages, we hope, go some way to demonstrating what the contribution has been and more importantly, what it can be into the future. It is our hope that these reflections will renew and re-energise all of those involved in EAPN, and beyond, to ensure that in the

next 20 years the EU can play a leading role in fighting poverty. Scattered throughout the pages of this volume you will find short messages from those who have been directly involved with EAPN Ireland over the last 20 years, as well as other friends and supporters. These messages represent only the smallest sample of those involved but provide a unique insight into the energy and commitment that so many have brought to the work of the Network in the last 20 years.

Never before has the objective of ending poverty been so critical to so many millions of people. It is essential that we continue to leverage the EU and its Member States to ensure we hold the gains that have been made to date, as well as in securing a more inclusive future for everyone living in the European Union. Collectively, we must learn the lessons of the past while simultaneously planning for and working towards a better, more equal future. We know that enormous, momentous strides are possible in the fight against poverty and social exclusion.

History is lit up with examples of era defining social strides that swept away previous injustices. Such progress is possible through country specific and internal initiatives; however, all of the evidence confirms that our gains can be secured more quickly and efficiently by working in solidarity with our European colleagues.

It is inexcusable and unacceptable that 85 million men, women and children face poverty and social exclusion in Europe. The European Union has the capacity to lift every one of those 85 million people out of poverty and towards a better life; it is ultimately a question of political commitment. It is the hope of EAPN Ireland that this book provides a foundation on which to build and advance that commitment, for a fairer, more equal Europe free from poverty and social exclusion.

Chronology of Developments in the EU and in Ireland relating to poverty and social exclusion 1971-2010*

Year		Developments in Europe		Developments in Ireland
1971				• Council for Social Welfare Kilkenny Conference on Poverty
1972	19, 20 Oct.	• Paris Summit decides on Social Action Programme		
1973	1 Jan	• Ireland joins the Common Market • Hillery Commissioner for Social Affairs	1 Jan 4 Mar	• Ireland joins 'the Common Market' • New Coalition Government: Fine Gael and the Labour Party
1974		• Social Action Programme adopted		• National Committee on Pilot Schemes to Combat Poverty (NCPSCP) established
1975	Dec	• First European Poverty Programme - Poverty 1 begins (to 1980)		
1976				
1977				• Fianna Fáil Government succeeds Coalition Government
1980				• NCPSCP dissolved
1981			6-8 Nov	• Council for Social Welfare 2nd Kilkenny Conference on Poverty
1985		• Second European Poverty Programme begins (to 1989)		
1986				• Combat Poverty Agency Act • Combat Poverty Agency (C.P.A.) established • Report of the Commission on Social Welfare

Year		Developments in Europe		Developments in Ireland
1987			5 July	• Fianna Fáil Government following General Election • ESRI survey on poverty in Ireland
1989	Sept.	• 200 NGO activists meet in Brussels to set up European network • Third European Poverty Programme (poverty III) begins (to 1994) • Adoption of Social Charter • Council Resolution on *Social* • *Exclusion*		
1990	1 Jan	• European Observatory on National Policies to Combat Social Exclusion set up • European Anti-Poverty Network, EAPN, established		• European Anti-Poverty Network Ireland established
1992	7 Feb. June	• *Treaty of Maastricht* signed + Agreement on Social Policy (not including UK) with ref. to "combating of exclusion" • EAPN office opened in Brussels • Recommendation 92/441/EEC *Minimum Income Guarantee*		• National Committee on Pilot Schemes to Combat Poverty (NCPSCP) established
1994		• ECHP European Community Household Panel survey		
1995	6-9 March	• Copenhagen: World Summit for Social Development		• Government announces intention to develop National Anti Poverty Strategy as an outcome from World summit

1997	June	• *Treaty of Amsterdam* agreed
		  - Article 109, Open Method of Co-ordination (OMC)
		  - Article 118 on *Social Exclusion*
				• Fianna Fáil Government succeeds Coalition Government

2000	20-23 March Dec.	• Directives on Anti-Discrimination in Employment and on Race and Ethnic origin • Lisbon European Council Conclusions include "Promoting Social Inclusion" • Nice European Council *Treaty of Nice* adopted • OMC on poverty and social exclusion established		• NCPSCP dissolved

Year		Developments in Europe		Developments in Ireland
2001	June	• First NAPs** 2001-2003 (EU-15)	July	• National Action Plan against Poverty and Social Exclusion (NAPs incl**)2001-2003
2002	March	• Joint Report on Social Inclusion (also annually to 2005)	Feb.	• NAPS review Building an Inclusive Ireland • Revised National Anti-Poverty Strategy
2003		• EU Statistics on Income and Living Conditions, EU-SILC, launched (7 states) Replaces ECHP • NAPs 2003-2005 from EU-15	July	• National Action Plan against Poverty and Social Exclusion 2003-2005
2004		• NAPs 2004-2006 from new Member States.		
2005		• EU-SILC includes all Member States		
2006	March	• National Reports on Strategies for Social Protection and Social Inclusion 2006-2008 (EU-27) (also annually to 2010)		• *National Report for Ireland on Strategies for Social Protection and Social Inclusion 2006-2008* (NAPs incl included as one chapter)
2007		• Launch of Community Programme for Employment and Social Solidarity – PROGRESS (2007-2013) • Launch of Mainstreaming Social Inclusion Evaluation		• *National Action Plan For Social Inclusion 2007-2016* (succeeds the NAPS)
	13 Dec.	• *Treaty of Lisbon* signed; Reference to "social exclusion" and incorporates Charter of Fundamental Rights.		
2008	July	• National Strategy Reports on Social Protection and Social Inclusion 2008-2010 (EU-27) • Commission recommendation on Active Inclusion (income, services and employment)	Sept.	• *National Report for Ireland on Strategies for Social Protection and Social Inclusion 2008-2010*
2009			1 July	• C.P.A. abolished and functions integrated with the Office for Social Inclusion in the Dept. of Social and Family Affairs and creation of Social Inclusion Division
			Nov.	• National Action Plan for Social Inclusion 2007-2016: Annual Report 2008

Year		Developments in Europe		Developments in Ireland
2010	3 March	• *European Year for Combating Poverty and Social Exclusion* • *EUROPE 2020: A European Strategy for Smart, Sustainable and Inclusive Growth* includes "European platform against poverty"	23 March 1 June	• Government re-shuffle and re-allocation of responsibilities, including social inclusion, announced • Department of Community, Equality and Gaeltacht Affairs comes into existence; responsible for, inter alia, "social inclusion".

** These initials can stand for two quite different entities. First in 1997 the Irish Government adopted a National Anti-Poverty Strategy, which was referred to as NAPS (all capital letters). Second from 2001 on as part of the Open Method of Co-ordination EU Member States produced National Action Plans which were referred to collectively as NAPs (lower-case "s" for plural). The National Action Plans on Social Inclusion came to be referred to as NAPsIncl.

Minister Pat Carey TD - Minister for Community, Equality and Gaeltacht Affairs

I would like to congratulate EAPN Ireland on this important project and, of course, on the invaluable contribution they have made to Irish society over the past twenty years. Those past twenty years have seen great change in Ireland but during that time EAPN Ireland have remained steadfast in their commitment to furthering ideals of social justice and inclusion. As Minister with responsibility for Social Inclusion I welcome this book and I am sure that it will prove a vital resource to all involved in this area. Again, I congratulate EAPN Ireland as they celebrate their 20th Anniversary during, appropriately, the 2010 European Year for Combating Poverty. Comhghairdeas libh ar fad agus go n-éirí libh.

Ludo Horemans - President of EAPN (Europe)

On the occasion of the 20th anniversary of the network I wish you all a lot of courage and determination to go ahead with the fight against poverty and social exclusion. Indeed, it costs a lot of energy of people experiencing poverty and their organizations and networks to continue that fight for a more just society.

During all these 20 years I myself was also active in EAPN at the national and European level. And I remember quite well the important role EAPN-Ireland has played and still fulfils in the overall work of EAPN-Europe. So, this anniversary is a good opportunity to thank all of you that have given an important contribution in building up the moral power that EAPN-Europe has today.

I know that many of us - also your network – are going through a difficult time. Many governments have taken the economic crisis as a pretext to cut social expenditure that hit many people experiencing poverty and their organisations. Therefore, I wish you the strength, in spite of this situation, to overcome this setback and to continue your commitment to fight for a real change in the lives of people experiencing poverty.

Chapter 02

From poverty to social inclusion:
The EU and Ireland

Seamus Ó'Cinnéide

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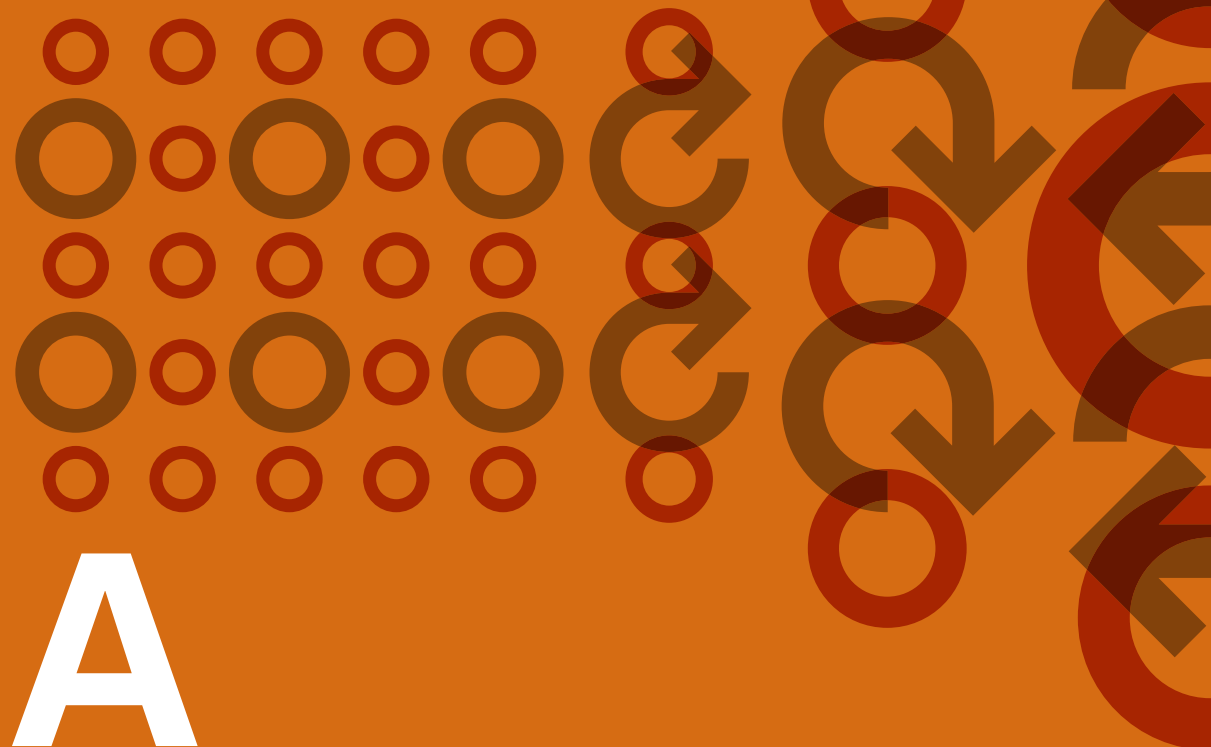
The designation of the year 2010 as the "European Year for Combating Poverty and Social Exclusion" is the latest development in over a 35 year history of commitment by the European Union to addressing poverty in Europe. This aspect of the EU is significant in a longer history of how relatively prosperous countries acknowledged the poverty and social exclusion that exists in the midst of prosperity. This recognition of the existence of poverty in the midst of plenty, the so-called "rediscovery of poverty", has been a recurring phenomenon for over a century. The developments in the European Union in this regard, perhaps more than developments in any other policy field, have been significantly influenced by Ireland, and they have in turn influenced policy in Ireland. This article will attempt to give an overview of this history.

In the, "Chronology of Developments in the EU and in Ireland relating to Poverty, Social Exclusion, Social Inclusion 1971 - 2010", presented before this chapter, the key events, both in Ireland and in the EU are listed in tabular form. What follows here is a conspectus of these events in the context of related earlier developments.

Poverty and Social Reform

The history of the welfare state is the story of the introduction of new social policies, or the codification or expansion of existing policies and programmes, and these developments were usually responses to public and political shock at calamitous social reverses, or to shameful revelations about continuing misery in the midst of prosperity.

In the United Kingdom, the New Poor Law of 1834 and the factories legislation in succeeding decades were a response to the upheavals and urban squalor that followed the industrial revolution. The next wave of wide-ranging change, when Ireland was still part of the United Kingdom, saw the Liberal Party reforms of the first two decades of the 20th century, in particular the introduction of Old Age Pensions, children's legislation and public health measures. These followed the first "discovery of poverty", in particular urban poverty, in Britain in the late nineteenth century, by Charles Booth and Seebohm Rowntree in their extensive social surveys, and later in the Report of the *Inter-Departmental Committee on Physical Deterioration after the Boer War* (Fraser, 1973; Vincent, 1991).

On the other side of the Atlantic, in the United States, the moment of

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1. What is now called "the European Union" has had different titles at earlier stages of its development, but for simplicity "EU" is the term used here throughout."

truth was the Great Depression of the 1920s, which elicited the wide-ranging measures of Roosevelt's New Deal, including the introduction of Social Security.

Back in the United Kingdom, the years of the Second World War were years of national unity and mobilisation which resulted in revelations and reflections on social conditions and social issues. This culminated in the Beveridge Report of 1943 and the radicalisation of the Labour Party. Following the election of the post-war Labour government it soon embarked on an extensive programme of social legislation. It set up the National Health Service, introduced National Assistance and engaged in extensive programmes of educational reform and public housing.

However, despite the high hopes of the 1940s, poverty and Beveridge's other miserable and formidable "giants", remained unvanquished in Britain, as Brian Abel-Smith and Peter Townsend famously discovered in the early 1960s. Their book, The Poor and the Poorest (1965), shocked readers with its estimation that despite the welfare state one in seven in the population were poor. This was the original "*rediscovery of poverty*" in the UK. Something along the same lines had already happened in the United States. Michael Harrington's book, *The Other America*, estimated that a quarter of the population were living in poverty and John F. Kennedy made poverty part of his presidential election campaign. These exposures on the two sides of the Atlantic led to new research-inspired practical initiatives to deal with poverty at its roots, in so called "Community Development Projects" in Britain and in President Johnson's "War on Poverty" in the United States.

The "rediscovery of poverty" which had happened in the United States and in Britain in the 1960s, did not happen in Ireland until the 1970s. It was a delayed reaction to the Irish social revolution of the 1960s, the decade of accelerated modernisation and increasing prosperity, when the country's accession to "the Common Market" was being pursued.

The Rediscovery of Poverty in Ireland

In the 1960s Ireland was transformed in terms of demography, the economy and culture. Existing systems of dealing with social needs and social problems were exposed as being out of date and out of line with what people expected. One of the major developments was the beginning of universal second-level education. Other areas of social policy were scrutinised and found wanting, "the

care of the aged", primary health care, what was called "the status of women" and new policies were proposed in these areas. Still there was no mention of poverty as a policy concern.

However, the new-found prosperity certainly exposed social inequalities: it was clear that "the rising tide" had not "lifted all boats". In 1971 the number of unemployed, nearly 70,000, was the highest in two decades: by then emigration had become an option less often chosen. From America there were echoes of new struggles for freedom: "we shall overcome". Closer to home the Troubles had started in Northern Ireland, associated partly with issues of discrimination and marginalisation.

Against this background the subject of poverty came on the public agenda. In 1971 the Council for Social Welfare, newly established by the Catholic bishops of Ireland, organised a conference on poverty in Kilkenny, a conference that attracted 170 participants. The present writer read a paper on "The Extent of Poverty in Ireland", based on desk research, which arrived at the estimate that 24% of the population was poor (Ó Cinnéide, 1972). This estimate became widely accepted, and the fact that the discussion of poverty was now underpinned by an accepted estimate of its extent led to a widespread commitment "to do something".

In January 1973 Ireland joined the European Economic Community, or the Common Market, as it was commonly called then, or the European Union as it is now called. Later that year a general election was due. The joint manifesto of Fine Gael and the Labour party, the two main opposition parties, going into the general election, the Fourteen Point Plan, included the following commitment on poverty: *The elimination of poverty and the ending of social injustice will be a major priority in the next government's programme. It is conservatively estimated that under Fianna Fáil a quarter of our people live in poverty. The social policy of the new government will bring immediate assistance to those in need and lay the foundations of long-term policy that will root out the causes of low incomes, bad housing and poor educational facilities* (Labour Party, 1973).

Fine Gael and Labour won the election and formed the new government: they were now able to act on their commitment in relation to poverty.

The Coalition Government moved quickly. In May 1974 it established the National Committee on Pilot Schemes to Combat Poverty, charged with recommending schemes to deal with poverty. Within a few months the Committee, 26 strong, had transformed itself, with Government approval, from an advisory body to an executive body, ready to run anti-poverty projects throughout the country.

The EU Poverty Programmes

The "rediscovery of poverty" in Ireland paralleled developments in Europe. The economic downturn and the "crisis of the welfare state" in the 1970s, had made it inevitable that the EU would have to acknowledge the issue of poverty and do something about it. In late 1972 at the Paris Summit, the Heads of Government of the Member States had ordered the preparation of a Social Action Programme, and poverty came onto the European agenda. One of the stated objectives of the Social Action Programe drafted in 1973 was "to assist the Member States in their efforts to ensure that the chronically poor are aided and equipped to increase their share in the economic and social well-being of the Community" (EEC, 1973).

The Irish poverty agenda connected with the European agenda in the Social Action Programme when the Irish Government persuaded the European Commission to launch the First European Poverty Programme in July 1975. There was nothing in the Treaty of Rome about poverty and the European leaders had to rely on Article 235 which provided that "[i]f action by the Community should prove necessary to attain ... one of the objectives of the Community and this Treaty has not provided the necessary powers, the Council shall, acting unanimously on a proposal from the Commission and after consulting the European Parliament, take the appropriate measures." It undoubtedly helped the Irish cause that the responsible member of the European Commission, the Commissioner for Social Affairs, was the newly appointed Irish Commissioner, Dr Patrick Hillery. The Irish initiative on poverty may be one of the few examples of European policy being influenced by Irish preoccupations, and must have been due to the goodwill towards the new Member States associated with the first expansion of the Common Market in 1973. This influence has had a lasting impact because, as we shall see, the first European Poverty Programme was succeeded by further European initiatives on poverty and social exclusion up to the present.

The first EU Poverty Programme, which lasted from 1974 to 1980, consisted in all of about 70 small local projects in the nine Member States. Ireland was exceptional in having a national committee and in having a larger number and the wider distribution of projects. In the other countries there was no national coordinating body and the projects were mainly based on the work of existing religious and charitable organisations. The mobilisation of poor people themselves, and the employment of local organisers, or facilitators or community workers, was previously relatively unknown in Ireland. Exceptionally the Irish National Committee on Pilot Schemes to Combat Poverty, which in time came to be referred to simply as "Combat Poverty", operated 24 local projects throughout the country, of which 13 were run on a community development or community action basis and the others were concerned with more specific actions or activities dealing with particular groups. Not the least of the achievements of Combat Poverty was the promotion of a radical model of community work and a concern for social justice. Combat Poverty in this its first manifestation lasted until 1980 when it was wound up. By that time the European Poverty Programme had finished and, under a different government, more conservative counsels prevailed in Ireland.

In 1985, Jacques Delors became President of the European Commission. He was to have the longest term of any holder of that office, from 1985 to 1995. He was from a Catholic socialist background and inspired and supported many social policy initiatives within the EU. The first of these was the Second European Poverty Programme, which ran from 1985 to 1989. It had more focussed objectives than the first programme, both at the European level and at the project level. It consisted of local self-help projects dealing with particular target groups regarded as vulnerable, such as the young unemployed, single parents and older people, as well as projects having a wider community development remit. The emphasis was on innovation and improvement in the services for those with whom the projects were working, decentralising the provision of services and improving coordination, making services more accessible, and reducing stigmatisation by the promotion of user participation in the services. Again these were "pilot projects", with an emphasis on self-evaluation and learning from the results with a view to applying them more widely if appropriate.

In Ireland, there were nine projects. While there were considerable achievements at the local level, and in terms of developing community

work generally, participants and evaluators began to understand better the limitations of local projects as a means of combating poverty, a lesson that had already been learned long before in the United States and in Britain.

If the learning and application of lessons from the second European poverty programme were limited there were to be other related and more substantial developments. The anti-poverty work started in Ireland in the 1970s got a fresh impetus in 1986. That was the year when the Commission on Social Welfare reported, presenting a detailed analysis of the social welfare system and setting new targets for social welfare increases. It was the year when the Economic and Social Research Institute (ESRI) began the first extensive survey on poverty ever done in Ireland. It was also the year that the Combat Poverty Agency came into existence on a statutory basis to spearhead research and promotional work on poverty in Ireland.

Overall, the first and second European poverty programmes pioneered new ways of defining and dealing with poverty, but also showed the limitations of widely distributed and separate local projects. While they had some success in diagnosing poverty-related problems, overall they lacked coherence and the resources to reverse trends that resulted in poverty. It was concluded that any successful anti-poverty action required an integrated strategy at central or local government level, involving all social partners.

In 1989 the results of the first major research on the extent of poverty in Ireland, undertaken by researchers at the ESRI, was published (Callan, et al, 1989). The authors explained the problems inherent in defining poverty and the choices that had to be made in calculating how many people are poor. Their chosen unit of measurement was a "household", consisting of one or more adults, with or without children. They defined a number of "poverty lines" and calculated, on the basis of an extensive survey, how many households had incomes below those lines. For example, taking a "poverty line" defined as 50% of the mean income of all households, and counting the income needs of a second adult in a household as 70% of the first, and the income needs of a "child" as 50% of the first adult, the survey showed that 19% of households, 23% of persons, were below that line. These were the figures most commonly cited: other assumptions about the poverty line and about the equivalence weightings of a second adult

(and subsequent adults) in a household and of a child, gave different estimates.

This research, in providing authorative estimates of the extent of poverty, transformed the debate about poverty and about anti-poverty policies in Ireland and throughout Europe. In 1989 the ESRI were at the forefront of research on poverty and have remained so ever since.

The developments in the 1970s and the 1980s show how discussion about poverty and action on poverty in Ireland were influenced by political factors both within Ireland and at the European level, by the experience of action-research projects that were part of the European poverty programmes and by research. Changes in the language and terminology in which a social issue, such as poverty, is discussed can also influence policy in relation to that issue, as events would show.

From Poverty to "Social Exclusion"

The year 1989 was a year of dramatic political events in central and eastern Europe. Hungary opened its border with Austria in May of that year; the first non-communist government was elected in Poland in September, and the Berlin Wall was breached and rendered irrelevant on 9 November. These and related events in central and eastern Europe, and especially the re-unification of Germany in 1990, reshaped European society and led to wide-ranging political change in many countries, and to changes in the EU.

The year 1989 was also a watershed for social policy in the EU. In the lead-up to the completion of the Single Market, the Council of Ministers, during the French Presidency in September 1989, adopted a "resolution on combating social exclusion" (Council of the European Communities, 1989 b; emphasis added). 'Social exclusion' was a new term, not previously used in formal documents: it represented a new understanding of policy objectives. One of the tests for national and European policies would become their capacity or incapacity to prevent or combat social exclusion.

The term "social exclusion" originated in France (see Castel, 1990) and was taken up by the President Delors. "We will in future", he was to say in 1993, "continue to distinguish between poverty and social exclusion…; although exclusion includes poverty, poverty does not cover exclusion" (quoted in Bruto da Costa et al., 1994). The 1989

resolution, already mentioned, called on the Member States to review their social policies with a view to preventing or combating "social exclusion" and it empowered the Commission to monitor what the Member States would be doing in this regard. The instrument of this monitoring was to be a so-called Observatory on National Policies to Combat Social Exclusion, in effect a network of expert correspondents in each of the Member States who would report annually on policies and developments in their own countries in relation to social exclusion (Room et al., 1991; for further discussion of "social exclusion", see Ó Cinnéide, 2000).

The historic events of 1989-1990 in central and eastern Europe were followed by significant population movements and political developments. There was a recession in Europe in the early 1990s and the unemployment rate in the 12 EU Member States increased to 11.5%. In the EU it was decided that coordinated employment measures were urgently needed to deal with the crisis. A policy making system was devised to enable and encourage EU Member States collectively to agree on and implement common policies to deal with unemployment. The results would be evaluated and would feed into a subsequent round of policy making. This new system, the "Open Method of Co-ordination" ("OMC" for short) was adopted initially at the EU summit in Essen in 1994. This two year cyclical process, with its common objectives, common targets, peer review and lessons for the next round of policy-making, was given a constitutional foundation in the Treaty of Amsterdam (Article 118), which was approved at the eponymous city in June 1997 and came into force on 1 May 1999. In due course this new method of shared policy making was to be adopted in other areas of policy.

The year 1989 saw a number of other developments that were important for European social policy, including the adoption by 11 of the 12 Member States of the Community Charter of the Fundamental Social Rights of Workers, or the Social Charter as it came to be known (the UK excluded itself but signed the Charter later in 1998). According to the preamble, the charter was adopted "in the spirit of solidarity it [being] important to combat social exclusion" (Commission of the European Communities, 1990; emphasis added).

Also in 1989 the Council approved what became known as Poverty III, the third European poverty programme. Whereas the two previous

programmes referred to above (those of 1975-1980 and 1984-88) had focussed on the concept of poverty and how it could best be tackled, the third programme was concerned with social exclusion and was described as "a programme concerning the economic and social integration of the economically and socially less privileged groups in society" (Council of the European Communities, 1989a). The ideal of the participation of the poor in local initiatives was retained but the emphasis shifted to the role of state agencies at the regional and local levels and on how they could and should, in association with the social partners, take coordinated and effective action to combat social exclusion.

Why was Poverty III about "social exclusion"? In the work of the Observatory referred to above "social exclusion" was seen as much broader, or more extensive, than "poverty". Secondly, as suggested by the 1989 resolution, there was a focus on the implications of the experience of, or perceptions of, social exclusion for the policies that were developed or adopted. The EU was interested in social exclusion not as a sociological concept but as a means of establishing how extensive the social problems labelled "social exclusion" were in the various Member States, and in the extent to which national policies alleviated, or exacerbated them.

In time the term "social exclusion" came to be widely used in Ireland not just by academics, but also by policy campaigners and by policy makers, including politicians. Perhaps they saw it as being advantageous to adopt the language of the EU itself and to make national initiatives accord with European objectives and strategies. Or it may be that the term "social exclusion" was seen to be a softer, less threatening term than "poverty" by those who did not want to acknowledge the extensiveness and persistence of poverty. But in addition, the term "social exclusion" could be seen as a dynamic rather than a static term. It alerted policy makers and researchers to factors that were previously overlooked, as having to do with causes and not just results. "It is presented as relating to dynamics and processes, to multi-dimensional disadvantage and to inadequate social participation; whereas poverty is presented as static and descriptive, uni-dimensional and narrowly financial" (Nolan and Whelan, 1996: 191).

Poverty III ended in 1994 and after that there was a hiatus. The European Commission had prepared proposals for a fourth programme, building on the experience of the previous three programmes.

The original proposals for Poverty 4, formally termed "Medium-term action programme to combat exclusion and promote solidarity – a new programme to stimulate innovation 1994-99", suggest that it would be based on the same principles as Poverty III: multidimensionality, partnership and participation. The projects to be run European-wide would be divided into 44 local model actions (subdivided into urban and rural), 19 national model actions and Transnational networks (Harvey, 1994).

However, the proposals were not adopted by the Council because of opposition from Germany and the United Kingdom (with its Conservative government led by John Major). When at the beginning of 1995 the Commission proposed to go ahead with grant-aiding some of the proposed activities, the case was referred to the European Court of Justice. In a decision of the Court, formally handed down eventually in 1998, the Court decided "that the Commission was not competent to commit the expenditure necessary to fund the projects … and that it acted in breach of Article 4(1) of the Treaty, so that the decision to commit that expenditure must be annulled." In effect, all such expenditure had to be approved by the Council (ECJ, 1998).

While in the EU there was a pause in relation to action on poverty, in Ireland public policy and action got a stimulus from another source. In March 1995, the United Nations convened a World Summit for Social Development in Copenhagen. At the summit Ireland was represented by the Taoiseach (a new Fine Gael Taoiseach as in 1973, again in a Coalition Government with the Labour Party, and also this time with the Workers Party) and senior ministers. The Summit pledged to make "the conquest of poverty, the goal of full employment and the fostering of social integration overriding objectives of development". Inspired by the experience of the conference, the Government decided to prepare an Anti-Poverty Strategy for Ireland. After a good deal of discussion, the National Anti-Poverty Strategy (NAPS) called *Sharing in Progress* was published in April 1997. This NAPS set a 10 year target to reduce consistent poverty in Ireland to 2% by 2007, or even to eliminate it. It was coordinated by the NAPS unit in the Department of Social and Family Affairs, which eventually became the Office for

Social Inclusion (OSI).

In the EU, in due course, an alternative way forward in relation to anti-poverty policy and action was found but it was not put in place until the landmark meeting of the European Council in Lisbon on 23 - 24 March, 2000. The Council discussed social affairs as part of a very wide agenda and resolved as follows:

The European social model, with its developed systems of social protection, must underpin the transformation to the knowledge economy. However, these systems need to be adapted as part of an active welfare state to ensure that work pays, to secure their long-term sustainability in the face of an ageing population, to promote social inclusion and gender equality, and to provide quality health services (emphasis added).

The "Lisbon agenda", or the "Lisbon strategy" was based on a total review of the EU's policies and programmes. New economic targets were adopted but also the promotion of "social inclusion" was a key theme, and the Strategy included the objective "to make a decisive impact on the eradication of poverty" in Europe by 2010 and achieve greater social cohesion. The method by which this was to be achieved was not EU legislation or programmes of poverty projects but by the collaborative EU policy making system, the Open Method of Coordination (OMC) mentioned above.

The system works in a two year cycle as follows.

(A)   common policy objectives are agreed at EU level by the Council of Ministers and

(B)   common indicators of policy change are defined;

(C)   in each Member State national action plans to implement the objectives are adopted and implemented;

(D)   progress in implementing the plans is monitored and national reports on the results are submitted for peer review at the European level;

(E)   a Joint EU Report, prepared by the Commission, reports on progress in each Member State, as described in the national reports, and this leads to the setting of new common objectives and the next iteration of the process.

Later in 2000 at its Nice meeting the European Council approved a new *National Action Programme on Social Inclusion*, or *NAP/Inclusion* for short, to provide incentives to all Member States to adopt a proactive,

planned and comprehensive policy approach to tackling social inclusion. The following year, 2001, marked the beginning of that EU-wide process. The process and the results are described in other articles in this volume.

Since 2000 significant developments in two other areas have contributed greatly to EU anti-poverty policy, that is in relation to research and to the mobilisation of poor people themselves and organisations representing poor people, at the European level.

The financial and economic crisis that hit Europe in 2008 poses the greatest threat to economic progress and social well-being. The EU has had to respond decisively and comprehensively. The blueprint of its response is EUROPE 2020 *A European strategy for smart, sustainable and inclusive growth* published by the European Commission in March 2010 (EU, 2010). The Commission proposes seven flagship initiatives under priority themes. One of them is a "European platform against poverty… to ensure social …cohesion such that the benefits of growth and jobs are widely shared and people experiencing poverty and social exclusion are enabled to live in dignity and take an active part in society." At this critical juncture, it is important that poverty is still high on the policy agenda of the EU.

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Karen Fitzpatrick - Irish delegate to the European Meeting of People Experiencing Poverty 2009 and member of the board of One Family.

I am delighted to have this opportunity to wish EAPN Ireland a very happy 20th anniversary for the ongoing work they do ensuring that the issue of poverty and social inclusion is a top priority both on the EU and Irish agenda.

Thank you so much for giving me some very empowering opportunities to have my voice heard at both European and national events with regard to the issues I have experienced as a single parent on welfare living in Ireland. These include being part of the Irish delegation attending the 8th meeting of People Experiencing Poverty in Brussels, returning to Brussels to report on the conference and speaking at the Social Inclusion Forum in Croke Park. It was only with the ongoing support, encouragement and training provided by Paul, Anna and Kay that I had the courage to speak at these events. Best wishes with all your work in the future.

Joe Gallagher - Founding member and former Chairperson of EAPN Ireland

I was involved at the start of efforts to bring about a grouping in Ireland which was willing to come together at a national and European level to highlight and fight against poverty.

I have a vivid memory of our first conference in the Riverside Centre on the quays where hundreds turned up (some may have thought that we were another conduit for EU funding).

I was always convinced that the Network could not succeed without at least one paid professional to keep the volunteers on the board motivated by making sure their decisions were acted on and, of course, ensuring that they were always up to speed on what was going on.

I was delighted to be involved in the recruitment of Triona Nic Giolla Choille and, later, Robin Hanan. The EAPN in Ireland would not have survived and flourished without both of these who were underpaid and overworked.

On a personal level the EAPN afforded me the experiences of travel and work all over Europe. The General Assemblies were almost always fascinating and, sometimes, inspiring.

I will drop a few names from the various delegations who travelled from Ireland and worked and drank (in some cases) so hard at those assemblies. John O'Connell, Paul Quinn, Maria Hegarty, Kathleen Fahy, Mel Cousins, Mike Allen, Candy Murphy, Margaret Deaton, Fintan Farrell, Maire Dorgan and many others.

Chapter 03

Introducing the Open Method of Coordination

Candy Murphy

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The Open Method of Coordination (OMC) on social inclusion was first introduced as part of the Lisbon Strategy in 2000 with the aim of achieving greater social cohesion across the EU. This was largely because the previous decade had seen increasing difficulties in making progress of a binding nature on social issues throughout the EU, as such issues were perceived primarily as areas of national competence.

At that time the OMC represented a new model of policymaking at EU level allowing Member States to cooperate on achieving common objectives in the areas of economic, employment and social policy whilst allowing for diversity in terms of national policy priorities and implementation mechanisms (e.g. different welfare regimes and values). The OMC is also described as 'soft law' in that it involves a voluntary self-evaluating process for assessing progress in the achievement of the agreed objectives. Through participation in the OMC process Member States can consider in detail how other states are meeting their common challenges and can have their own approaches reviewed by the Commission and by other Member States. The OMC is used in a number of policy areas such as employment, social protection, social inclusion, education, youth, vocational training and research. Therefore, the OMC allows for co-ordination across different policy areas using common tools, such as mainstreaming and poverty proofing.

**The OMC and
Social Inclusion**

Since 2000 Member States coordinate their policies for combating poverty and social exclusion through the OMC. Thus, using the OMC, all Member States agreed in 2000 to a common objective and related indicators aimed at 'making a decisive impact on poverty by 2010'. This social inclusion strategy complements the European Employment Strategy, also a key element of the Lisbon Agenda, and both are aimed at achieving the overall goal agreed by the EU Member States in 2000 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.

The original social inclusion objectives of the OMC were to:
1. facilitate participation in employment and access by all to the resources, rights, goods and services;
2. prevent the risks of exclusion;

3.   help the most vulnerable;

4.   mobilise all relevant bodies.

In order to assess progress in the achievement of these objectives Member States were required to submit bi-annual National Action Plans against Poverty and Social Inclusion to the European Commission. These plans included reporting on progress on the agreed indicators. The high level indicators agreed, some collected across Member States and some nationally, are as follows:

1a.   At-risk-of-poverty rate (total, children and elderly) - EU

1b.   Relative median poverty risk gap – EU.

1c.   Persistent at-risk-of poverty rate (2010 onwards) – EU.

2.   Inequality of income distribution (S80/S20) – EU.

3.   Healthy life expectancy – NAT

4.   Early school leavers – EU

5.   People living in jobless households – EU

6.   Projected Total Public Social expenditures – NAT

7a.   Median relative income of elderly people – EU

7b.   Aggregate replacement ratio – EU

8.   Self-reported unmet need for medical care – NAT

9.   At-risk-of-poverty rate anchored at a fixed moment in time – EU

10.   Employment rate of older workers – EU

11.   In-work poverty risk – EU

12.   Activity rate – EU

13.   Regional disparities in employment rates – NAT

14.   Total health expenditure per capita – NAT.

The European Commission then reviewed these national plans, assessed progress against the agreed indicators and prepared a joint report which gave feedback to national governments. In this feedback, the Commission indicated areas where they considered good progress had been made and others where they believed further action was required in pursuit of the agreed objectives.

Other elements of the OMC process in the area of social inclusion included:

•   Peer Reviews aimed at identifying and sharing good policy or practice as highlighted in the national plans - Mutual Learning.

•   Funding to support the OMC process in Member States. For example, at the present time under the Community Programme for Employment and Social Solidarity (PROGRESS).

In the period up to 2006 the key social inclusion priorities identified by the Commission as requiring particular attention by national governments under the OMC included: the need for active labour market measures, access to adequate and accessible social protection schemes and effective work incentives, access to decent housing, preventing early school leaving and child and migrant poverty.

In 2005 the Commission reviewed the OMC process and concluded that a new approach was required that would facilitate a more multi-dimensional and coordinated response to addressing social inclusion and related issues of health, long term care and pensions. As a result, in March 2006 the European Council adopted a new framework for the OMC involving new guidelines for social protection and social inclusion. This new process brought together the three policy areas of social inclusion, pensions and health and long-term care. Since 2006 each Member State therefore must submit a bi-annual National Report on Strategies for Social Protection and Social Inclusion (NRSPSI) with the National Action Plan for Social Inclusion being one of the three chapters; the others being Pensions and Health and Long Term Care. The overarching objectives of the OMC for social protection and social inclusion covering the three pillars for the 2006 to 2010 period are to promote:

(a) social cohesion, equality between men and women and equal opportunities for all through adequate, accessible, financially sustainable, adaptable and efficient social protection systems and social inclusion policies;

(b) effective and mutual interaction between the Lisbon objectives of greater economic growth, more and better jobs and greater social cohesion and with the EU's Sustainable Development Strategy;

(c) good governance, transparency and the involvement of stakeholders in the design, implementation and monitoring of policy.

The overall objective of the social inclusion pillar remained to make 'a decisive impact on the eradication of poverty by 2010'.

The specific objectives of this pillar in the 2006-2010 period are:

• access for all to the resources, rights and services needed for participation in society, preventing and addressing exclusion, and fighting all forms of discrimination leading to exclusion;

• the active social inclusion of all, both by promoting participation in the labour market and by fighting poverty and exclusion;

- that social inclusion policies are well coordinated and involve all levels of government and relevant actors including people experiencing poverty, that they are efficient and effective and mainstreamed into all relevant public policies including economic, budgetary, education and training policies and structural fund, notably ESF, programmes.

These objectives therefore involve not only mobilising the resources necessary to prevent and address social exclusion but also represent a strong focus on active social inclusion through labour market participation, as well as a commitment to ensure the efficient and effective participation of all the relevant actors, including people experiencing poverty, in the OMC process. The process also places an onus on each Member State to mainstream social inclusion policies into all relevant public policy arenas. Under this process Member States were required to:

- Build on policy developments from previous rounds of NAP Inclusion – particularly on Child Poverty and Active Inclusion as agreed priorities - and social integration of migrants.
- Determine their own priorities based on progress made on previous priorities and new emerging challenges.
- Address the implementation gap and reinforce impact rather than reporting existing actions.
- Increase the strategic focus, including a greater focus on integrated and multi-dimensional approaches.
- Set clear targets for both general poverty reduction and in relation to the priorities.
- Improve mainstreaming into general policy design, implementation and budgetary decision-making particularly ESF and Structural Funds. Use poverty proofing and social impact assessment.
- Strengthen governance by involving all actors in an ongoing structured dialogue at all stages of the policy making process and over the full cycle (including light years).
- Indicate how they will evaluate the governance process and raise public awareness.
- Ensure the European Year against Poverty 2010 reflected the agreed priorities.

This revised process involved a two-year cycle with simplified reporting. Under the revised process Member States submit National Strategic Reports in the first year, which are synthesised in a Joint Council and

Commission Report on Social Protection and Social Inclusion. This "Joint Report" includes separate country profiles, highlighting the priority themes and national challenges. The intervening years, without reporting, are dedicated to in-depth analysis and mutual learning on priority themes (e.g. child poverty in 2009). Two such National Report on Strategies for Social Protection and Social Inclusion have now been prepared by each Member State for the periods 2006-2008 and 2008-2010 using the guidelines provided by the European Commission.

Joint Reports have been prepared by the Commission in response to these national reports. The 2007 Joint Report was the first to examine national strategic reports integrating policies dealing with social inclusion, pensions and long-term care. The key challenges the Commission identified in these reports included intergenerational poverty transmission and the promotion of inclusion through labour market activation. The 2009 Joint Report called for strengthened interaction between growth and jobs and social inclusion, greater utilisation of the European Social Fund (ESF), more national targets and greater stakeholder involvement as well as a greater focus on:

- Active Inclusion;[1]
- Child poverty and social inclusion, including childcare;
- Homelessness;
- Roma.

European Commission Review of the OMC Process

In 2008 the Commission made proposals for 'A Renewed Commitment to Social Europe: Reinforcing the Open Method of Coordination for Social Protection and Social Inclusion'. In this report they refer to the eight years that the OMC had operated at that time and conclude that:

Throughout this period the Social OMC has proved its worth by supporting mutual learning, by promoting wider involvement of stakeholders, by giving impulse to the modernisation of social protection systems, by increasing awareness of the multi-dimensional nature of poverty and social exclusion, by forging a shared approach to the common challenges and by bringing to the fore emerging common issues (European Commission, 2008).

They went on to state that:

However, delivery on common objectives - fighting poverty and social exclusion, ensuring pension adequacy and sustainability, ensuring

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1. Active inclusion is a concept used by the EU in the framework of the EU strategy for social protection and social inclusion. It describes a holistic approach to promoting the integration of the most disadvantaged people through the development of an integrated strategy involving three pillars: 1) the provision of an adequate level of income support with 2) a link to the labour market and 3) access to services and in particular social services.

equitable access to health and long-term care – remains a challenge. An open coordination process, based on voluntary cooperation between numerous and diverse Member States, cannot, by definition, produce large-scale results in a limited period of time. Yet, there is a broad consensus – as illustrated by a large number of written and oral exchanges in the Social Protection Committee (SPC) and among all relevant stakeholders - that more can and should be done to make full use of the potential of the Social OMC (European Commission, 2008).

The Commission highlighted the so called 'implementation gap' that was revealed in the national reports and called for a greater focus on good governance and on identifying similarities and differences between approaches to governance across Member States. They called on Member States to highlight how good governance will be upheld continuously over the full OMC cycle, including the intervening thematic years, and for more Information to be given on monitoring and evaluation, targets and indicators set, with an emphasis on evidence-based policy.

This Communication proposed strengthening the Social OMC by: *improving its visibility and working methods, strengthening its interaction with other policies, reinforcing its analytical tools and evidence base, and enhancing ownership in Member States through peer review, mutual learning and involvement of all relevant actors* (European Commission, 2008).

This new approach, they stated, would create a new stimulus for the development of national policy level analysis and definition and would improve the efficiency and the visibility of the EU's social dimension as an integral part of the Lisbon Strategy thus ensuring better integration of economic, employment and social policies.

The Commission in summary recommended strengthening the OMC process by increasing political commitment and the visibility of the process; strengthening the positive interaction with other EU policies; reinforcing the analytical tools underpinning the process with a view to moving towards the definition of quantified targets and enhancing evidence-based policy making; and increasing ownership in Member States by boosting implementation and enhancing mutual learning.

The Commission in 2008 stated that:

In spite of the European Council's commitment in 2000 "to make a decisive impact on the eradication of poverty", there are no signs of an overall reduction in poverty rates in the EU. 16% of EU citizens (78 million) are at risk of poverty. Among them, children are at even greater risk: 19%. Pension reforms have not removed the risk of inadequate pension provisions for future generations, and health inequalities (shorter lives, worse health status in disadvantaged groups) persist (European Commission, 2008).

The situation in 2010 is similar; a decisive impact on the eradication of poverty has not been achieved. The OMC process is again being reassessed and at the time of writing its exact role and remit within a new EU 2020 strategy is not clear. However, the proposed European target of reducing the at-risk of poverty rate by 2020 throughout Europe – a reduction of 20 million people – represents an important target within which to frame a new OMC.

What has the OMC achieved to date?

Opinions are strongly divided on what the OMC has achieved to date - very much a 'half full' versus a 'half empty' analysis! Positive assessments focus on the OMC as an effective way for social policy to be co-ordinated across Member States without imposing regulatory and legal competition and harmonisation, thus allowing common European concerns to be addressed in terms of shared goals, indicators and targets while respecting national diversity in terms of both policy and institutional arrangements. Other perceived achievements of the OMC are that it is an effective tool for:

- defining and building consensus around a distinctive European social model based on common objectives and values;
- focusing attention on the need to intensify efforts across Europe to fight poverty and social exclusion;
- developing policies aimed at reducing poverty and social exclusion;
- facilitating a constructive exchange about shared policy objectives aimed at reducing poverty and social exclusion;
- promoting experimental learning and focused problem solving;
- supporting international comparisons and sharing of learning and best practice;
- highlighting the multi-dimensionality of poverty and social exclusion and the need for comprehensive, joined-up policy responses;
- enhancing democratic participation and accountability within the EU

by opening up the policy making process to inputs from civil society and sub-national actors (such as NGOs, social partners and local/regional authorities);

- allowing for independent critique by the European Commission of progress made by Member States in achievement of the agreed objectives;
- obliging Member State governments to justify their performance in meeting common European objectives to a broader public.

In terms of specific policy impacts achieved to date, those most often referred to relate to the shift in emphasis in respect of employment policies, for example from passive income to support for activation services. Gender equality is also an area that has been identified as one where EU social policy has had the greatest influence on national policy.

On the other hand, those who criticise the OMC focus on the fact that soft law means that no penalties can be imposed on those who fail to engage fully with the process. They also add that while the process is meant to be open and transparent it is in reality closed and unaccountable with limited and highly variable patterns of participation for stakeholders outside of national civil servants and EU officials. Furthermore, such critics state that it is too weak a process to effectively counter the constraints imposed on European social policy by the single market, European Monitory Union (EMU) and globalisation. Overall, critics of the OMC process contend that it has had little or no substantive impact on Member States and has failed to create a stronger focus on policies aimed at reducing poverty and social inclusion. Such critics contend that it mainly involves national governments repackaging and reporting on existing policies to fit with stated EU objectives. Furthermore, where a successful outcome is reported on it is very difficult to tell if this is as a result of the OMC.

Other criticisms of the OMC processes are that:
- Member States have managed to be selective in applying European concepts and policy approaches to employment and social inclusion, for example the different interpretations by Member States of what constitutes active inclusion policies;
- Governments often use references to OMC processes to suit national agendas either blaming the OMC for unpopular decisions or playing down its influence on pro-social inclusion policy changes.

Overall, how the OMC is viewed depends on one's expectations and benchmarks. If its impact is compared to the impact of EU 'hard law' it can be viewed as weak and lacking in real outcomes. However, if it viewed as a step in the right direction in bringing better coordination, focus and accountability to social policy it can be seen to have been effective, in part at least.

Overall the EAPN in its proposals for reinforcing the OMC in 2008 stated that:

The OMC is too often seen as too weak by governments and other actors, to invest adequately to make it work. To take its place as an effective strategy to combat poverty and social exclusion, the OMC has to be re-launched, made tougher and more visible; underpinned by an explicit political commitment. It must be the dynamic heart of the new social agenda and the post 2010 Lisbon Strategy' (EAPN, 2008).

The OMC in Ireland

Ireland has participated in the OMC process since it commenced in 2000 as part of the Lisbon agenda. Ireland has thus prepared a number of national reports during that period and has participated in a number of peer reviews as part of the OMC process. Ireland also has its own long-term National Action Plan for Social Inclusion 2007- 2016 which sets out the key policy goals in relation to reducing poverty and social exclusion in Ireland and which is monitored by the Social Inclusion Division and reported on annually to government, the social partners and to wider society. The national anti-poverty action plan is a very important instrument in ensuring a strong focus on actions aimed at reducing poverty and social exclusion in national policy and in monitoring progress made in relation to the agreed high level goals that form the heart of the strategy.

However, coordinating a long-term national anti-poverty action plan and a bi-annual EU level OMC process for addressing poverty and social inclusion has posed a number of difficulties in an Irish context. Firstly, Ireland uses a different measure of poverty than that used at EU level. While Ireland reports on the at risk of poverty rate[2] indicator as part of the OMC process, the Irish government's own policy goals and related targets are set around reducing consistent poverty rates.[3] Added to this, given the longer term focus of the national anti-poverty strategy, bi-annual reports to the EU have tended to primarily report on progress

2. Persons living below 60% of the median equivalised income line.
3. A person is defined as being in consistent poverty if they are at risk of poverty at the 60% of median income threshold and living in a household experiencing enforced deprivation for at least two of the eleven agreed basic deprivation items (e.g. without heating at some stage in the last year).

made on specific activities prioritised nationally rather than to present a strategic response to EU goals. More recently the consultation process run as part of the development of the National Report on Strategies for Social Protection and Social Inclusion in 2006 was given as a reason for greatly limiting public consultation and involvement by NGOs and people experiencing poverty in the preparation of the last EU NRSSPRI report 2008-2010. This lack of consultation resulted in the EAPN preparing a shadow report NRSSPRI for the Commission.

The Joint Report from the Commission on the 2006-2008 report from Ireland reflected some of these issues. For example, the Commission in its report highlighted the need for an at risk of poverty target in Ireland and for related targets aimed at reducing child poverty. The Commission also questioned the extent to which stakeholders had been involved in an 'ongoing structured dialogue on all stages of the policy-making process'.

Overall, the need for better linkages and coordination of strategies across the national and the EU level in the area of poverty and social inclusion are required and could be considered as part of the '2010 legacy'.

Where Do We Go From Here?

The future of the OMC is currently unclear. However, the new European 2020 strategy, the pause created by the end of the 2000-2010 period and the EU 2010 Year against Poverty and Social Exclusion, all offer an opportunity to reflect on EU and national policies and processes aimed at addressing poverty and social inclusion. This year represents an important moment within which to review and discuss how best the OMC process can be redefined to make it more effective and, in Ireland's case at least, to ensure that it can be better linked in to the national anti-poverty strategy.

Many people continue to live in poverty throughout Europe, especially those in so-called 'vulnerable groups' such as Travellers, Roma, lone parents and people with disabilities, while increasing numbers of those in work are experiencing poverty. Much remains to be done if this is to change significantly in the future. The overall aim of the OMC process to date of 'making a decisive impact on poverty by 2010' has not been achieved. We must redouble our efforts to ensure that it is achieved by 2020.

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**Tess Murphy - CEO Longford Women's Link
and Board member of EAPN Ireland**

On behalf of Longford Women's Link, I would like to congratulate
EAPN Ireland on the occasion of its 20th anniversary.

Longford Women's Link is a local organisation
aimed at supporting women in Longford to achieve
their potential in a safe and equal society.

It has long been established that gender inequality is exacerbated
by poverty and disadvantage, and is also a key factor in its
persistence, therefore gender equality has to be a fundamental
element of all poverty reduction strategies. Research shows
that when women are empowered, whole families benefit and
the benefits can have ripple effects to future generations.

EAPN Ireland plays an important role in increasing our awareness
of the root causes and complexity of poverty and social
exclusion. It also provides a mechanism to feed into strategies
to address this issue in Ireland and across the European Union.

As a board member of EAPN Ireland, I am committed to working
to eliminate inequality and social exclusion in our society.

Roisin Shortall TD - Labour Party Spokesperson on Social and Family Affairs

Ask anybody concerned about social justice. The struggle for a more equal society is a long and arduous journey. But the best way to get through long journeys is good company.

For 20 years now EAPN -Ireland has been a key lobbyist for real social change and tackling systemic poverty in our country. It has kept us all informed of what is happening on the social exclusion agenda in Europe while reminding us of what is not happening to combat poverty at home.

All I can say is keep it up. As our country deals with profound economic set-backs, your work has never been more important.

The battle to win the hearts and minds of the voting public that an equal society is both desirable and in each of their interests is a challenge, but one very much worth fighting for.

Chapter 04

Application of EU Open Method of Co-ordination – experience in Ireland
Gerry Mangan

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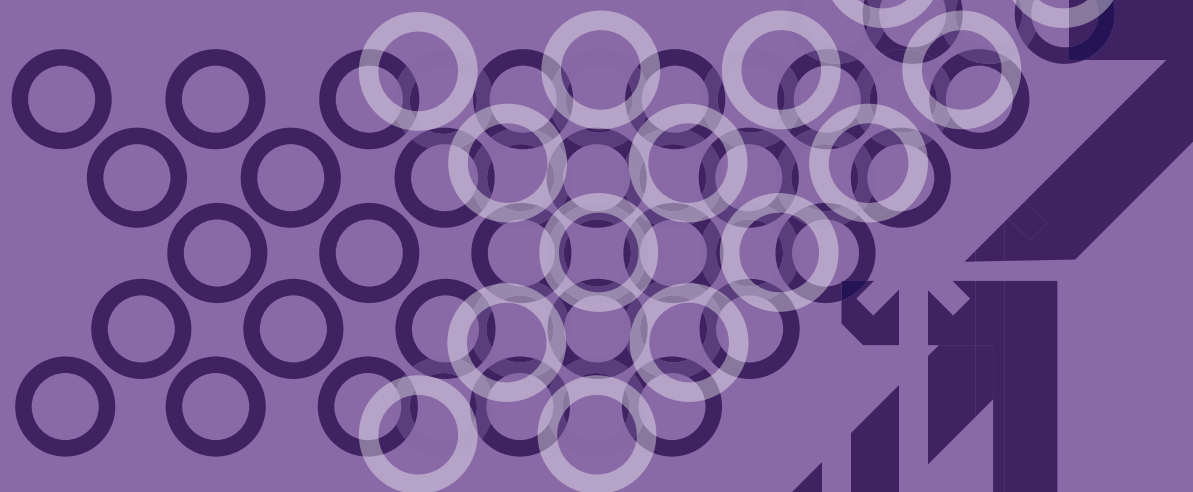
THE IMPACT OF THE OMC,

AN IRISH CASE STUDY

The Open Method of Coordination (OMC) in relation to social inclusion emerged from the aims for social and economic policy set by the European Council of Heads of State and Government in 2000 in Lisbon. The aims were for the European Union to become by 2010 *"the most competitive, dynamic and knowledge based economy in the world capable of sustainable economic growth with more and better jobs and greater social cohesion."* The declaration also included the aim *"of making a decisive impact on the eradication of poverty by 2010"*.

These aims are not just of importance in themselves. Of great significance also is the inter-relationship between them. Sustainable economic growth requires more and better jobs and greater social cohesion and likewise, greater social cohesion requires continuing progress in the other areas. This inter-related process, or "policy triangle" as it came to be called, in turn makes possible a decisive impact on poverty. Success in eradicating poverty can also greatly contribute to achieving the other aims. Five years on in April 2005 this latter reality was highlighted by the Secretariat of the Organisation for Economic Cooperation and Development (OECD) - of which most EU Member States are members - in a report to a meeting of Ministers for Social Affairs which stated that "…poverty and inequality are evidence of an inefficient society, which wastes human resources, opportunities and life chances…(and they)…will also weigh heavily on our capacity to sustain economic growth for years to come".

The most succinct definition of social cohesion is provided by the Council of Europe (of which all EU States are members) which defines it as "the capacity of a society to ensure the well-being of all its members, minimising disparities and avoiding marginalisation, to manage differences and divisions and ensure the means of achieving well-being for all".

Competence for Achieving Greater Social Cohesion

Member States in various provisions in the Treaties and in declarations such as that of Lisbon in 2000 are committed to achieving adequate social protection, social inclusion and greater social cohesion. However, Member States largely retain sovereignty at national level on how best to achieve these aims and on the measures and resources committed to realising them. It is stated, for example, in the Council Recommendation of 27 July 1992 on the convergence of social protection objectives and policies that "because of the diversity of the

schemes and their roots in national cultures, it is for Member States to determine how their social protection schemes should be framed and the arrangements for financing and organising them".

Modernisation of Social Provision – the Challenges

The social protection systems of Member States may differ but the challenges to be faced are common for all the systems. These include changing employment patterns, changing family structures, including increasing female participation in the workforce, greatly increased health care costs, and the aging of the population. Among the greatest challenges is the fact that 80 million residents of the European Union, among the wealthiest regions in the world, are at risk of poverty. This is occurring despite the fact that most EU countries devote a relatively high proportion of their GDP to social protection.

Meeting these challenges has meant that modernisation of systems of social protection has become essential. Changes overall have to be sustainable, especially in the context of the need to maintain economic competitiveness in an increasingly globalised world and, in the longer term, in the context of rapidly aging populations. Increasingly it is being recognised that these challenges cannot be met by short term incremental changes that leave the fundamentals of existing systems, with their inadequacies more or less intact. The fundamentals, therefore, have to be progressively changed, which requires a longer term strategic approach. Member States at national level are already embarked on this modernisation process to a greater or lesser degree. There is, however, much to be gained for all Member States from the exchange of knowledge, experience, expertise and best practice on their application of the process, particularly within the broad parameters set at Lisbon.

Open Method of Coordination (OMC) – Strategic Approach

The application of the Open Method of Coordination (OMC), which began in the late 1990s with employment, and after 2000 was extended to social inclusion and more recently to pensions and health services. Working to reduce and ultimately eradicate poverty presents a particular challenge. This is due to its multi-faceted nature, its differing manifestations among the various vulnerable groups in society and, in many cases, the requirement for long periods of investment in services and other supports before a decisive impact can be achieved. Combating poverty and social exclusion, therefore, requires a strategic,

sustained, long term, multi-policy response. Achieving effective outcomes also requires that policies be coordinated and, where appropriate, integrated. Member States embarked on this process under the OMC through national action plans on social inclusion. These apply for set periods of two or three years and are based on guidelines drawn up by the EU Commission, in consultation with Member States through the EU Social Protection Committee. The first such plans were introduced in 2001.

Ireland had to an extent pioneered this approach having already introduced a National Anti-Poverty Strategy (NAPS) in 1997. The EU guidelines for the OMC, however, have been of great assistance in all facets of the strategic approach. Notwithstanding its own NAPS, which had still six years to run when the first EU National Action Plan was due, Ireland did submit a first plan following the guidelines in 2001. However, at that stage consultations were still in train with the various stakeholders on a major revision of the NAPS, which was eventually introduced in February 2002. As the Government could not commit to what was still under consultation, the commitments made in the national plan for the EU had to be limited. This plan incurred criticism from the EU Commission for not being sufficiently strategic and from various stakeholders in Ireland for not being more ambitious. However, the subsequent plan was much better received as it was possible to take full account of what had been provided for in the revised NAPS. Ireland has stayed with its approach of having a 10 year National Plan (the latest applies for the period 2007-2016), as this makes for better and more comprehensive long term planning. The EU approach has since been streamlined to requiring Member States to submit reports setting out three or four priorities over a three year period and reporting on progress being achieved (see below).

Trends and Challenges

A strategy requires a good knowledge of the trends impacting on the achievement of social inclusion and, in particular, on the difficult challenges to be met. The OMC has greatly assisted in identifying, documenting and reporting on these trends in both the economic and social spheres and in relating them comparatively to those in other Member States. A major contributor to this dimension of the process is the annual EU Survey on Income and Living Conditions (EU SILC). Its findings have greatly assisted in informing not just Government but

all stakeholders on the outcomes being achieved in terms of poverty levels and, in particular, the priorities that should be pursued in relation both to policies and vulnerable groups. Two broad examples are the importance of "activation" policies to support people back to work and to achieving greater self reliance and of the need to prioritise combating the high risk of poverty among children.

Strategic Direction

The OMC also promotes and facilitates debate and discussion in a comparative EU context on the directions we, as a society, wish to go in working to achieve greater social cohesion. It draws in all relevant actors to the debate by demonstrating both the economic as well as the social consequences of poverty. This can greatly help in promoting greater understanding and ownership across society of the strategies to be pursued. One criticism of the OMC with hindsight is that initially there may have been a rush into meeting the requirements for national action plans and guidelines resulted in an undue focus on short term policies and solutions. It might have been more productive to have begun with debates at national level on the challenges to be met, the strategic direction to be taken and the priorities to be adopted by each Member State in the light of its own circumstances. This EU Year (2010) on Combating Poverty and Social Exclusion, 10 years post Lisbon, should now provide an opportunity for this type of debate.

Objectives and Targets

Objectives and targets are essential for "operationalising" high level goals. The objectives clarify the outcomes to be achieved. The OMC greatly assists in providing a basis for this. The common objectives set by the EU are framed with input from all Member States and informed by their experience. Making the achievement of objectives happen, however, is greatly assisted by having time bound targets. Targets should include the measures to be taken, the resources to be provided and the time to be taken for achieving the targets. This approach ensures transparency as to the outcomes to be achieved and on the commitments made to the measures and the provision of resources to achieve them. The setting of targets has been a key component of the strategic approach adopted by Ireland both in its national strategies and in the action plans for the EU.

Coordination and Integration

Experience in many countries has shown that focusing individually on various policies such as income support, employment supports, education and training etc. (the "silo" approach) may not be as effective in terms of outcomes as those achievable with greater coordination and integration across relevant policy areas. Policy makers and administrators are often more comfortable in their "silos" as there are fewer complications or pressure for change with all its difficulties. The OMC endeavours to encourage instead a process that has the strategy at the centre guiding and driving the development of policies on an integrated basis, with the focus on the outcomes to be achieved for the various categories at risk of poverty and social exclusion. Ireland has sought to foster this through a life cycle approach - children, people of working age, older people, with two further categories – people with disabilities and communities which includes areas of urban and rural disadvantage This means the focus is on achieving optimal outcomes for categories of people through a multi-policy response in addition to focusing on individual policy outcomes. This new approach in relation to poverty informs the National Action Plan for Social Inclusion adopted in 2007.

New Phase – Setting Priorities

A new streamlined approach for the OMC adopted by the EU in recent years promotes a more central role for strategy. The requirement to produce national action plans covering all relevant social inclusion policies has been replaced by a requirement instead to produce shorter reports on the social inclusion priorities to be addressed over the period to which the reports apply (these reports overall now encompass the strategies for pensions and health services). Setting priorities for social inclusion requires a cross cutting, strategic approach focused on the outcomes to be achieved for more vulnerable groups. For example, the priorities adopted by Ireland include child poverty, improving access to quality employment, and to services (especially for older people and people with disabilities) and integration of immigrants.

Data, Indicators and Research

Comprehensive data is required for planning, setting priorities and measuring progress in achieving outcomes. Much data requirements are met from surveys, such as EU SILC, and from data obtained in the course of administering social protection schemes and services. A focus on the data required to measure progress in achieving outcomes is prioritised. The EU through its Indicators Working Group, has been

developing a range of common indicators on outcomes which are being applied under the OMC. Examples of these, provided in a comparative EU context, are numbers and percentages at risk of poverty, levels of unemployment and employment participation generally.

Overall Outcomes

There has been much debate in Ireland over the past 10 years on the broad measurement of rates of poverty and on whether "consistent poverty" which essentially measures material deprivation, is a more appropriate measure than "at risk of poverty" which measures the numbers and categories below a poverty line based on relative income. Both measurements and indicators are in fact important but provide different perspectives on poverty. "Consistent poverty" measures basic material deprivation, identifying the overall proportion in the population and the groups that are most deprived and vulnerable. Indicators of material deprivation are now being developed by the EU and the OECD. "At risk of poverty" is the main overall EU measure of poverty. It measures the numbers that are in effect falling behind prevailing living standards and who, as a result, are at risk of poverty. It is also seen as an important measure of inequality and thus the level of social cohesion.

Consultation and Engagement with Stakeholders

A key feature of the OMC is the encouragement and promotion of consultation and engagement with the non-governmental stakeholders including in particular, the community and voluntary sector and people experiencing poverty. This is based on the recognition that those for whom social inclusion policies are applied, and those who represent and work with people experiencing poverty, should have as of right a direct involvement in the development and implementation of these policies. They have, in particular, a key contribution to make from their own direct experience in evaluating the adequacy and effectiveness of policies and their implementation.

Consultation Process

Consultation with stakeholders was a key feature in the process for preparing the National Anti-Poverty Strategy in the mid 1990s. It has steadily developed since then and Ireland would be recognised as having one of the more developed consultation processes among EU countries. It is used in particular for the National and EU Action Plans and for the reports on progress on achieving objectives and targets.

The Social Inclusion Forum has become a major event for reviewing progress on the social inclusion agenda. The Housing Forum is of key importance in relation to housing policy. There is also much bilateral engagement on policy and its implementation between stakeholders and individual ministers, government departments and agencies and with local authorities and other government institutions at local level. While promoting consultation and engagement is a key component of the OMC, it is recognised that more needs to be done through research and exchange of good practice to improve the processes and get more added value from all the activities engaged in. A contribution to this was made by an EU Peer Review that evaluated Ireland's Social Inclusion Forum in 2008 and reported on it EU wide. This report was also of particular benefit in planning subsequent Social Inclusion Fora. Discussion on and evaluation of consultation processes are a prominent theme during this EU Year on Poverty and are a core element of Ireland's national programme for the year. It is also currently the focus of much attention by the EU and Council of Europe.

Policy and Technical Support

The EU Commission with the Social Protection Committee issues a Joint Report which provides brief analyses of the reports of each Member States, the progress being made and the areas where more effort and resources are required. The Joint Report also provides an overview of the challenges and the progress on social inclusion being made generally across the EU. This has been supplemented over the past year with a report on the measures being taken to counter the impact of the crises in the economy and the public finances on people experiencing poverty and social exclusion whom the crises leaves particularly vulnerable. Excellent analytic studies are also being developed at EU level designed to feed into the policy process at national level. A recent study on child poverty provides a good example of this. There is a need for the development of more structured ways for all stakeholders at national level to examine the findings of these reports and studies in relation to progress being made at national level in a comparative EU context, in relation to the policies and initiatives being developed by other Member States, and the findings of cutting edge research. This 2010 EU Year on Poverty may also provide a good opportunity for considering how structures for consultation can be better used in this regard.

The OMC is making a major contribution to the adoption of a more strategic, long term approach to combating poverty and social exclusion in Member States. It is harnessing the considerable knowledge, experience and best practice gained by Member States in modernising their systems of social protection and employment supports and making it available for application at national level in policy development and implementation. This EU Year on Poverty provides an opportunity to review the impact of the OMC, not just in relation to the process itself, but also on how effectively it is being applied in the various Member States. The type of issues on its impact could include:

- application of the strategic process in relation to policy planning, development, and implementation in a coordinated and integrated way especially for the longer term;
- contribution to more effective implementation at national and local levels and on coordination between these levels;
- how best indicators, especially on outcomes and in relation to poverty, can assist in determining policy development and priorities;
- the impact of the exchange of good practice in the various Member States under the OMC and the need for improved structures for their consideration by all stakeholders;
- the scope for the exchange of good practice on effective consultation and engagement between Government and other stakeholders, especially with people experiencing poverty and with the media;
- extent to which OMC is availed of by non-governmental stakeholders in supporting and advocating the modernisation of social provision and how this can be improved.

Conclusion

Much has been achieved both directly and indirectly through the OMC in developing a more effective strategic approach to combating poverty and social exclusion. Much more can be achieved through the process, especially through its more effective application at national level, not just by Government but by all relevant stakeholders. A strategic approach was never more needed than at present in meeting the challenges, both short term and long term for social inclusion of the current, severe economic recession.

Hopefully, one result of this year of debate and reflection on how best to combat poverty and social exclusion will be a more effective

and comprehensive OMC supporting Member States in the years ahead in an EU wide determination to achieve the fundamental goal of eradicating poverty.

Ms Antonia Carparelli - Head of the Social Inclusion Unit, European Commission

Making social Europe a daily reality for the 84 million people at risk of poverty is an ongoing challenge. I believe EAPN Ireland has taken on this challenge with success. Over the years, the network has developed a strong expertise and become a key partner in the EU Social Inclusion process, whilst remaining a dynamic watchdog and keeping strong connections to the grassroots.

It is this capacity to make participation more than a buzz word, and bring up the daily reality of people experiencing poverty that I would like to highlight.

2010 is an important year for the fight against poverty, and the contribution of civil society organizations will particularly mark its success.

Our cooperation is more precious than ever, and I would like to wish EAPN Ireland all the best for the coming twenty years.

Egide Dhala - Irish delegate to the European Meeting of People Experiencing Poverty 2007 and Manager, Centre for the Education & Integration of Migrants, Spiritan Asylum Services Initiative (SPIRASI)

It has been a wonderful experience working with EAPN Ireland for the past 3 years. This has given me a real opportunity to raise the issue of poverty experienced by migrants groups in Ireland. Indeed migrants seem to be an insignificant group in a very Irish dominated society and therefore it as important to pay attention to the high risk of poverty that they are living in. I am glad that since the 2007 meeting, which raised the poverty issue of migrants, EAPN Ireland has joined other groups advocating for the improvement of migrants life, especially in highlighting the poverty risk. I hope that this work will continue and adopt strategies that would positively influence policies on migrants both at national and international levels.

Chapter 05

Adequate income
Jim Walsh[1]
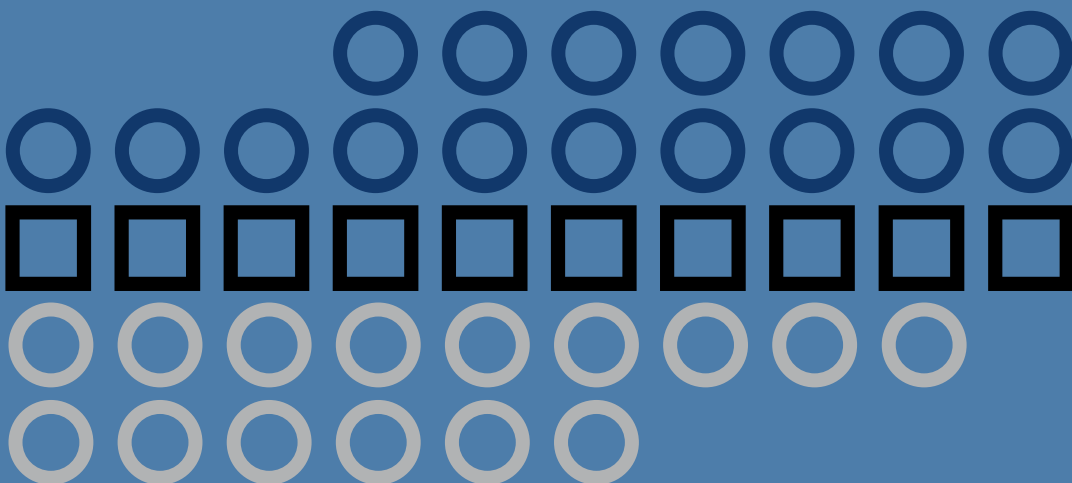
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THE IMPACT OF THE OMC,

AN IRISH CASE STUDY

Introduction

This chapter looks at the impact of the EU Open Method of Coordination (OMC) on the provision of minimum income. Minimum income provision is a key component of social protection in Ireland: it provides a basic standard of living for individuals and families at times of financial crisis and caters for those who otherwise would not receive state help. Not surprisingly, the EU has placed considerable emphasis on the role of minimum income schemes in tackling poverty and promoting social inclusion.

Following Immervoll, minimum income provision is defined as 'cash or in-kind transfers that aim at preventing extreme hardship and employ a low-income criterion as the central entitlement' (Immervoll, 2010). Minimum income schemes include social assistance payments as well as additional means-tested payments that are received by low-income families for specific needs. Excluded are insurance-based schemes as well as means-tested schemes for retired people and for carers.[2]

The chapter begins with a review of the policy debate on minimum income from an EU and a national perspective. It then describes the design of minimum income schemes and looks at trends in take-up and payment rates over time. The final section assesses the effectiveness of minimum income in tackling poverty.

The minimum income debate

The reference point for considering the impact of the OMC on minimum income is the 1992 European Council recommendation on common criteria concerning sufficient resources and social assistance in social protection systems (CEC, 1992). Commonly known as the 'minimum income guarantee', this statement recognised the basic right of a person to sufficient resources and to live with human dignity and proposed guidelines for Member States governing the provision of minimum income schemes within social protection systems.[3]

The 1992 policy was further developed under the OMC as greater attention was paid to the design and effectiveness of minimum income schemes in Member States. This led in 2008 to the European Commission issuing another recommendation with a supporting 'communication' that linked minimum income schemes with a wider

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2. Social assistance schemes for older people and carers are excluded as they generally do not target people of working age and furthermore the payment rates are significantly higher.
3. The guidelines include fixing the amount of resources considered necessary to cover essential needs taking into account living standards and price levels, based on appropriate indicators; establishing arrangements for periodic review of these amounts based on indicators; safeguarding the incentive to seek work; and ensuring people are supported in obtaining their rights.

policy of 'active inclusion of people excluded from the labour market' (COM, 2008a; 2008b). The new policy has three strands: adequate income support, inclusive labour markets and access to quality services, with an overall aim to,

facilitate the integration into sustainable quality employment of those who can work and provide resources which are sufficient to live in dignity, together with support for social participation, for those who cannot (COM2008a: 2).

The supporting communication notes that the adequacy and the coverage of minimum income schemes need improvement and that the effectiveness of schemes is determined not only by the amount of benefits but also by their design and delivery.

Paralleling the European debate, there has been extensive discussion in Ireland about minimum income. Indeed, the Irish debate preceded that of the EU through the government-established Commission on Social Welfare which reported in 1986. The Commission proposed a minimum income benchmark based on prevailing living standards and the prevention of poverty. Further analyses of minimum income rates were undertaken by the Economic and Social Research Institute (1996) and the Social Welfare Benchmarking and Indexation Group, a social partnership-led initiative (2001). The recommendations of these reviews in relation to minimum income rates were institutionalised as policy targets in numerous social partnership agreements (McCashin, 2004). They were also incorporated into Government anti-poverty policy, most notably Building an Inclusive Society, published in 2002. This stated that welfare policies should provide sufficient income for a person to move out of poverty and to live in a manner compatible with human dignity, while facilitating participation in employment and escape from welfare dependency. Specifically, it set targets of €150 per week for minimum adult rate (to be achieved by 2007) and a minimum child income of between 33% to 35% of the minimum adult rate.[4]

More recently, the debate about minimum income has broadened to embrace an active inclusion strategy encompassing training and employment and access to services. For example, a review of the minimum income safety net (Supplementary Welfare Allowance) in 2006 recommended that all social assistance schemes should be integrated into a standard system of income support, with a

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4. The commitment in the current National Action Plan for Social Inclusion 2007-2016 is to maintain the relative value of minimum income rates.

range of activation supports targeted at applicants according to their capabilities, to encourage greater self-sufficiency. The NESC report on The Developmental Welfare State (2005) proposed the integration of income support with services on the one hand and activist measures on the other, across each stage of the lifecycle. It stated that a streamlined and tailored minimum income system should facilitate participation in society, with the latter requiring motivation and self-esteem, skills, competencies and learning ability, interest and social networks. A similar perspective is outlined in the National Action Plan for Social Inclusion 2007-2016.

In the context of its strategy statement 2008-2010, the Department of Social Protection is examining the desirability and feasibility of introducing a single social assistance payment for people of working age across a range of contingencies. Such a payment, if introduced, would represent a change in mindset from receiving a payment based on a specific contingency to returning to work or taking up training/ educational opportunities, having regard to capacity, capabilities, availability, training and/or development needs. The policy goal is that everyone is given or directed to the support/services they need in order to get back to or take up work or other training/educational opportunities. This would be matched by an expectation that people take up that support, i.e. a rights and responsibility approach and recognising the need for adequate supports and services.

In keeping with the OMC model of governance, the Commission has undertaken periodic reviews of minimum income provision in Member States, taking into account its recommendations. Thus, Nolan (1995) found that Irish minimum income rates were determined without explicit reference to any external indicators such as average disposable income or consumption levels. Furthermore, he found the procedures for uprating welfare payments were ad hoc and fell short of what was required for transparency. He concluded that the absence of a systematic framework for assessing the adequacy of minimum income rates is one of the most serious failings in the Irish system, evaluated in the light of the EU recommendation (1995: 73). Nolan also highlighted the absence of a public monitoring of the effectiveness and impact of minimum income provision.

More recently, Daly (2009) reviewed minimum income in Ireland for the EU Network of National Independent Experts on Social Inclusion,

part of the OMC infrastructure. She noted that minimum income rates are regularly updated and have increased ahead of inflation and wages in the past decade. Daly also highlighted an intensified employment and training support for recipients of minimum income, though more linking of social services with employment and social inclusion policy is needed.

Minimum Income Provision

Ireland is characterised as being part of a grouping of EU Member States that have a 'complex network of different, often categorical, and sometimes overlapping minimum income schemes' (Frazer and Marlier, 2009). This reflects the incremental response over time to basic needs. Similarly, the OECD classifies Ireland's minimum income provision as 'lower-tier fall-back benefits targeted at groups not getting support through other welfare measures, e.g. lone parents, unemployed' (Immervoll, 2010).

There are three components to Irish minimum income provision, as summarised in diagram 1: social assistance schemes, child income and top-up benefits. The core provision is social assistance schemes, which fall into two groups:

• Categorical schemes targeted at specific population groups, typically the unemployed, people with disabilities, lone parents and farmers.

• A supplementary scheme (called Supplementary Welfare Allowance), which is the 'safety net' for people who do not qualify under a categorical scheme.

Diagram 1: Minimum income provision

Child income	Social assistance schemes[5]	Additional benefits
Universal child benefit	Categorical schemes for the unemployed, people with disabilities, farmers and lone parents	Means-tested benefits relating to rent, GP healthcare, school clothing/footwear, winter fuel and exceptional needs
	Supplementary scheme for those who do not qualify for or are awaiting assessment for a categorical scheme	

5. The main eligibility conditions relate to age, habitual residency and lack of financial resources. Specific contingency conditions relate to labour market status, illness or disability or family status.

Supplementing these minimum income schemes is a range of means-tested benefits relating to rent, GP healthcare, school clothing and footwear, winter fuel and diets, as well as a generalised range of exceptional and urgent needs. Finally, there is universal child benefit, which is a major component of the minimum child income package for families. Minimum income schemes are provided on a national basis through two main providers: the Department of Social Protection administers categorical schemes and child benefit through a national network of local offices and the Heath Service Executive through its community welfare service administers the supplementary scheme and additional benefits.

Table 1 profiles minimum income schemes in 2009. The total number of recipients is 456,500, equal to a third of all welfare recipients. Unemployed recipients are the largest category at 210,700 or 46% of the total. Disability and lone parent recipients are the next two largest categories with 101,000 and 93,000 respectively (22% and 20% of the total). Supplementary Welfare Allowance (SWA) accounts for 43,000 recipients or 9% of the total.[6] Farmers are the smallest category at 9,000 or 2% of the total.

Table 1: Profile of minimum income schemes in 2009

	recipients	share	beneficiaries	ben/recip	Expenditure (€m)[7]	share
Unemployed	210,716	46%	142,139	0.7	€1,285	30%
Disability	101,043	22%	33,815	0.3	€1,069	25%
Lone parent	93,032	20%	150,027	1.6	€1,092	25%
SWA	42,775	9%	34,791	0.8	€804	19%
Farmer	8,972	2%	11,688	1.3	€85	2%
Total	456,538	100%	372,451	0.8	€4,336	100%
MIS as % all SW	33%				24%	

There are a further 372,000 beneficiaries of minimum income schemes, including 68,000 adult dependants and 304,000 child dependants.[8] On average, each recipient has just under one dependent. Lone parents have more dependents (1.6, all children). These number 150,000, half of the total of dependent children. Farmers also have a higher number

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6. Three quarters of SWA recipients are awaiting a claim for mainline social welfare scheme. The remainder are broken down into three main categories: asylum seekers, those who are sick but have no benefit entitlement, and others. The main group of asylum seekers are those in direct provision.
7. Expenditure data refer to 2008.
8. These figures include some recipients and adult dependants, along with their child dependants, who may also be getting income from work.

of dependents (1.3), while disability and unemployed recipients have smaller numbers (0.3 and 0.7).

Overall, one in five of the eligible population is a beneficiary of minimum income. Among children, the beneficiary rate is higher at 28%, while for the working age population it is 18%. It is not possible to assess the take-up rate of minimum income vis-à-vis all those in need. However, it can be noted that the share of the working age on minimum income is 5 points more than the percentage at-risk-of-poverty (18% vs 13.5%). Even more children are on minimum income than are at-risk-of-poverty (28% vs 18%). This would indicate that minimum income coverage is comprehensive. In addition to the main minimum income schemes, there are a further 2 million recipients of additional benefits, including 320,000 recipients of the fuel allowance, 277,000 recipients of the school clothing and footwear allowance, 93,000 recipients of the rent allowance and 1.35 million people with a medical card.

Total expenditure on minimum income schemes is €4.3 billion (2008 figures). This is 24% of all welfare expenditure. Minimum income for the unemployed costs the most at €1.3 billion (30% of total), while disability and lone parents each cost €1 billion (25%). The expenditure on SWA is €800 million (19%), while farmers are a residual category at €85 million (2%). Overall, expenditure shares are more evenly distributed than are recipient shares, reflecting the higher number of beneficiaries on schemes with smaller numbers of recipients.

Diagram 2 shows trends in the numbers of recipients of minimum income schemes between 2000 and 2009. In 2000, there were 265,000 recipients of minimum income schemes. Over the following nine years, the number of recipients increased by 72%. Four fifths of the total increase occurred in the last two years, 2008 and 2009, with the remaining one fifth in the first seven years.

Diagram 2: Trends in recipients of minimum income schemes, 2000-2009
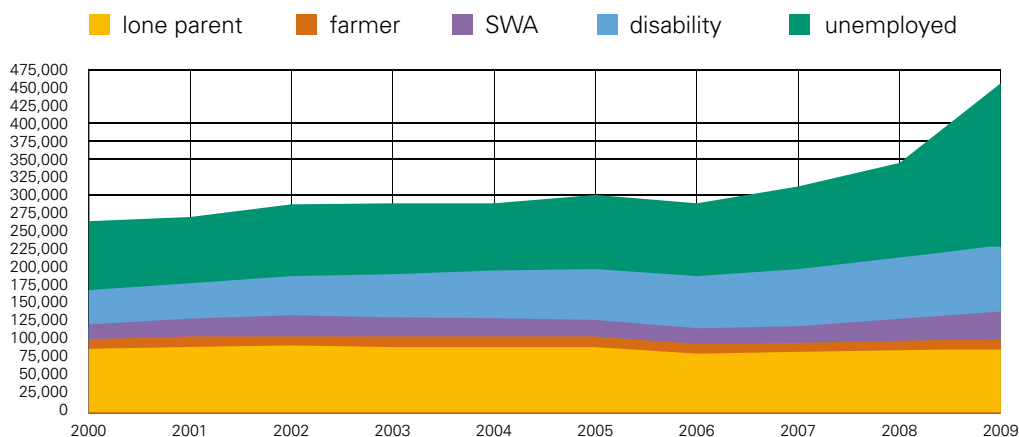
The upward trend in recipient numbers is concentrated in three categories – unemployed, disability and SWA – with little change in lone parents and farmers. The unemployed show the largest increase at 157% from a baseline figure of 82,000 in 2000. Nearly all this increase is accounted for by the onset of the economic recession in 2008 and 2009. Disability recipients show the next biggest increase at 80% (baseline 56,000), while recipients of Supplementary Welfare Allowance grew by 70% (baseline 25,000). The farmer category recorded modest growth of 11% (baseline 8,000). The one minimum income category which has shown no change in recipient numbers is lone parents (93,000 in 2000). In aggregate terms, the unemployed share of minimum income provision has risen from 31% to 46%. By contrast, lone parents' share has fallen from 35% in 2000 to 20% in 2009.

Minimum Income Rates

Payment rates are standardised across all minimum income schemes.[9] Table 2 presents the weekly rates of minimum income for various family types. The rates include a) the personal adult rate, b) additional payments for dependent adults and children, c) universal child benefit and d) top-up payments relating to fuel and school costs. The minimum income for a single person is €208.26 per week. This comprises a personal rate of €196 and a fuel allowance of €12.26. For a couple, the personal rate is increased by 0.66 times and along with the fuel allowance, totals €338.36 per week. Households with children get a

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9. Minimum income rates are the same as the rates for working age social insurance schemes. They are approximately 90% of the rates on social assistance schemes for older people and for carers and 85% of the rates on social insurance schemes for older people and carers.

combined €67.73 for each child aged up to 18 years (or 22 years if in full-time education), which is the equivalent of 33% of the adult rate. The minimum income for a lone parent with one child is €275.99 per week. For two adults with two children, the total is €473.82. There are some restrictions on these minimum payments for certain categories.[10]

Table 2: Minimum income rates, 2010

	1 adult	2 adults	1 adult, 1 child	2 adults, 2 children
personal rate	€196.00	€196.00	€196.00	€196.00
adult dependant	-	€130.10	-	€130.10
child income[11]	-	-	€67.73	€135.46
fuel allowance[12]	€12.26	€12.26	€12.26	€12.26
Total	€208.26	€338.36	€275.99	€473.82

Diagram 3 looks at trends in minimum income rates between 2000 and 2010. Rates for adults and children have more than doubled in the last 10 years: the minimum child rate increased by 121%, from €31 per week to €68 per week and the minimum adult payment rose by 103%, from €97 to €196.[13] The upward trend in the minimum adult rate was reversed in 2010 when the rate fell back by 8%. The minimum child rate was unchanged between 2009 and 2010. The increases in the adult minimum income rate are directly attributable to the setting of policy targets in various government policy statements, as described previously. Another policy driver was the target to have the minimum child income at between 33% and 35% of the minimum adult payment. This was especially important in a period when the adult minimum income rate doubled. In 2000, the minimum child payment was 32% of the minimum adult payment. This improved to 38% in 2002 and 2003. It then fell back to 32% in 2006, before rallying again in recent years to reach 35% in 2010.

10. An age restriction applies to the adult personal rate for new recipients of Jobseeker's Allowance or SWA since 2009/2010. For new recipients under 25 years, the rate is reduced to between €100 and €150 per week. The full rate applies for recipients who participate in training or education programmes or if they have dependent children. Also, the personal rate can be reduced to €150 for unemployed and SWA recipients where job offers and activation measures have been refused.
11. The minimum child income is made up of three discrete payments: monthly child benefit (50.5%), weekly qualified child allowance (44%) and annual school clothing and footwear allowance (5.5%).
12. The fuel allowance is a household payment of €20 per week over 32 weeks (September to April). The equivalised weekly rate over the full year is €12.26. The payment is automatic for disability and lone parents recipients; for unemployed and SWA recipients there is a waiting period of 15 months.
13. Between 2000 and 2006, high child benefit was the main reason for the increase in the minimum child payment. From 2006 to 2010, the main element of the increase was child welfare payments.

Diagram 3: Trends in minimum income payments 2000-2010

Legend:
- minimum adult cover
- State pension
- Consumer prices
- minimum child income
- minimum wage
- average earnings
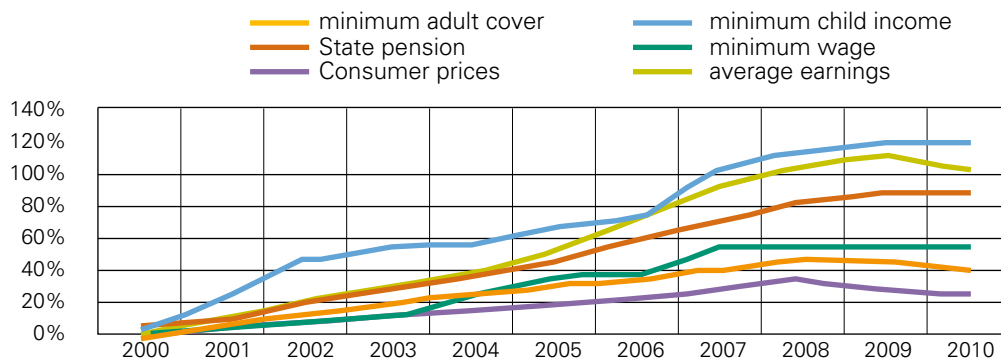
The trends in minimum welfare rates can be compared to a number of benchmarks including the state contributory pension, consumer prices, average industrial wages and the minimum wage. The state pension, the primary welfare rate, increased by 89% in the last decade, which was less than the growth in the minimum adult and child income. Consumer prices increased by 28% in the period 2000-2010. Thus, the real value of the minimum adult income and minimum child income grew by 75% and 93% respectively. Average industrial wages rose by 40% in this period. Again, minimum welfare payments surpassed this benchmark by a considerable amount: 63% in the adult payment and 81% in the child payment. The final comparator is the minimum wage, which improved by 55% over the 10 year period. Again, the gain in minimum income considerably surpassed the increase in the minimum wage by between 48% and 66%. Other minimum income benefits increased by even greater amounts in the last decade: the fuel allowance grew by 290% and the school clothing/footwear allowance went up by 150%.

Finally, we can consider how minimum income rates compare with minimum in-work income in table 3. This is important as both the EU recommendations and the Irish Government policy statements have made it clear that minimum income schemes should be consistent with an incentive to work. Table 4 reveals how minimum income rates compare with minimum in-work income as measured by the replacement ratio. In all cases, the minimum income is less than the minimum in-work income. The greatest differential is for a lone parent with one child, whose minimum income is half of a minimum in-work income. This reflects the generous income disregards associated

with the minimum income scheme for lone parents, as well as an entitlement to Family Income Supplement. For single adult and two adult households, the minimum income is between 63% and 69% of a minimum in-work income. The smallest differential is for two adult, two child households, where a minimum income represents almost four fifths of a minimum in-work income.

Table 3: Minimum income compared to minimum in-work income[14]

	1 adult	2 adults	1 adult, 1 child	2 adults, 2 children
minimum income	€208.26	€338.36	€275.99	€473.82
in-work income	€330.60	€490.30	€540.38	€618.85
replacement rate	63%	69%	51%	77%

Assessing Minimum Income

Adequacy

One way to assess the adequacy of minimum income is to compare it with the at-risk-of-poverty threshold at 60% of median income, using household data from the ESRI Living in Ireland Survey (2000 and 2001) and the CSO Survey on Income and Living Conditions (2003 to 2008). The minimum incomes for three family types are presented in diagram 4: a single adult, an adult with a child and two adults with two children.[15] Looking first at the single adult income, this was 69% of the at-risk-of-poverty threshold in 2000. It fell to 65% in 2001 as the growth in median income outstripped the increase in the adult minimum rate. By 2003, the downward trend had sharply reversed as the minimum income rose to 74% of the poverty threshold, due to welfare increases being ahead of wage growth. Between 2003 and 2006, the minimum adult income continued its rapid ascent as a percentage of the at-risk-of-poverty threshold, reaching 86% by 2006 (a rise of 12 percentage points over the three years). Since 2006, the rate of increase has moderated, with only a further single point increase to 87% by 2008.

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14. Based on one person working a 39 hour week at the minimum wage of €8.65 per hour. The second adult in the two adult household and the two adult, two children household is assumed to be in receipt of a reduced rate of Jobseeker's Allowance, while the one adult, one child household is assumed to be in receipt of a reduced rate of the One Parent Family Payment, along with the Family Income Supplement.
15. Minimum income includes personal rate, adult dependant allowance, child income support (child allowance and child benefit and school allowance) and fuel allowance (as in table above).

Diagram 4: Minimum income as a proportion of at-risk-of-poverty threshold (60% median) 2000-08[16]
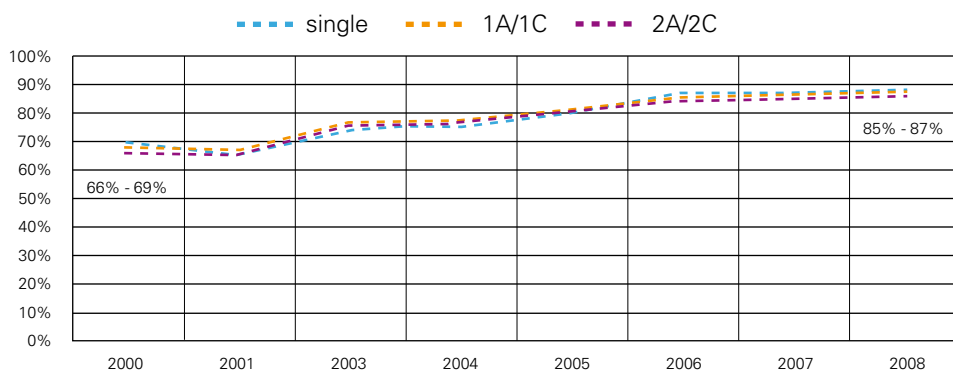
The patterns for the one adult and one child and the two adults and two children families are broadly similar to that for the single adult. This is due to the same equivalence scales being used in household surveys as are generally applied in minimum income schemes (0.66 for an adult and 0.33 for a child). In 2000, the minimum income for both family types was between 66% and 68% of the comparable poverty threshold. This fell to 65-66% in 2001. By 2003, the figure had risen to 75-76%, a gain of 10 percentage points in two years. At this point, it was two percentage points higher than that for a single adult. The figure further increased to between 83-84% by 2006. Since then, the percentage has reached a plateau of 85-86% of the threshold. At this point, the minimum incomes of all family types as a proportion of the poverty threshold are broadly similar.

Throughout the 2000s, minimum income rates for various family types have got significantly closer to the at-risk-of-poverty threshold. That this was achieved during a period when the threshold increased by two thirds is a remarkable outcome.[17] It is likely that the improvement will have continued in 2009 and 2010, due to a combination of falling average incomes (and hence poverty threshold), while the minimum personal and adult rates were largely unchanged over the two years combined and there was a small increase in the level of child income support (+ €2 per child per week).[18]

16. No data on the at-risk-of-poverty threshold are available for 2002.
17. The 60% median threshold in 2000 was €114.19. By 2008, it had increased to €238.69, a rise of 65%.
18. The Minimum income rate increased by €6.50 in 2009 and decreased by €7.80 in 2010. This leaves the 2010 rate €1.80 below what it was in 2008, a decline of less than 1%. Child income support is €68.11 per child in 2010 compared to €65.99 in 2008.

Minimum standard of living

A second approach to assessing the adequacy of minimum income is by using the criterion of a minimum standard of living. This approach has been developed by the Vincentian Partnership for Social Justice (VPSJ) using a budget standards methodology to construct 'minimum essential budgets' (VPSJ, 2006).[19] Budget standards are designed to answer the question: 'how much does it cost to reach an acceptable living standard?' They involve pricing goods and services which are deemed to be essential for a minimally adequate lifestyle based on social consensus and expert knowledge. The VPSJ has developed minimum essential budgets across six household types on both welfare income and minimum wages. Here, we concentrate on four minimum income households: single adult male, lone parent with two children, couple with two younger children and couple with two older children. Table 5 presents the minimum essential budget for these four households updated for 2009 and compares this with their minimum income.[20]

Table 4: Minimum essential budgets for households on a minimum income, 2009

	minimum essential budget	minimum income	shortfall/ surplus	%
single adult male (25+)	€370.52	€314.56	-€55.96	-15%
one adult + two children (3/10)	€341.43	€362.08	€20.65	6%
two adults + two children (3/10)	€463.86	€497.68	€33.82	7%
two adults + two children (10/15)	€579.24	€488.14	-€91.10	-16%

The minimum essential budget for the single adult male in 2009 was €370.52 per week (this includes rent). As the minimum income for this household was €314.56, this left a weekly shortfall of €55.96 (-15%) in the ability of a single adult male to provide a minimum essential standard of living. The minimum essential budget for a lone parent with two children aged three and 10 years was €341.43 a week. This compared to a minimum income of €362.08, which resulted in a surplus of €20.65 per week (+6%). Also showing a surplus of €33.82 was a couple with two children aged three and 10 years when comparing their minimum essential budget and their minimum income (+7%). The final

19. The budget standards method was developed by the Family Budget Unit, University of York and the Centre for Research in Social Policy, Loughborough University. See http://www.minimumincomestandard.org/
20. minimum budgets on the basis that families are exempted from GP fees and prescription charges by the medical card. Rent allowance is included in the minimum budget for the single adult male.

household is two adults and two children aged 10 and 15 years. This family faced a large shortfall of €91.10 per week (-16%) when matching their essential expenditure and their income.

These findings show that certain households on a minimum income face a considerable shortfall in their ability to provide a minimally adequate living standard. For the single adult household, the critical factor is the additional costs of renting in the private sector, even taking assistance with rental costs into account. For the couple with two older children, the main difference is the additional costs associated with a teenage child compared to a younger child, estimated at over €80 per week. These costs relate to food, clothing, education, social inclusion and participation. Further evidence of the cost differential between older and younger children is provided by research on the cost of a healthy diet (Healthy Food for All, 2009). This indicates that the food needs of older male children cost up to twice as much as younger male children and, depending on where purchased, can account for between half and all of minimum child income.

These findings related to 2009. The VPSJ (2008, 2009) reports an improvement in the ability of households to meet a minimum essential budget since 2006. For two households (lone parents with two younger children and couple with two younger children), this involved moving from a budget deficit to a surplus. For single adult and couple with older children households, their budget deficit has reduced over time. The ability of households on minimum income to afford an adequate living standard in 2010 is unclear as, on one hand, consumer prices have fallen and, on the other hand, the minimum income rate for working age adults was reduced to the 2008 level.[21] The situation for households with younger children is likely to have dis-improved as the half-rate early childcare supplement (€9.60 per week) was withdrawn in 2010. While these households will have the benefit from a free year's pre-school, this is not included in their weekly minimum expenditure.

Prevention of poverty

The analysis so far has focused on adequacy of minimum income in relation to various benchmarks; a more direct measure of minimum income is to consider its impact on poverty levels. This can be assessed by isolating the impact of social transfers from minimum

21. Consumer prices are estimated to have fallen by 5% in 2009-2010. However, there is some evidence that the reduction in prices for low-income households is less than for better-off households (ESRI, 2009).

income schemes on the at-risk-of-poverty rate, using data from the CSO Survey on Income and Living Conditions.[22] We first establish the at-risk-of-poverty rate based only on market income and old age and survivor benefits. Then we include social transfers for people of working age, including child benefit, in-work benefits and top-up allowances.[23] Diagram 5 reveals that the at-risk-of-poverty rate before social transfers (but including pensions) for people of working age was 29% in 2004. Social transfers reduced this by 11.5% to 17.6%. This gives a poverty reduction effect (PRE) from social transfers of 40% for people of working age.

Diagram 5: Impact of social transfers on at-risk-of-poverty rate (60% median) for people of working age, 2004-2008
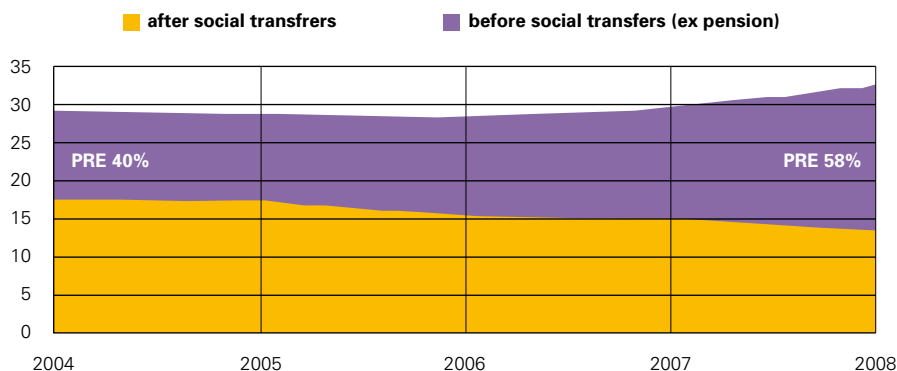
Between 2004 and 2008, the at-risk-of-poverty rate before working age social transfers increased by 3.5% to 32.5% (coinciding with the start of the economic recession). Despite this trend, social transfers not only neutralised this increase but achieved a reduction in the at-risk-of-poverty rate to 13.5%, down four percentage points on 2004. This equates to a PRE of 58% (minus 19 percentage points). So in the space of five years, the PRE of working age social transfers has gone up by almost half. A downward trend is also apparent in the consistent poverty rate for working age adults, which fell from 5.6% to 3.9% between 2006 and 2008.

Diagram 6 looks at the impact of social transfers (again excluding pensions) on the at-risk-of-poverty rate for children in the period 2004 to 2008. In 2004, the at-risk-of-poverty rate for children excluding social transfers was 37.4%. Social transfers reduced this rate to 21%, a fall

22. At-risk-of-poverty is one indicator of poverty, along with material deprivation and consistent poverty (at-risk-of-poverty and material deprivation combined). At-risk-of-poverty is only used here as it is possible to separate out the impact of social transfers on the at-risk-of-poverty rate.
23. Working age social transfers includes payments under social insurance schemes as well as minimum income schemes. However, in most cases the rate of payment is the same.

of 16%. This gives a PRE of 43% for children. Over the next four years, the at-risk-of-poverty rate for children before social transfers increased by 4% to 41%. Despite this, the at-risk-of-poverty rate for children after social transfers actually fell by 3% to 18%. In effect, a further 7% of children were removed from at-risk-of-poverty because of social transfers in this period. This impact is reflected by the increase in the PRE of social transfers for children to 57%. The consistent poverty rate for children also fell from 10.3% to 6.3% between 2006 and 2008.

Diagram 6: Impact of social transfers on at-risk-of-poverty rate (60% median) for children (2004-2008)

■ after social transfrers   ■ before social transfers (ex pension)
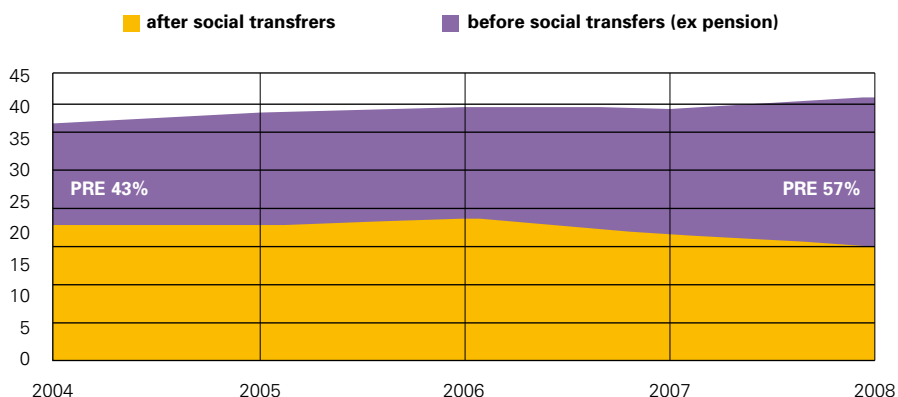
Minimum income provision is central to EU and national policy on the fight against poverty and social exclusion. It is likely to be of even greater importance in the context of the current economic downturn. For a long time, the main policy focus has been on the minimum income rate, with a number of initiatives to revise benchmarks on which payments are based and updated over time. Ireland has made significant progress in improving minimum income rates, to the extent that a recent EU review suggests that it together Sweden, the Netherlands and Denmark, are the countries which come closest to achieving the at-risk-of-poverty threshold (Frazer and Marlier, 2009). This is an even more noteworthy result in the context of rapidly increasing poverty threshold. There is also an enhanced poverty reduction effect on minimum income transfers, with the at-risk-of-poverty rate being reduced by over half.

Conclusion

This success leaves Ireland well placed to provide an effective system of social protection in a period when more and more families are finding themselves without independent financial means. At the same time, there still is no official benchmark on which minimum income rates are based. Neither is there a statutory yardstick by which minimum income rates are to be adjusted over time (McCashin, 2004). This issue is likely to come more to the fore in a period of fiscal constraints.

Far less progress can be reported in the Irish context in terms of streamlining a complicated and multi-layered system of minimum income. This issue has moved centre stage as the policy debate on minimum income has shifted to a holistic perspective whereby minimum income is linked with social services and labour market activation, referred to as active inclusion. In addition, the challenge of maintaining and even enhancing active inclusion policies in a context of weak labour markets brings renewed energy to the debate about the future direction of minimum income (Immervoll, 2010). Minimum income policy and active inclusion policy will therefore be to the fore in future EU policy on social inclusion and, in particular, in the new Europe 2020 strategy for jobs and growth.

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Dr. Maureen Gaffney - Former Chairperson of the National Economic and Social Forum (NESF)

My own experience as Chair of the National Economic and Social Forum was, as it were, topped and tailed by EAPN. When the NESF was first established in 1993, the Social Policy Committee was chaired by Triona Nic Giolla Choille of EAPN. Before the NESF was finally dissolved this year, one of its last public meetings was on the occasion of the sixth meeting of the Social Inclusion Forum. This was convened annually by NESF in collaboration with the Social Inclusion Division of the Department of Social and Family Affairs. A key element In the fight against poverty and social exclusion is the Government's commitment to consult with people actually experiencing disadvantage, and the groups that represent them and the Social Inclusion Forum is a principal vehicle for this process of consultation and dialogue. It is no exaggeration to say that without the critical role the EAPN plays, this process simply would not work as effectively as it does. For weeks before the event, the EAPN travels the length and breadth of the country, listening and talking to people, helping local activists to make coherent links between their concerns, their insights, their work and the larger national picture. And then, like a well disciplined army, the people march on Dublin. The clarity of their purpose, the authenticity of their experience, and the force of their message is a stunning testament to that enabling partnership between them and the EAPN.

Patrick Burke - Director of the Simon Communities of Ireland and Board member of EAPN Ireland

It is my pleasure to send my warmest congratulation to the Board, Staff and Network members of EAPN (Ireland) both past and present on the occasion of the 2010 EU Year for Combating Poverty and Social Exclusion, which also marks the 20th Anniversary of EAPN Ireland. The contribution of EAPN (Ireland) to the fight against poverty and social exclusion, on both the national and the European stage cannot be over estimated. Through its membership, EAPN has ensured that the voices of people who experience poverty and exclusion in Ireland are heard and that they have the opportunity to influence policies which directly impact their lives. EAPN (Ireland) occupies a unique space within the Community and Voluntary Sector in Ireland offering its member organisations an interface with the EU policy making process and works tirelessly to ensure that there is a free flow of relevant information. Now more than ever we need to be focused on the fight against poverty and social exclusion and I wish EAPN Ireland every good wish as it leads the way at this critical time.

Chapter 06

Access to decent employment
Brid O'Brien

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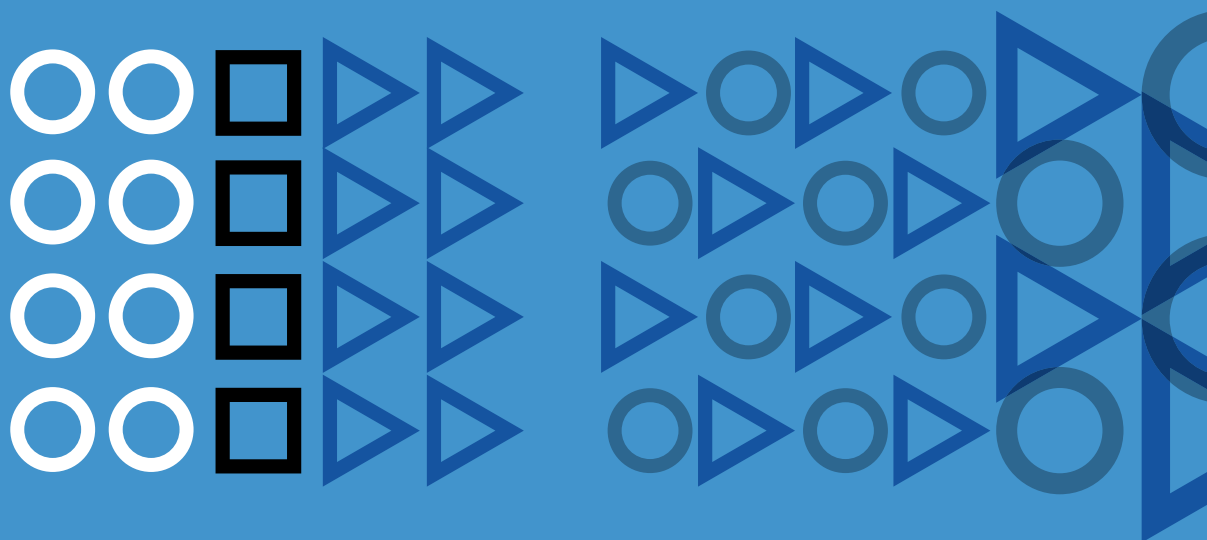
On the issue of decent employment and accessing it, the nature of the interaction of economic and social policies at both the European and national levels has a significant role to play. Successfully accessing work for people who are long-term unemployed or distant from the labour market requires the positive interaction of economic and social policies underpinned by the principles and practice of active inclusion and equality. It demands clear pathways from education, training and active labour market programmes into the broader labour market, in particular to those elements of the labour market that are deemed as having a longer term future. Effectively it means that active labour market polices and programmes must not only focus on the supply side (the potential employee) but also on the demand side (the potential employer).

A challenge ever present is whether policies that are deemed to be sustainable from an economic perspective are sustainable from a social perspective. Work has been defined as a route out of poverty, but the nature of the work on offer or accessible to people who are long-term unemployed and otherwise distant from the labour market may not be sufficient to meet their needs. The International Labour Organisation has stated that, *"Decent work is central to efforts to reduce poverty, and is a means for achieving equitable, inclusive and sustainable development."* (ILO, 2010) In her speech to mark the 'Call to Action for Decent Work – Decent Life' Margot Wallström, then Vice-President of the European Commission noted that the *"Commission is a key partner of the International Labour Organisation"* and that the *"European Union has the goal of combining economic growth, more and better jobs with social justice. That is why the Commission supports the development of decent work, fair globalisation, and policy coherence also at the international level"*. (Walström, 2008)

Yet the issue of the 'working poor' persists and domestically this will be further exacerbated by the ongoing calls to push wage levels down in the interests of competitiveness. Indeed the issue of competitiveness is one where the clash between economic and social sustainability is most clearly evident. It is strange that in the neo-liberal economic model that has dominated economic development in recent years, and arguably undermined equitable and inclusive social development, and which is so dependent on consumption to revive and sustain itself, that wage cuts is one of its rallying calls. This begs the question as to who

exactly is going to buy all the services and goods produced under this model if the vast majority of its workers and social welfare recipients have insufficient income to survive yet alone sufficient to enjoy discretionary consumption.

In defining 'decent work', the European Commission has noted that it (ILO, 2010) *"is founded on four pillars which require an integrated approach:*
- *productive and freely chosen employment*
- *rights at work including the core labour standards*
- *social protection*
- *and social dialogue"*.

In his address to the 46th Session of the Commission for Social Development of the United Nations,[1] Vladimír Špidla, then EU Commissioner for Employment, Social Affairs and Equal Opportunities, noted that *"Decent work does not merely involve job creation: it encompasses employment, workers' rights, social protection, the social dialogue and equal opportunities. The European experience of integrated economic and social policies illustrates the added value of this kind of approach"*.

In practice though, how integrated is economic and social policy at a European level and how does this interaction feed into national and local policy design and implementation? With the increased focus on jobs and growth in the revised 2005 Lisbon Strategy, it has been argued that economic policy and its sustainability were given priority over social issues. This re-prioritisation also had implications for access to decent work for long-term unemployed people and others distant from the labour market. Domestically it can be argued that given this primacy of economic considerations over social ones, the nature and depth of the current unemployment crisis will prove to be worse than it should have been. In particular, that the model of partnership that evolved is now ill prepared to work through and come up with inclusive solutions.

So what role has the Open Method of Co-ordination (OMC) played in addressing poverty social exclusion and access to decent work in Ireland? And how has it served Ireland and in particular those groups most distant from the labour market? The OMC is potentially critical to these developments as it is based principally on:

1. Held in New York, 6th February 2008

- jointly identifying and defining objectives to be achieved (adopted by the Council);
- jointly established measuring instruments (statistics, indicators, guidelines);
- benchmarking, i.e. comparison of the Member States' performance and exchange of best practices (monitored by the Commission).

OMC in Action

In late 2005, the EU Commission strove *"to put in place an enhanced open method of coordination (OMC) for policies geared to providing social protection and combating poverty. This strengthened OMC will be more visible and will focus more on policy implementation, tying in more closely with the revised Lisbon Strategy. It will simplify the reporting process and will increase the opportunities for exchanging ideas between the Member States on the policy to be conducted"*. As part of this work it set itself an objective of *"making a decisive impact on the eradication of poverty and social exclusion"* by ensuring *"the active inclusion of all by promoting participation in the labour market and by fighting poverty and exclusion among the most marginalised groups"*.

In assessing the impact of the OMC, the apparent success of the Celtic Tiger economy in creating employment, which questionably masked many of the socio-economic problems facing Ireland, throws up a challenge. At one level it could be argued that interaction between social policies and *"the Lisbon objectives for achieving greater economic growth and more and better jobs"* were working quite well. At the height of Ireland's economic boom the overall Lisbon employment target of 70% was almost reached, while the targets for women and older workers were surpassed. Since then the employment rate has dropped while unemployment has risen dramatically. The over reliance on the construction industry was flagged in the Country Reports arising from the separate OMC process under the National Reform Programme but not as strongly as hindsight would now suggest should have been the case. Construction employment created openings to decent employment for communities and areas that otherwise would have seen little of the Celtic Tiger. However, such growth was not sustainable in any sense of the word. Also alongside this growth long-term unemployment persisted while distance or exclusion from the labour market impacted on particular groups including lone parents, disabled people and Travellers. In-work poverty

also challenged the assumption that a job was the best route out of poverty: an issue many commentators feel Ireland failed to address even at the height of the Celtic Tiger and one Europe did not highlight as it should have if a strengthened OMC was indeed to deliver on the *"eradication of poverty"*.

Ireland identified amongst its key challenges and priorities in its reports to Europe on Social Inclusion and Social Protection, *"access to quality work and learning opportunities (activation measures), with a focus on lone parents and people with disabilities; Social inclusion of immigrants"*. Targets were set in Towards 2016, the last national social partnership agreement and carried through and expanded on in the National Development Plan (2002-2013) and National Action Plan for Social Inclusion (2007-2016). On reading the Joint reports on Ireland arising from the OMC process, what is quite striking is the sense of little progress beyond the setting of these targets. Creating access points into the labour market for lone parents and disabled people demanded a range of measures on the child and social care front that were not emerging as they ought if real progress was to be made. Likewise, the issue of discrimination in the labour market needed to be named and dealt with constructively if the reality of distance from the labour market was to be properly addressed and an increasing number of people were to enjoy access to decent, quality and sustainable employment. The Government's recent roll-back on support for both government and non-government agencies with an equality, anti-racist and human rights focus does not bode well for the *"social inclusion of immigrants"*. And as in other Member States, migrant workers are disproportionately represented on the Live Register. At the Annual Delegate Conference of the Irish National Organisation of the Unemployed in 2009 a resolution was passed which *"Recognises that people from other countries who have worked in Ireland and paid taxes and social insurance contributions have a legitimate entitlement to social welfare payments and supplementary welfare allowances; Deplores unnecessary obstacles being put in the way of people accessing such payments on account of their nationality"*. Members continue to raise concerns about the treatment of migrant workers who have lost their jobs.

No doubt the extent and speed of the economic downturn undermined the original timescale. However, little progress was possible unless serious action was undertaken on linking progression from activation

measures into the wider labour market. Acknowledgement in the Joint Country Report (European Commission, 2009: 10) of the need "to continue to invest in services in tandem with welfare reforms in order to address inequalities and further reduce the risk of poverty, especially for disadvantaged groups" is to be welcomed; as is the recognition that "priority should be placed on childcare, especially in relation to affordability, including for those in employment". However, the impact of the downturn on the Irish economy and in particular on public finances is already producing results that run contrary to the spirit and substance of policy targets to reduce social exclusion and poverty.

In its 2009 report, the Social Protection Committee noted that *"Europeans can count on sound social protection systems. Not only has social protection greatly contributed to mitigating the worst social consequences of the economic and financial crisis, it has also undergone profound modernisation, in line with the overall Lisbon strategy"*. It is questionable as to how long this statement can stand as the economic downturn bites harder and deeper. It is also debatable whether Ireland's social welfare system can claim to have undergone a *"profound modernisation"*. In many respects Ireland's social welfare system is still designed around an outdated model of the labour market. Feedback from unemployed people on Ireland's social welfare system ranges from good, timely and friendly, to information provision could be better, to you needed to know more than they did in the first place. There is a sense that time spent talking to someone in the system is insufficient to get a real understanding of the service, entitlements and options. The unprecedented reduction in social welfare payments to people of working age in the Budget 2010 has left many social welfare recipients feeling far from protected as they struggle with personal debt and a yawning unemployment problem. The targeting of the young people for a more stringent welfare cut also sent a strong message to them to follow the 'traditional' Irish solution to socio-economic crisis: emigrate, hardly conducive to the realisation of 'active inclusion'.

"Active labour market policies and ambitious life long learning strategies have an important role to play in fighting poverty and social exclusion" (European Commission , 2009: 10) is indeed true; and is particularly important if people living in poverty and social exclusion are to benefit from the planned for 'smart' economy. However, accessing marketable training and education courses remains a challenge. In recent focus groups held with unemployed people, a critical issue for

them was the quality of the provision of education and training courses available. In particular, it was seen as crucial that courses were well planned and structured and delivered by good instructors. Prior to participation, the role of supportive and well informed employment and related services personnel was highlighted in ensuring people gain access to the right option. Concerns were also raised that employers do not value existing courses.

A particular challenge facing Europe and Ireland is how to persuade those whose formal education and skills levels leave them juggling a life time of welfare payments and / or precarious employment, that lifelong learning is for them. Active Labour Market Programmes (ALMPs) must meet a complex range of needs. ALMPs must create openings for people who left school early and deemed it as irrelevant to their needs. At present lifelong learning is accessed more by those who are already well educated who wish to improve their existing skills level; yet it could be an ideal mechanism to provide timely access points for people distant from the labour market. For the *'Europe 2020'* vision of *'smart, sustainable and inclusive'* to be realised, then a hard sell on lifelong learning is required by the formal education sector. This is particularly important if the challenge of progression from ALMP into sustainable employment is to be addressed for marginalised communities and individuals. This issue was inadequately dealt with during the Celtic Tiger years by Ireland; and though brought to the attention of the EU Commission by non government organisations, Ireland was not held to account by the OMC process as called for by the NGOs. How achievable is the new goal of *'75 % of the population aged 20-64 should be employed'* if these issues are not adequately addressed? (European Commission, 2010(b): 3).

In Conclusion

According to the European Commission, *"The OMC's peer review stage should promote mutual learning and knowledge transfer"*. How much of this has really taken place? With the increased focus in the revised Lisbon Strategy on 'jobs and growth', did Ireland's apparent success at job creation imply that it was seen as one of the success stories and therefore the country to be learnt from, rather than the one in need of learning? Peer review may be viewed as potentially a more productive method of encouraging the exchange of best practice and learning. But Ireland is now struggling with an unemployment crisis that will further marginalise those communities and individuals who did not

benefit from the Celtic Tiger or only got a look in when the construction and retail boom took off. Would the depth of the unemployment crisis be as severe if Europe, and indeed Ireland itself, had critiqued and evaluated these developments more effectively? Hindsight may indeed be 2020 vision but without a proper understanding of these dynamics how can we ensure that history will not repeat itself and that the most marginalised will not find themselves further impoverished and excluded.

Therefore a major challenge facing Ireland and the rest of the European Union is how to ensure that growth is *"smart, sustainable and inclusive"*. The skills set required for employment in a 'smart' economy, ones that would lead to more sustainable employment opportunities, are not readily accessible to all at present. Similarly, the word sustainable can be interpreted differently depending on whether it is being viewed from an economic, a social or an environmental angle. Surely as Europe looks to the future, the word sustainable will be viewed from where it intersects across these three themes. But it would be foolish to underestimate the extent of the challenge facing policy makers, practitioners and people living in Europe. Indeed there will be times when the three facets of sustainability will pull against one another. At those times will the social angle take second if not third place? And what then will be the impact on those communities and individuals whose lived experience is rooted in poverty and social exclusion? *"Decent work is central to efforts to reduce poverty, and is a means for achieving equitable, inclusive and sustainable development. (ILO, 2010)* It is vital that Ireland and Europe hold onto this vision but there is a real danger that as Europe seeks to compete in an increasingly globalised world, maintaining an inclusive vision will become harder and harder.

The Open Method of Co-ordination, properly linking policies at the European and national levels focusing on economic and social development, will be crucial to the inclusive development of Europe. However, the challenge remains: how best to ensure such progress between and within Member States when there is such a diversity of cultural, social and economic norms. Setting of targets to push for and measure progress is an important tool however it is vital that Europe, its Member States and institutions, look beyond these targets to the underlying vision and its implementation. Otherwise the OMC will not prove to be the productive tool it should be but a mechanism

of containment rather than progress. Indeed, in the Joint Report on Social Protection and Social Inclusion 2010 the Commission notes that, *"National experiences from past crises show that long-term unemployment or inactivity tend to persist long after recovery has set in. In some countries, increasing numbers of people are moving onto long-term sickness and disability benefits or early retirement schemes. Of these people, many are likely never to enter or return to the labour market. Some short-term responses to sudden increases in unemployment can exacerbate these trends and should therefore be avoided"*.

The report notes further on that, *"Labour market policies alone are not sufficient to support the integration of the most vulnerable in society and into the labour market: the personal, family and social hurdles they face should also be addressed by quality social and health services"*. However, for decent work to provide a route out of poverty for the most marginalised in Irish and European societies then inclusion and pro-active integration must also be at the heart of labour market policies. Too often, both in Ireland and in Europe, labour market issues are addressed from the supply side only (the potential employee) and insufficient focus is paid to the demand side (the potential employer). To ensure and realise an inclusive, sustainable and smarter Europe demands pro-active labour market policies. Unemployed people themselves have recommended that the thinking and culture within the system needs to change: it needs to be geared towards the individual's needs and be more innovative in its responses.

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EAPN Ireland 20 years in the fight against poverty

John Stewart - Coordinator of the Irish National Organisation of the Unemployed (INOU) on behalf of the INOU National Executive Committee and staff.

We are delighted to have this opportunity to congratulate EAPN Ireland on their work over the last 20 years. As a leading advocate in the on-going fight against poverty and social exclusion, the work of the EAPN is as relevant today as it was when the organisation was first founded.

The EAPN and the INOU have worked closely on issues to address poverty and social exclusion in Ireland over the last 20 years and we are delighted to be involved in the EAPN's current project – Ireland in Social Europe.

We look forward to continuing to work with the EAPN in the years ahead and congratulate the Board and staff of the EAPN on the on-going work of the organisation and on their unstinting commitment and dedication to eradicating poverty in Ireland.

Hugh Frazer - Adjunct Professor, NUI Maynooth and former Social Inclusion Unit European Commission and Director of the Combat Poverty Agency.

The Combat Poverty Agency's 1991 Annual Report noted that the Agency gave financial assistance to the formation of an important new network, EAPN (Ireland). It stated that EAPN's purpose "is to act as a mechanism for exchange of information for locally-based anti-poverty groups in Ireland and the European Community. It also represents the views of these groups within Europe". This grant was the first step towards establishing a core funding programme for national networks of disadvantaged groups and individuals so as to give the community and voluntary sector in Ireland a stronger voice in national and European policy making fora. Looking back at EAPN's major contribution since then to the struggle against poverty, both in Ireland and at the European level, I can say with complete confidence that the decision to give core funding to EAPN (and subsequently to other national networks) was one of the best and most significant decisions that we made during my 14 years as director of CPA. Congratulations to everyone involved in EAPN over the past 20 years and keep up the vital work for the next 20 years. You are still needed!

Chapter 07

Equality and anti-discrimination
Niall Crowley

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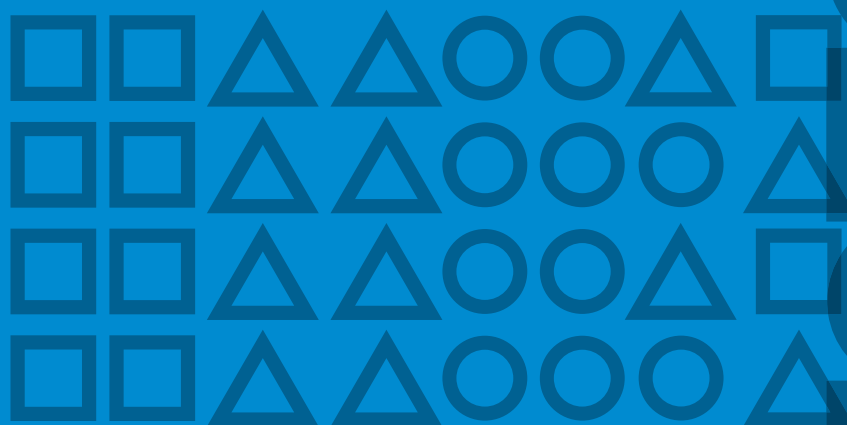
**THE IMPACT OF THE OMC,
AN IRISH CASE STUDY**

Modernisation of Social Provision – the Challenges

Equality and anti-discrimination issues provide an important focus in any attempt to eliminate poverty and social exclusion. The absence of such a focus compromises anti-poverty strategies. It is therefore useful to explore the extent to which the social open method of coordination (Social OMC) has included and promoted such a focus in anti-poverty policy and programmes.

This article first explores the extent to which the Social OMC has included an integration of equality and anti-discrimination issues within its guidelines and the manner in which it has stimulated such integration in Irish anti-poverty strategies. It then examines the level of influence of the Social OMC in a context of economic recession, in relation to the inclusion of a diversity perspective in anti-poverty strategies and in terms of enhanced administrative practices.

Fragmentation

The Social OMC of the European Union is addressed in an Irish context characterised by policy fragmentation between poverty and equality issues. This fragmentation is evident in that poverty falls within the remit of the Department of Social and Family Affairs. It used to form the mandate of the Combat Poverty Agency and is now the mandate of a unit in the Department of Social and Family Affairs. It is a focus for National Action Plans for Social Inclusion. Equality, on the other hand, falls within the remit of the Department of Justice, Equality and Law Reform.[1] It forms the mandate of the Equality Authority. It is a focus for anti discrimination legislation – the Employment Equality Acts, which prohibit discrimination in the workplace and in vocational training, and the Equal Status Acts, which prohibit discrimination in the provision of goods and services, education and accommodation.

The connection between poverty and discrimination

Poverty and discrimination are two distinct forms of injustice. However, they both create barriers to people participating in society. Poverty reflects inequality in the distribution of resources in society and blocks people from participation by limiting the resources they have at their disposal. Discrimination reflects inequalities of status and standing for different groups in society and blocks people from participation by excluding them on the basis of their membership of a particular group. Both these forms of injustice

1. Departmental changes in June 2010 now means that responsibility for both these functions has now moved to the Department of Community, Equality and Gaeltacht Affairs. These changes are welcome and offers the opportunity for coordination of poverty and equality policy.

are linked and mutually reinforcing. They are usually experienced simultaneously by people. Inequality in resources creates a context where the members of the group in question are afforded a lower status in society. Inequality in status creates a context where members of the group in question are excluded from economically advantageous positions and find their choices and options limited. Policy fragmentation makes no sense in the context of this reality.

The impact of policy fragmentation

This policy fragmentation leads to an incoherent, uneven and ineffective approach to the challenge of creating a more equal Ireland free from poverty and social exclusion. Fragmented policy initiatives inevitably fail to address linked and mutually reinforcing issues. This fragmentation also divides civil society into groups focused on, and expert in, poverty issues and groups focused on, and expert in, issues of diversity and equality. This division hinders the emergence of a strong social movement for a more equal Ireland.

The roots of policy fragmentation

At the root of this policy fragmentation lies a failure of ambition. Limited ambition is evident in the Irish response to the Social OMC. The Irish reports under the Social OMC emphasise the priority given to tackling consistent poverty. This is an indicator based on material deprivation of at least one good or service deemed essential for a basic standard of living. The Irish strategy under the Social OMC is governed by a target to reduce consistent poverty to between 2% and 4% by 2012. It does not address poverty as a relative issue, as an issue of inequality. This is at the heart of the policy fragmentation of equality and poverty issues in Ireland.

This contrasts with the main indicator at EU level, the 'at risk of poverty' indicator, which measures the numbers of people with incomes below 60% of median income for the whole population. The EU uses a relative indicator. The Irish report to the European Commission in 2006 stated that the 'at risk of poverty' indicator was not a reliable indicator' in the Irish context. In their 2007 response, the European Commission acknowledged that rapid economic growth and the increase in double income households were a factor in the use of this indicator. However they usefully noted the

lack of ambition in the Irish context by concluding that the high proportion at risk of poverty 'points to a continued level of inequality in Irish society which must be a matter of concern'. However, no movement on this issue was secured from the Irish Government.

An Integrated Approach

Richard Wilkinson and Kate Pickett (2008) in their study The Spirit Level highlight inequality as a causal factor in most of the health and social problems experienced in societies. They use income inequality as the key indicator. They find that societies characterized by high income inequality have higher levels of violence, rates of imprisonment, drug abuse and obesity and lower levels of educational attainment, life expectancy, trust and social mobility. They conclude that this is not because these societies are rich or poor (over a certain threshold) but because of the material differences between people in the society. Poverty is, in part, caused by inequality and discrimination. In such a context a fragmentation of equality and poverty policies and institutions limits the capacity of either to be effective.

Integrating equality and anti-discrimination into the Social OMC guidelines

The initial guidelines for the Social OMC, published in 2000, made virtually no reference to issues of equality and anti-discrimination. They exhibited a low level of ambition, akin to the emphasis of the Irish Government on basic needs, in seeking social protection systems that 'guarantee that everyone has the resources necessary to live in accordance with human dignity'. The guidelines did require a mainstreaming of equality between women and men in all actions under the national action plans. They also reference people with disability and groups experiencing particular integration problems in their guideline on helping 'the most vulnerable'.

This situation improved with the publication in 2005 of a new framework for the Social OMC. One of the overarching objectives for this new framework is 'to promote social cohesion and equal opportunities for all'. In the objectives applying to the social inclusion strand, the new framework includes a guideline on access to basic resources, rights and social services needed for participation. This guideline emphasises the need to fight 'all forms of discrimination'. This offers a new foundation to stimulate the necessary policy integration in

poverty and equality issues.

This integration is necessary not only because inequality and discrimination are causal factors in poverty and social exclusion, but also because inequalities in the recognition of diversity must also be addressed. Groups that experience poverty are diverse and poverty will not be effectively tackled without recognition of this diversity and without making adjustments to take account of this diversity. Strategies to support homeless people, for example, will be more effective where they take account of the different situations and needs of homeless women, men and transgendered people, homeless people with disabilities, homeless Black and minority ethnic people, homeless people of different ages and homeless lesbian, gay and bisexual people.

Including a focus on inequality of power and influence

An integration of poverty and equality/anti-discrimination issues is also required because any response to poverty must also address inequalities in the distribution of power and influence if it is to be effective. The Social OMC has usefully emphasised this dimension of power and influence. The guidelines published in 2000 include one guideline on promoting, 'according to national practice, the participation and self expression of people suffering exclusion, in particular in regard to their situation and the policies and measures affecting them'. This is reiterated in the new framework published in 2005 where one guideline refers to ensuring that social inclusion policies involve all relevant actors 'including people who experience poverty'.

The Social OMC goes some way to promoting anti-poverty strategies that seek to achieve equality in all its interlinked dimensions and to secure the redistribution of resources, of power and influence and of recognition and status for diversity necessary for this outcome. However, the Social OMC has failed to move the Irish Government in the direction of such an integrated strategy.

From Boom to Bust

An interesting perspective from which to assess the impact of the Social OMC in Ireland can also be got by examining the influence of the Social OMC as Ireland moved from economic boom to economic crisis. This perspective is far from encouraging in terms of the level of this influence.

The Irish reports under the Social OMC and the European Commission responses enthuse over strong economic growth, employment growth and increasing investment in social protection systems. There is an expansive and confident feel to these reports. The 2006 Irish report notes that the 'benign economic situation has allowed for significant additional investment in the social protection system'. However, the real test as to whether there is any commitment to these issues comes at a time of economic crisis when public funds are scarcer.

The 2009 report on Ireland from the European Commission references the 'dramatic deterioration in the Irish economy during 2008'. The report poses a number of challenges to the Irish Government. Three have a particular relevance to equality:

- To continue to invest in services in tandem with welfare reforms in order to address inequalities and further reduce the risk of poverty.
- To continue to address the high risk of poverty and low employment rates of certain disadvantaged groups.
- To monitor the adequacy of the welfare system to meet the income support needs of those claiming unemployment benefits.

The influence of the Social OMC in responding to the Irish economic recession

The lack of influence of the Social OMC is evident in the Government response to the economic crisis. Initially this became clear on publication of the Government commissioned 'Report of the Special Group on Public Service Numbers and Expenditure Programmes'. This group was chaired by Colm Mc Carthy from the School of Economics in University College Dublin. The report seeks action to control public expenditure and is predicated on a strategy to minimise the need for tax increases. It sets out proposals to cut public expenditure of €5.3 billion in a full year with accompanying reductions of over 17,300 in public service numbers. The report makes no attempt to assess the impact of its proposals on poverty and inequality and targets key services for people living in poverty.

The Mc Carthy report provided Government with cover to ignore the recommendations made within the Social OMC process. Public sector services are being cut back while a low tax regime is sustained. The unemployment rate has risen to 12.6% and no credible jobs initiative

has been developed in response. Cuts have been made to already inadequate social welfare payments and the minimum wage is under threat. The independent statutory infrastructure that held the Irish Government to account on issues of poverty and equality has been diminished. The Combat Poverty Agency has been abolished and the Equality Authority has been rendered unviable.

Further evidence of this lack of influence can be seen where the European Commission reports mention a number of equality related initiatives taken by the Irish Government. The Office of the Minister for Integration, the National Women's Strategy, the European Social Fund (ESF) funded Equality for Women Measure, and the National Action Plan Against Racism are all referenced favourably. All these initiatives have been compromised, diminished or stalled for lack of resources under cover of the economic recession.

It was easy to comply and respond to the Social OMC when additional money was available. The real test of commitment came as the available resources reduced. The influence of the Social OMC has not been sufficient to sustain progress where commitment and political will have been found to be absent.

Implementation of a Diversity Perspective

The diversity of those who experience poverty provides another important rationale to integrate a focus on poverty and equality issues. The Social OMC opens up this issue with its requirement that Member States assess all actions proposed in their National Action Plans for Social Inclusion for their impact on the specific situations of men and women. Gender mainstreaming provides a valuable starting point for taking account of the specific identities, experiences and situations of different groups whose members experience poverty. However, a wider process of equality mainstreaming would be required to secure such an outcome.

Gender mainstreaming

The reports provided by the European Commission on the Irish strategy include some assessment of this gender mainstreaming process in Ireland. The 2006 report suggested that 'continuing efforts are required to ensure that the gender dimension is fully taken into account in the development and implementation of policies'. In 2007

some improvement was noted by the European Commission in that 'a gender perspective is systematically included within the discussion of each policy objective' but that this did not 'translate into gender-specific targets'. By 2009 however the European Commission noted that the 'issue of gender is specifically addressed with reference to the National Women's Strategy'. This bodes ill for gender mainstreaming as the strategy is currently stalled for lack of funding.

Wider Equal Opportunities

The Irish Government reports to the European Commission valuably contain a section on 'Gender Perspective and Wider Equal Opportunities' in relation to each policy objective. This takes the focus on diversity beyond the ground of gender to cover all the grounds under the Irish equality legislation. The Social OMC process has in this way had some influence in supporting a focus on diversity and on equality of status and standing in Irish anti-poverty strategies.

However, implementation issues arise in relation to the commitments set out in this area by the Irish Government. In the Irish report in 2008, there is reference to equality mainstreaming within labour market services. This is to be implemented through an equality mainstreaming unit established in the Equality Authority with European Social Fund financing. However, due to lack of matching funds on foot of the 2008 budget cut to the Equality Authority, this unit is not able to fulfil its mandate beyond a minimal extent. There is reference to the National Women's Strategy which is not being implemented due to lack of funding. The work of the Equality Authority in supporting equality competent service providers is also referenced. This is another area where implementation is already significantly reduced due to funding cutbacks.

Administrative Influence

The Social OMC has served as a valuable administrative influence. The Irish Government of the time adopted a strategic approach to combating poverty with the publication of a National Anti-Poverty Strategy in 1997. This preceded the Social OMC of the European Union. The Social OMC has sustained this more planned and systematic approach to combating poverty. It has been a valuable influence in seeking an ongoing policy focus and a continuing political interest in this area, and in creating opportunities for stakeholder participation in this

policy focus. However Irish planning systems in this area come in for some criticism from the European Commission.

Data

The European Commission noted limitations in data collection in their 2009 report, stating that the analysis of the impact of developments across a range of services 'is hampered by lack of data'. This is a key equality issue where data for a number of groups covered under equality legislation is inadequate. The European Commission makes particular reference to the inadequate data in relation to migration.

Targets

The European Commission highlights the lack of quantifiable and measureable targets set by the Irish Government. In their 2009 report they note that 'no targets are mentioned' in relation to the social inclusion of migrants. They also mention the absence of targets in relation to the priority objective of access to quality services in the Irish strategy. This objective covers services in education, employment, health care, housing, homelessness and income support which are key areas for groups experiencing inequality.

Participation

The Irish Government has consistently pointed to a participative planning process as part of their approach to governance under the Social OMC. This is important from an equality perspective given that equality is concerned not just with the distribution of resources but also the distribution of power and influence. Particular reference is made to the social partnership process in this regard and the Social Inclusion Forum of the National Economic and Social Forum. However, in 2009 the European Commission felt the need to raise questions as 'to the extent to which stakeholders are involved in an ongoing structured dialogue in all stages of the policy making process'.

This challenge has not been met and the situation has deteriorated with the collapse of the social partnership process. Further issues have emerged from an equality perspective in the reductions to the funding for the community sector. The community sector provides a key space for people who experience inequality to come together to identify, articulate, negotiate and campaign on their shared interests.

New arrangements for the Community Development Programme have also constrained the independence of these groups by removing their local management committees and placing them under the remit of local partnership companies. This means that stakeholder participation, particularly on the part of those experiencing inequality and poverty will further diminish despite requirements to the contrary in the Social OMC.

Conclusion

The first conclusion from this analysis is that there is a need to further develop the equality/anti-discrimination dimension to the Social OMC. This is required if the level of ambition in tackling poverty is to be sufficient and if the combating of poverty is to be effective in taking account of the diversity of those who experience poverty, in addressing the powerlessness of those experiencing poverty and in responding to inequality and discrimination as a causal factor to poverty. This equality dimension should be further developed through the guidelines and into the Member States' National Action Plans. This should happen on foot of the requirements of the European Commission under Article 10 of the new EU Treaties that 'in defining and implementing its policies and activities, the Union shall aim to combat discrimination based on sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation'. This should provide a basis for equality and non-discrimination mainstreaming of the Social OMC itself and for a requirement on Member States to introduce equality and non-discrimination mainstreaming in the preparation of their National Action Plans for Social Inclusion.

The second conclusion is that the Social OMC needs to be refined to be more relevant in a context of economic downturn. New guidelines are required to ensure this relevance where economic crisis poses a very different context within which to combat poverty. It needs to be strengthened so that it can secure a focus on eliminating poverty and inequality in a context of responding effectively to economic downturn. New methods are required to ensure this impact where the political and administrative will to combat poverty is lacking at Member State level. In particular the Social OMC should be able to secure minimal standards in the level of expenditure on social protection – a key equality issue in terms of redistribution. The European Commission in its 2009 report noted that 'expenditure in social protection in Ireland remained static at 18.2% of GDP between 2004 and 2007, significantly

behind the EU average of 27%'. This alert has not been responded to by the Irish Government and the situation in this regard has further deteriorated since then.

The final conclusion is that it is necessary to build a popular demand for more effective anti-poverty strategies based on the Social OMC. Equality does not have strong traction in Irish society. The community sector could usefully emerge as a lead partner in building a wider cross sectoral social movement for a more equal Ireland. This social movement would create a new political space where a commitment to equality becomes a pre-requisite for anyone seeking election to public office.

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Chapter 08

Moving from rhetoric to a real focus on poverty, social exclusion and inequality: the role of Services of General Interest

Ann Irwin

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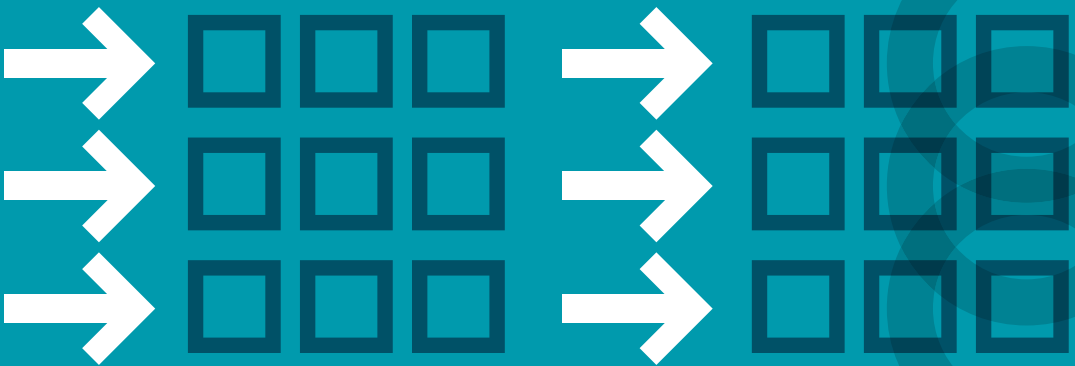
Introduction

Services of general interest, or more specifically *social* services of general interest, have been the subject of much debate at EU level for many years. This article seeks to examine social services of general interest and looks specifically at the impact that they have on poverty, inequality and social exclusion. The article first seeks to examine the link between poverty and social exclusion on the one hand, and inappropriate or inadequate access to services on the other. It then examines EU and Irish policy in relation to services. Finally, it draws on information gathered as part of a series of focus groups carried out with people experiencing poverty and social exclusion to identify the progress, if any, that has been made over the past decade.

While this article focuses on services, it does so in the knowledge that the provision of services is only one element of the struggle to eliminate poverty, social exclusion and inequalities. In addition, the article is written in the awareness that when we currently talk about services, at best we talk about equality of *access* to services and without an emphasis on equality of *outcome*, those living in poverty and with social exclusion and inequality will always be disadvantaged. Even within these limitations, this article suggests that there are gaps between the policy aspirations, implementation and the experience of people using services, particularly for those experiencing poverty, social exclusion and inequalities.

Poverty and Social Exclusion and the Link with Services

Poverty and social exclusion are two very distinct, though interrelated, phenomena. Poverty generally refers to a lack of income and resources. The EU uses a relative definition of poverty and people are said to be living in poverty if their income and resources are so inadequate[1] as to preclude them from having a standard of living considered acceptable in the society in which they live. Social exclusion is a much broader and multidimensional concept that encompasses income poverty, unemployment, access to education, information, childcare and health facilities, living conditions, as well as social participation. It is multi-layered insofar as the causes of exclusion can be at the national, community, household or individual level (Eurostat, 2010).

It is now widely accepted that individuals and communities that have inappropriate and inadequate access to services are more likely to be

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1. 60% of median income.

poor, with the converse being that those living in poverty and with social exclusion are more likely to have poorer access to, and poorer outcomes from: education, health, accommodation and other services than those that are better off. Further research shows the intrinsic and interconnected nature of links between a variety of services and outcomes for people experiencing poverty.

According to the Combat Poverty Agency, for example, people experiencing poverty have poorer health outcomes from inadequate access to health services, become sick more often and die younger than those who are better off (Combat Poverty Agency, 2009: 1). According to the Institute of Public Health in Ireland, those with lower levels of education are more likely to die at a younger age and are at an increased risk of poorer health throughout life than those with more education (Eurostat, 2008: 7). Research carried out with the Traveller community strongly suggests a three-way link between poor access to accommodation services, poor health and social exclusion.[2]

The economic consequences of an education system that fails a significant number of people are also well established and significant. In Ireland, early school leavers have poorer employment opportunities, higher rates of unemployment, lower earning potential and an increased likelihood of living in poverty (Ryan and Brinkley, 2000: 4). Data from the Quarterly National Household Survey shows that in 2005, the rate of early school leaving was 11.9% of all persons aged 18-24 and they are three times more likely to be unemployed when compared to all persons of the same age group (CSO, 2006). According to the Central Statistics Office, in 2006 those with primary education only were almost five times more likely to be unemployed (18.4%) as those with third level education (3.9%), and two and a half times more likely to be unemployed than those with upper secondary education (7.3%) (CSO, 2007: 21-22).

The link between low education attainment and unemployment culminates in higher poverty rates. Information from the 2008 EU SILC, for example, shows that as the education level of the head of household increased the *at risk of poverty* rate decreased. Where the head of household had a highest level of primary education or below the *at risk of poverty rate* was 24%, falling to 13.1% where the head of household had higher secondary education and 5.4% where the

2. See for example: Galway Traveller Movement (2010) "Traveller Health Matters: a Retrospective Health Impact Assessment of Low-Grade Traveller Accommodation"; Galway Traveller Movement, Pavee Point (2005) "Assimilation, Policies and Outcomes: Travellers' Experience", Dublin, Pavee Point Publications.

head of household had a third level degree or above (CSO, 2009: 41). Various research highlights the fact that, *"educational disadvantage is considered to be a factor that perpetuates intergenerational poverty"*, (CPA, 2003) and poverty among children and intergenerational poverty are influenced both by their family circumstances and their educational opportunities (Layte et al, 2006).

Eivers et al (2000) also point to research that has been carried out on the link between early school leaving and psychological well being to suggest that early school leaving is linked to poorer mental health, while higher levels of education were linked to greater well being (Eivers et al, 2000: 4). Early school leaving is also linked to marriage and parenthood at earlier ages, as well as criminal activity, with those who leave school early being more likely to be involved in criminal activity (Ibid: 5-7).

EU and Irish Policy Context

In 2000, the European Union launched the Lisbon Strategy. Member States agreed that one of the aims required to achieve the overall strategy was to modernise the European social model, invest in people and combat social exclusion. The Lisbon Strategy declared that the number of people living below the poverty line and in social exclusion in the Union was unacceptable and announced that steps must be taken to make *a decisive impact on the eradication of poverty by setting adequate targets* (Ibid: 11-12). Modernising social protection and improving access to employment, education and other services were seen as key to this. The Social Inclusion process established as part of the Lisbon Strategy included a new *"open method of co-ordination as the means of spreading best practice and achieving greater convergence towards the main EU goals"* (Ibid: 13). Under this, the EU provided a framework for national strategy development and policy coordination between Member States. The OMC was established as a flexible method allowing exchange and coordination in a way and to a degree appropriate to the policy in question (COM, 2005: 2). Under the OMC, Member States agree to a measure of joint development of policies without calling into question subsidiarity. Often described as *soft law*, the OMC applies to areas where the European Union has no power to force Member States to act (EAPN Ireland, 2010). It does not oblige Member States to commit to particular targets and does not impose sanctions on Member States.

Services are seen as the driver of the European economy and it is estimated that they provide 75% of jobs and 65% of GDP in the EU. The EU views services of general interest as crucial to the social and territorial cohesion of the Union. Article 36 of the EU Charter of Fundamental Rights (EU, 2000) enshrines services of general interest. The universal access of all citizens and enterprises to affordable high quality services of general interest throughout the territory of the Member States is considered essential for the promotion of social and territorial cohesion and for the competitiveness of the European Economy (COM, 2004). Services are viewed as an essential component of European citizenship and necessary in order for citizens to fully enjoy their fundamental rights. They are regarded as being an important element in the goal of the Union to become the most competitive and dynamic knowledge-based economy in the world. The Services Directive was adopted in 2006 to facilitate the freedom of establishment and the freedom to provide services across the EU.

The key argument is whether public services (or services of general interest) are different from typical private services, whether they should be considered as 'of public interest', thus essential to society, and therefore to be treated differently (Van de Walle, 2008: 256-274). At the time of the debate on the Services Directive, for example, civil society organisations called on the EU to understand the fact that, *"Social services such as social housing, and homes for disabled or elderly people cannot be treated in the same way as purely commercial services"* (Roumet, 2006). It is now acknowledged that there are a number of categories of services and these are defined as follows:

- *Services of General Interest* (SGIs) are defined as the basic services that are essential to the lives of people and where the state has an obligation to ensure public standards. They operate somewhere between government and the market and cover a broad range of activities including big network industries and vital services considered to be at the heart of the EU social protection system (education, health, housing, social services, water and waste management) (EAPN, 2009).
- *Services of General Economic Interest* are a category of SGIs and are defined as essential services where state regulation is deemed necessary to ensure adequate delivery but which are also considered to have an economic imperative, covering particular big networks such as gas electricity, telecommunication, etc. (ibid).

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2. Such as those linked to health, ageing, occupational accidents, unemployment, retirement and disability.

- Social Services of General Interest (SSGI) are defined as essential basic services that are provided in the public interest and are essentially social in character. SSGIs are described as statutory and complementary social security schemes covering the main risks of life[3] and other essential services that play a preventative and social cohesion role to facilitate social inclusion and safeguard fundamental rights.[4] SSGIs are not for profit, address the most difficult situations and require the participation of a financing third party (COM, 2006). SSGIs include social security, employment and training services, social housing, child care and long-term care.

The role that social services of general interest have to play in relation to those experiencing poverty and social exclusion was reinforced by the EU renewed social agenda in 2008 (COM, 2008), which restated the fundamental social objectives of Europe: a strong commitment to harmonious, cohesive and inclusive societies respecting fundamental rights in healthy social market economies, (Ibid: 4) with the provision of access, specifically for the most disadvantaged, to education, social protection etc. and demonstrating solidarity including fostering social inclusion and integration, participation and dialogue and combating poverty (Ibid: 6) deemed important. In this context, the OMC was re-emphasised as key to the EU Social Agenda, in particular in areas outside direct community competence. It was acknowledged though that an open coordination process, based on voluntary cooperation between numerous and diverse Member States, cannot, by definition, produce large-scale results in a limited period and despite the 2000 commitment to make a decisive impact on poverty there is little evidence of overall reduction rates in the EU.

The definition, and therefore the protection, of social services of general interest is highly contested. In defining social services of general interest, the principle of *subsidiarity*[5] is key and Member States are free to define what they mean by services of general economic interest or social services of economic interest, resulting in much variation between one Member State and another. There is also an inherent tension between the EU's drive for competitiveness and new and more open markets on the one hand, and the protection of services considered to be socially critical on the other. This was well described

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3. Such as those linked to health, ageing, occupational accidents, unemployment, retirement and disability.
4. Such as those that provide assistance for persons faced by personal challenges or crisis (such as debt, unemployment, drug addiction or family breakdown); activities to ensure reintegration into society (such as rehabilitation, language training for immigrants) and labour market (occupational training and reintegration); activities to integrate persons with long-term health or disability; social housing.
5. The principle of subsidiarity is defined in Article 5 of the Treaty establishing the European Community. It is intended to ensure that decisions are taken as closely as possible to the citizen and that constant checks are made as to whether action at Community level is justified in the light of the possibilities available at national, regional or local level, http://europa.eu/scadplus/glossary/subsidiarity_en.htm

by Robin Hanan when he said that, *"One of the key choices for the EU, as for member governments, is whether to use the continent's increasing wealth to strengthen social cohesion, redistribute resources and provide adequate social services or to follow the US example of a leaner, meaner, 'competitive model'"*. This is often characterised as debate on the future of 'the European social model' or, to use Mary Harney's famous phrase, the choice between Boston and Berlin' (Hannan, 2008). The privatisation and liberalisation of services has been a key feature of service development in all Member States and has led to fears that almost all services may be treated in the end as of economic [as opposed to social] interest (EAPN, 2009). Pressure is now building for the publication of a Directive on social services that may go some way to addressing these issues.

In Ireland, a strategic approach to addressing the challenge of poverty and social exclusion was first adopted in 1997 with the publication of the National Anti-Poverty Strategy (NAPS). Entitled Sharing in Progress, NAPS was published in a climate of substantial economic growth and falling levels of unemployment but it was acknowledged by the government that a rising tide does not lift all boats and that there were a substantial number of people still living in poverty despite the economic boom. NAPS recognised that poverty and social exclusion are multidimensional and recognised the need to build responsibility for tackling poverty into the strategic objectives of all government departments and agencies. It recognised that it is multi-faceted and requires a multi-policy response.

Since then there have been a number of strategies to address poverty[6] with the current strategic framework for addressing poverty and social exclusion including; the *National Action Plan for Social Inclusion* (NAPinclusion) 2007-2016, *Towards 2016: Ten-Year Framework Social Partnership Agreement 2006-2016* and the National Development Plan (NDP) 2007-2013, *Transforming Ireland: A Better Quality of Life for All*. For the first time, all strategies adopt a common, integrated framework, *"that will ensure that economic and social development go hand in hand"* (NDP, 2009: 236). This *"lifecycle approach"* was first proposed by the National Economic and Social Council (NESC, 2005) as part of their suggested transformation to a Developmental Welfare State (DWS) and places the individual at the centre of the policy development

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6. Building an Inclusive Society: Review of the National Anti Poverty Strategy under the Programme for Prosperity and Fairness was published in 2002; the National Action Plan against Poverty and Social Exclusion (NAPs/incl) in 2001 and in 2003, representing the Government's response to the key objective of the Lisbon Agenda, to make a decisive impact on the eradication of poverty and social exclusion.

and delivery. This approach assesses the risks facing an individual and the supports available at key stages of the lifecycle (NAPinclusion, 2007: 21). The stages in the lifecycle are: *Children, People of Working Age, Older People and People with Disabilities* and each strategy contain the same targets for each stage of the lifecycle.

According to NESC, *"The overarching challenge to Ireland's welfare state can be described as attaining the more effective integration of the services, income supports and activist measures which provide social protection to people at each stage in their life cycle"* (NESC, 2005: 204). The NESC argument that Ireland is neither a developmental nor a competition state but is, rather, a 'new kind of network developmental state' is disputed by some who argue that Ireland is clearly a competition state (Kirby and Murphy, 2008: 9). Notwithstanding this argument, the DWS regards the radical development of services as the single most important route to improving social protection. Access to the wide set of services (education, health, childcare, eldercare, housing, transport, employment services) is seen as essential to attaining the workforce quality that underpins a competitive, knowledge-based economy, to maintaining social cohesion and combating social exclusion.

However, the DWS is criticised for ignoring the fact that the specific experiences of women, lone parents and others become hidden in the work aged element of the lifecycle and it ignores the cumulative effects of exclusion based on gender, identity and socio-economic background (Ibid). Additionally and crucially, as Peader Kirby and Mary Murphy argue, it is difficult to reconcile the ambition of the DWS with the reality of the development of public services in Ireland since 2005. They quote Cousins who says that it is far from clear that the NESC's central message on services has been taken on board in recent policy agreements and strategies (Cousins, 2007). Quite to the contrary, the privatisation of basic services in Ireland continues to be a significant element of Government policy, which aims to incentivise and attract private providers to develop private facilities in, for example, the health service. The theory behind this policy is that capacity will be freed in the public system to treat public patients.(HSE) However, critics have questioned why the investment cannot be made directly into the public system and have argued for a universal system. The outcome of current policy is a two tiered system where the quality and level of service depends on ability to pay. One popular radio advertisement exemplifies

this. It informs listeners that it is the belief of the (private) hospital that nobody should have to wait for a first class service and promises to deliver that service promptly. What is not explicitly stated is that this is a private service, only open to those that have the ability to pay.

The Experience of People Experiencing Poverty and Social Exclusion

In 2009, the Community Workers' Co-operative carried out a series of focus group consultations with people experiencing poverty and social exclusion. These focus groups were organised in the context of, and in preparation for, the 2010 EU Year to Combat Poverty and Social Exclusion. The focus groups were planned to reflect the particular experiences of specific groups who experience poverty and inequality. They were held with a number of different groups in different areas around the country, including with a group of people seeking asylum living in direct provision (Co. Mayo), members of the Traveller community (Galway City), older people (Inner city, Dublin), people with a disability (Co. Galway), and members of a disadvantaged community (Cork City). Each group was asked to reflect on their experience of a range of services in terms of quality and appropriateness to their needs and the changes required to create fully appropriate and quality services. What was particularly striking about the process was that similar conversations took place in all the focus groups and qualitative information gleaned from these suggests that services in Ireland continue to fail those living with poverty and social exclusion.

Participants believed, for example, apart from a few notable exceptions, that services had not improved in the recent past. They spoke of overly bureaucratic systems, illiteracy and discrimination remaining as barriers to accessing services for people experiencing poverty and inequality. Participants in the Traveller focus group felt that the education system is worse now than before-with children still leaving school uneducated because of discrimination based on a lack of respect for and understanding of Travellers. They spoke of the lack of support for parents and the choice often facing them between exposing their children to discrimination in schools and getting an education. This was mirrored by the participants from a working class community who spoke of low expectations, social stigma and stereotyping by school teachers leading to high incidents of early school leaving, anti-social behaviour, drug and alcohol abuse. Members of the asylum seeking community spoke of the fact that government policy does not allow them to work and does not allow their children to access third level education, determining for them a life of poverty. For older people,

people with disabilities and people living in remote areas, transport is a critical issue and is a significant barrier to accessing services.

The importance of the community sector and organisations working in community development in the identification of gaps left by inadequate or inappropriate services and in creating innovative ways to fill the gaps through second chance education and other opportunities was striking. There is by now a significant tradition in Ireland of the community sector, often working in partnership with the State and its agencies, providing services to those whom the State cannot reach. Against the context of appalling health outcomes for Travellers, for example, the Health Service Executive has entered into partnership arrangements with Traveller organisations to provide peer-led, community-based health services to members of the Traveller community throughout the country.

Participants believed that the role of the community sector is widely underestimated and is an important mediator between individuals and communities living in poverty and social exclusion. Even more striking was the highlighting of the difference in attitude and approach that all participants noted between the statutory services and community development organisations, the latter being significantly more respectful and mindful of the fit between the needs of the service user and services themselves than the former.

In summary, participants were generally critical of services and did not believe that they worked to enable them to address their experiences of poverty, social exclusion and inequality. Critically, few believed that services had improved over the recent past.

Conclusion

Inappropriate and/or inadequate access to services has a negative impact on poverty and social exclusion. It is no surprise therefore, that though attempts to address the challenges of poverty and social exclusion invariably focus on employment and improving employment prospects, increasing access to services is also seen as key in the reduction of poverty and social exclusion and much social inclusion policy is thus directed.[7]

Policy in relation to the provision of social services of general interest

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7. Though regrettably, there is considerably less of an emphasis on improving outcomes.

is relatively well defined at EU and Irish levels. It is acknowledged that social services are vital to address the challenges of poverty and social exclusion and in supporting people into education and employment that will ultimately lift them out of poverty. Other services such as health and social protection, it is correctly stated, are vital for the times in people's lives when they need preventative and remedial supports.

However, the effectiveness of European social policy has to be viewed in relation to the objectives it set for itself, to make a decisive impact on poverty, and to the subsequent impact on poverty and social exclusion in the EU and Member States. At EU level, the poverty rate of 17% in 2008 was higher than it was in 2000. In Ireland, it is clear that though there have been improvements in some areas relating to poverty[8] in recent years, certain categories of people, such as lone parents, people who are long-term unemployed and people with a disability, continue to experience high levels of poverty. Forms of social exclusion other than those related directly to income are more difficult to measure but some sources of evidence suggest that there has been little improvement. According to the National Women's Council of Ireland, for example, all public decision-making institutions continue to be male dominated and women are still significantly underrepresented in the top management positions of the public service in the Dáil and at Local Government level. There are no members of the Traveller community represented in the Oireachtas and few in positions of power and influence. There are very few members of other ethnic minorities/nationalities represented in the Dáíl, despite the fact that one in ten people living in Ireland describe themselves as non-Irish. The lack of diversity in Irish 'representative' democracy means that there are many whose voices are not heard or considered in relation to policy and service design and development.

It is surely unacceptable that over 4% of the Irish population lives in consistent poverty and that at EU level 17% of people remain in relative poverty after 15 years of unprecedented growth at EU and Irish levels. Also surely unacceptable is the fact that individuals and groups from marginalised communities all over Ireland give a consistent message that services are inadequate and inappropriate to their needs. Finally unacceptable is the fact that an important mediator, the community sector, is underestimated and in the process of being dismantled. Specifically, in relation to services and the role they are considered to play in addressing social exclusion and poverty, it is clear that the EU

8. In relation to income related poverty, the consistent poverty rate fell from 9.4% in 2003 to 4.2% in 2008 and the at risk of poverty rate fell from 22.7% to 14.4% in the same period.

and Irish policy aspirations are not reflected in the experience of people experiencing poverty. In Ireland, the DWS has so far failed to deliver the transformation of the welfare state and what we see in Ireland is a gap between the policy that emphasises the importance of high quality services, the implementation of that policy and the experience on the ground which is that there really have been few improvements in services over the past number of years.

As the EU moves into the post Lisbon 2000 era, it is imperative that Europe acknowledges the weaknesses of the past. The new social clause[9] in the Lisbon Strategy provides some reason for optimism. The new European Strategy, Europe 2020 (COM, 2010) also provides some grounds for optimism and in its bid to achieve smart, sustainable and inclusive growth, it includes in its headline targets that by 2020, 20 million fewer people should be at risk of poverty. In order to achieve this, it pledges a European Platform against Poverty and further pledges to transform the open method of coordination on social exclusion and social protection into a platform for cooperation, peer review and exchange of good practice, and into an instrument to foster commitment by public and private players to reduce social exclusion and take concrete action.

However, it is doubtful whether a soft law that imposes no sanction for failure to reach targets will ever ensure that poverty and social inclusion are given the central focus needed. To date, the OMC has proven inadequate to the task of making a decisive impact on poverty. Its effect is largely invisible to people experiencing poverty, social exclusion and inequalities who continue to experience inadequate and inappropriate access to services. The past decade has taught us that soft laws are difficult to enforce even when the economic times are good: they may be impossible in times of recession.

What is required is more than rhetoric. What is required is a genuine refocusing of efforts on the eradication of poverty and social exclusion that is supported by robust target setting and reporting mechanisms. The role of social services in this is crucial but a refocusing on outcome as opposed to access is also required. Ancillary to this must be a recognition that though income poverty is critical and needs to be addressed, it is only one element of poverty, social exclusion and

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9. The Union shall combat social exclusion and discrimination, and shall promote social justice and protection, equality between women and men, solidarity between generations and protection of the rights of the child.

inequality. Finally, a recognition that the local level is crucial in the roll out of any policies – and a strong, vibrant, independent community sector - is required for this work to be effective.

Crucial to this is a clear statement of the importance of services in the challenge to address poverty, best done by the publication of a Directive on Social Services. However, the drive towards the provision of high quality social services is always going to be undermined if there is a parallel drive towards privatisation. Therefore, it is imperative that the Directive requires the EU and Member States to provide for the highest standards of universally provided social services targeted at those who need them most – not poor services for poor people (Farrell, 2010).

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David Begg - General Secretary, Irish Congress of Trade Unions

It is a sad irony that we mark the EU's Year for Combating Poverty & Social Exclusion whilst in the grip of the greatest economic downturn since the Great Depression. It is both a sad irony and a certainty that at the close of 2010, both poverty and social exclusion in Ireland will be far worse than they are today.

Government policy has guaranteed this outcome. Their response to the crisis is to target social welfare recipients, the low paid and those who need public services. They are loading the cost of the collapse onto the less well off.

This year more than any in the last 20 years, we need to hear the voice of EAPN Ireland speak loud and clear and with one voice. As you have clearly shown in the past, poverty and exclusion are not accidents, but the direct outcomes of deliberate policy and political choices. Congratulations on your anniversary and here's to 20 more productive years!

Francoise Barbier - ATD Fourth World

October 17th is a day designated by the United Nations to commemorate the elimination of global poverty. On this day in many countries throughout the world people, whose lives are often the harshest, gather with their allies in the fight against poverty so as to give voice to their direct experiences of poverty and to their aspirations for a better future for themselves and for their families.

In Ireland, since 2000, a coalition of advocacy and community action groups have come together every year around the October 17th Day. At the Famine Memorial on the Custom House Quay in central Dublin, as well as in other venues throughout the country, people whose lives are most difficult give testimony to their daily struggles in the fight against poverty.

Included in this coalition is ATD Fourth World, an international human rights and anti-poverty organisation, and the European Ant-Poverty Network (EAPN). We in ATD Fourth World – Ireland share with EAPN the objective of working towards a more just and equitable world order, particularly for people living in extreme poverty.

We have been fortunate to collaborate with EAPN in so many practical ways in the promotion of the October 17th Day for the Elimination of Poverty. In our last Commemoration in 2009, for example, EAPN played a key role in co-ordinating a very successful media awareness campaign about the event and its significance in a local and national context where increasing numbers of people are being affected by poverty on a daily basis.

ATD Fourth World and EAPN have also over the years had a shared aim of highlighting the fight against global poverty at the levels of the European Union and United Nations in order to ensure that the voices and the experiences of people most affected by poverty are heard, thereby helping to inform decision-making and policy formulation and development.

Chapter 09

Instruments for implementation
Helen Johnston

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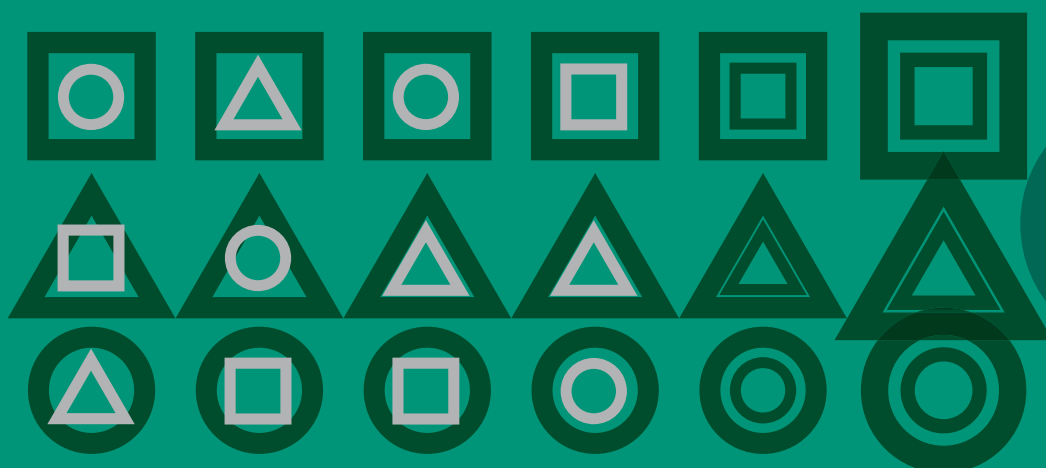
THE IMPACT OF THE OMC,
AN IRISH CASE STUDY
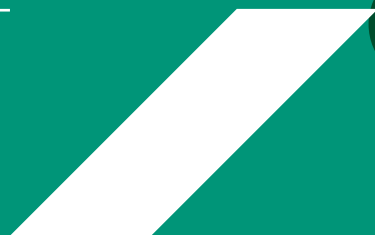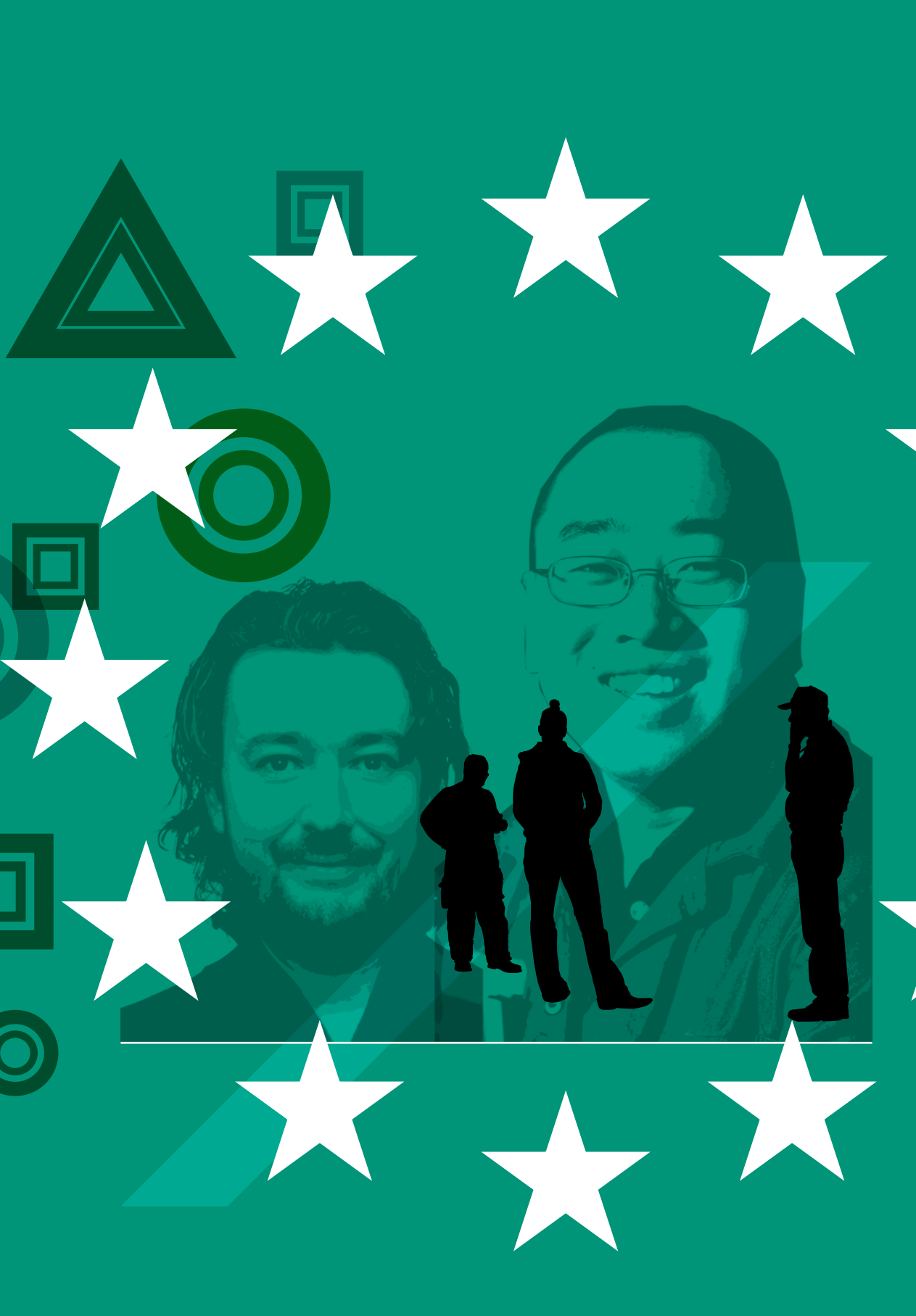
'Good plans and policy statements are necessary; ultimately however, it is how they are implemented that makes a difference in the lives of those experiencing or at risk of poverty' (National Economic and Social Forum, 2005: 49).

Introduction

This chapter reviews the instruments used to implement Irish anti-poverty plans over the period 1995 to 2009, before and after the introduction of the EU Open Method of Coordination (OMC). For ease of presentation the instruments of implementation are organised under three categories: structures, processes and measurement, see table 1.

Table 1: Instruments of Implementation

Structures	Processes	Measurement
• Committees • Units / Offices • Plans • Budget Lines • Fora	• Co-ordination / integration • Policy development / target setting • Proofing • Participation • Training • Communication	• Research • Data • Indicators • Reporting • Evaluation

Table 1: Instruments of Implementation

These instruments of implementation are explained and discussed in some detail throughout the chapter. They are assessed for three periods: 1995-2000; 2001-2005; and 2006-2009. These periods coincide with the development and publication of the three main Irish anti-poverty plans, see table 2.

Table 2: Phases in Irish Anti-poverty Plans

OMC	Years	Plans
Pre-OMC	1995-2000	Irish National Anti-Poverty Strategy (NAPS) Sharing in Progress 1997
OMC	2001-2005	Review of the National Anti-Poverty Strategy Building an Inclusive Society 2002 and National Action Plans against Poverty and Social Exclusion (NAPincl) 2001-2003 and 2003-2005
Streamlining OMC	2005-2009	National Action Plan for Social Inclusion 2007-2016 and National Reports for Ireland on Social Protection and Social Inclusion (NSSPI) 2006-2008 and 2008-2010

Table 2: Phases in Irish Anti-poverty Plans

Phase 1:
Pre-OMC
1995 to 2000

Following the UN World Summit in Copenhagen in March 1995 Ireland was committed to developing a national plan to substantially reduce poverty in Ireland. The National Anti-Poverty Strategy (NAPS) Sharing in Progress was launched two years later in April 1997. It recognised the need for 'strong institutional structures' to underpin the strategy. These were presented as:

- Structures at political level:-
  - o a Cabinet sub-committee chaired by the Taoiseach.
- Structures at administrative level:-
  - o an Inter-departmental policy committee;
  - o the establishment of a team in the Department of Social Welfare, subsequently called the NAPS Unit;
  - o support from the Combat Poverty Agency;
  - o departmental liaison officers.
- Monitoring and evaluation:-
  - o the National Economic and Social Forum (NESF) to report on progress in implementing the National Anti-Poverty Strategy; and
  - o the Combat Poverty Agency to oversee an evaluation of the NAPS process.
- Partnership:-
  - o the community and voluntary sector, users of services, the National Anti-Poverty Networks, those with first-hand experience of poverty and the social partners to be involved in the

implementation and monitoring of the strategy.
- Structures at local and regional level:-
    o the development of local anti-poverty strategies.
- Information:-
    o communication of the strategy to the public service and the general public.
- Research:-
    o provision of up-to-date, reliable data.

The most innovative implementation instruments were the setting of poverty reduction targets and a commitment to the introduction of poverty proofing. The Irish National Anti-Poverty Strategy was the first national poverty plan in Europe to set out an explicit 'global' poverty target to almost halve (from 9 to 15% to less than 5 to 10%) 'consistent poverty' over a ten year period.[1]

The NAPS also stated that:
the question of the impact of poverty will … be a key consideration when decisions are being made about spending priorities in the context of the national budgetary process and the allocation of EU Structural Funds (Government of Ireland, 1997: 21).

In 1998 poverty proofing was included as a requirement in Memoranda for Government where significant policy proposals were to 'indicate clearly, as appropriate, the impact of the proposal for… persons in poverty or at risk of falling into poverty' (Johnston and O'Brien, 2000: 20).

The implementation structures did not, however, include specific budget lines or financial allocations. In fact, the NAPS stated that 'higher levels of budget spending are not necessary for a successful anti-poverty strategy' and that 'the most effective way of reducing poverty is the creation of jobs' (Government of Ireland, 1997: 8). The NAPS also paid limited attention to measurement instruments. Reviews of the NAPS included assessments by the Combat Poverty Agency, the National Economic and Social Forum and Goodbody Economic Consultants (Johnston and O'Brien, 2000; NESF, 2000; Goodbody Economic Consultants, 2001). Poverty proofing was also reviewed by the National Economic and Social Council (NESC, 2001). The overarching message from the various reviews was that structures

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1. Consistent poverty is being at risk of income poverty and deprived of basic necessities. The NAPS also included supplementary targets for unemployment, educational disadvantage, income adequacy, urban and rural poverty.

and processes had been put in place but they had not become 'embedded'. Public officials had become more 'sensitised' to the need to take poverty into account but it was often accorded a lower priority than other objectives or they lacked the wherewithal to take the necessary actions.

Phase 2: The OMC 2000 to 2005

The social inclusion OMC was introduced at European level in 2000. In relation to the measurement of social inclusion a key advancement was agreement on a list of common indicators. Other dimensions of the OMC which related to implementation included regular reporting on progress, peer review, exchange of good practice and participation events including 'roundtables' and meetings of people experiencing poverty.

As required, Ireland submitted a National Action Plan against Poverty and Social Exclusion (NAPincl) 2001-2003 to the European Commission in July 2001 (Government of Ireland, 2001). It was described as a 'work in progress', as at the time the Irish NAPS was being reviewed. In their assessment of the Irish NAPincl 2001-2003 the European Commission welcomed the integration of targets and principles into national financial and development plans but criticised the Irish NAPincl for lacking a 'strategic dimension', for not highlighting gender adequately and identified the need for more information on the poverty of specific population groups and geographical areas (European Commission, 2002: 121).

The national review of the Irish NAPS was a comprehensive exercise drawing on consultations and the various assessments of the original NAPS, especially the Goodbody Review (Goodbody Economic Consultants, 2001). The resulting document, Building an Inclusive Society (Government of Ireland, 2002), sets out a concise, but comprehensive, anti-poverty and social inclusion agenda. Notable features were the inclusion of thirty six anti-poverty targets, most of which were quantifiable and time-focused. The revised NAPS was embedded in the Irish social partnership process.

Implementation instruments were included under the title 'Mobilising All Actors', in line with the EU OMC objectives for social inclusion. The implementation framework was strengthened as follows:

- **Structures** – retention and strengthening of existing structures plus a new Social Inclusion Consultative Group involving the social partners and anti-poverty experts; an annual Social Inclusion Forum convened by the NESF; a National Office for Social Inclusion (an enhanced NAPS Unit); Social Inclusion Units in government departments (an enhancement of the NAPS Liaison Officers); and pilot social inclusion units in local authorities.
- **Processes** – a more effective poverty proofing process to be developed (based on the NESC review); and a communications plan to be drawn up.
- **Measurement** – the establishment of a Technical Advisory Group to support the development of a data strategy by the Office for Social Inclusion (OSI); a research programme, noting the role of the Combat Poverty Agency; and reference to the EU OMC reporting system, with its emphasis on social indicators.

Again, there was no specific budget allocation for the revised NAPS, although there were significant investments in a number of anti-poverty initiatives, for example, increases in social welfare rates. Subsequent to the publication of the NAPincl 2001-2003 and the Revised NAPS 2002, a number of annual reports were published, documenting progress. Work also got underway in putting in place the infrastructure to develop local anti-poverty strategies, including the establishment of a Local Government Anti-Poverty Learning Network led by the Combat Poverty Agency.

The next stage in the development of anti-poverty policy in Ireland was the preparation of the NAPincl for 2003-2005 (Government of Ireland, 2003a), as required under the EU OMC. An extensive consultation was undertaken for the preparation of this plan (Government of Ireland, 2003b). Also influential in this process was the report from the first Social Inclusion Forum in 2003 (NESF, 2003) and the social partnership agreement Sustaining Progress (Government of Ireland, 2003c).

Tellingly, Sustaining Progress stated that 'the challenge now is ... to ensure real and significant progress in relation to implementation. The emphasis must be on delivery and the challenges that that presents' (Government of Ireland, 2003c: 56). Many of the structures had been put in place, so that the focus was now on processes and measurement. In particular, there were repeated calls for greater co-ordination of anti-poverty and social inclusion policy with other

policy areas. The further development of poverty proofing and the roll out of anti-poverty strategies to local level were emphasised. There was support for greater participation of anti-poverty interests in social inclusion policy. With regard to measurement, the need to develop a data strategy, to improve indicators and to draw on qualitative research were recurring themes. An overriding issue was the need for better resourcing of anti-poverty and social inclusion measures.

To some extent these calls were answered in the National Action Plan against Poverty and Social Exclusion 2003-2005. This NAPincl stated that €7.4 billion was being spent on social inclusion related expenditure (services and infrastructure) in 2003 and that the National Development Plan was contributing €1 billion to promote social inclusion over the period 2000-2006 (Government of Ireland, 2003a: 23). Nevertheless, there was still debate about the proportion of Irish GDP being spent on social inclusion measures. The NAPincl 2003-2005 highlighted two implementation areas which signified progress as being: (i) the development of social inclusion structures at local level; and (ii) work in improving data and indicators. The first results from the EU-SILC 2003 (EU Survey of Income and Living Conditions) were published by the CSO in 2005 (CSO, 2005), which commenced the regular reporting of comparative information on poverty trends.

In responding to the Irish NAPincl 2003-2005 the EU were complimentary on the overall plan and the progress made, including on the implementation instruments. However, they continued to question the adequacy of the resources allocated to social inclusion, the growing income inequalities and stressed the need for more attention to be given to monitoring and evaluation.

Phase 3: Streamlining OMC 2006 to 2009

During the period 2006 to 2009 a more streamlined approach was being taken at national as well as European level. In Ireland, the 'overarching framework' set out in the new 10 year national partnership agreement, Towards 2016 (Government of Ireland, 2007) was, in part, to be implemented through the actions identified in the National Action Plan for Social Inclusion (NAPinclusion) which also covered the 10 year period 2007-2016, and in the National Development Plan (NDP) for 2007-2013, which was to provide much of the resources (€50 billion allocated to social inclusion measures over the life time of the NDP). The 'overarching framework' had been proposed by NESC in

its 'Developmental Welfare State' with a focus on service provision, income supports and innovation across the lifecycle – for children, people of working age, older people and people with disabilities. The National Action Plan for Social Inclusion 2007-2016 also included communities.

Once again implementation was identified as a key issue, 'we recognise that the challenge is now delivery', with a recognition of the need to 'bridge the implementation gap' (Government of Ireland, 2007: 3). This plan contains twelve 'high level goals', many of which are phrased as targets. The institutional structures are re-stated with some additions as part of the streamlining process, such as the Towards 2016 Partnership Steering Group and the NDP Monitoring Committee. There is recognition of the need for a stronger local dimension.

The poverty proofing process has been revamped. Revised guidelines for poverty impact assessment address many of the criticisms of the original poverty proofing process (Office for Social Inclusion, 2008b). Poverty impact assessment is to be applied by government departments, state agencies and local authorities. A training programme has been developed and the Combat Poverty Agency has worked with local authorities to develop a local impact assessment tool. The Office for Social Inclusion has also undertaken pilot work on integrated proofing, including gender and equality as well as poverty.

A consultation exercise was undertaken prior to the development of the NAPinclusion 2007-2016 and information was drawn from the Social Inclusion Forum. Many of the comments emphasised the need for better coordination and delivery. There was also a call for the community and voluntary sector to be better resourced to represent people in poverty and a participative stakeholder model was suggested (NESF, 2006: 9). Nevertheless, there is limited recognition given to participation in the NAPinclusion.

Greater attention is paid to measurement, especially monitoring and evaluation. Monitoring systems for the NAPinclusion are streamlined with the national partnership agreement, the National Development Plan and the EU OMC requirement for National Reports on Strategies for Social Protection and Social Inclusion (NSSPIs).

Overall, the NAPinclusion is well structured and comprehensive

but contains few new initiatives. This is not surprising given that it 'streamlines' social inclusion initiatives with a number of other plans and strategies and names implementation as an overriding priority. The 2008 Annual Report, which is the first review of the implementation of the NAPinclusion (Social Inclusion Division,[2] 2009), is therefore something of a disappointment. The Annual Report documents initiatives which have been undertaken but does not contain any assessment or analysis. The implementation and monitoring sections are especially weak, for example, there is no mention of the application of poverty impact assessment.

The EU 'streamlining' process has been documented in earlier chapters. Under the EU streamlined process Ireland has prepared two National Reports for Ireland on Strategies for Social Protection and Social Inclusion, (NSSPI) 2006-2008 and for 2008-2010 (Office for Social Inclusion, 2006c and 2008a). These reports follow the required format, documenting the implementation arrangements contained in the Irish National Action Plan for Social Inclusion 2007-2016. The EU response to the Irish National Reports (European Commission, 2007 and 2009) reaffirm the reliance on the National Action Plan for Social Inclusion 2007-2016.

The extent to which social inclusion has been mainstreamed was evaluated in a number of European countries by a Combat Poverty-led consortium, including the EAPN, under the European Commission's Transnational Exchange Programme.[3] The study found that Ireland scored reasonably well in mainstreaming social inclusion, achieving a score of 5.94 on a scale of 1-10, which was above the European average of 5.56 for the countries participating in the study. Ireland was one of the better performing countries in putting structures in place to deliver on social inclusion commitments. The integration of social inclusion objectives in policies and in legislation was mixed across policy areas. The study also found that Ireland was good at providing information and knowledge on the causes and extent of poverty. However, similar to other countries in the study, more could be done to involve people experiencing poverty in devising and supporting solutions. Another trend identified across countries was the lack of understanding and communication between the different levels of

2. The Social Inclusion Division has taken over the functions of the Office for Social Inclusion and the Combat Poverty Agency.
3. The countries were the Czech Republic, France, Ireland, Bulgaria, Netherlands, Norway, Portugal, England, Wales, Scotland and Northern Ireland). The study involved a questionnaire-based survey and follow-up, in-depth interviews with public servants in national, regional and local administrations, political leaders at regional and local levels, plus social partners and NGOs. The areas examined were: political leadership and sponsorship; government policies; legislation; resources; administrative leadership and implementation; capacity and skills; structures; data, research and evaluation; and engagement and participation.

administration (O'Kelly, 2007).

This chapter has provided an overview of instruments used to implement anti-poverty and social inclusion policy in Ireland since 1995. Three phases were examined: the development of the National Anti-Poverty Strategy in Ireland during the period 1995-2000, which was before the introduction of the OMC at European level. The second phase assessed implementation developments in Ireland during 2001 to 2005 and the influence of the OMC on Irish anti-poverty and social inclusion policy. The third phase examined the streamlining of social inclusion policy at both Irish and EU level and the impact on implementation, including an overall assessment of mainstreaming social inclusion.

Overall, since 1995 it is evident that the multi-dimensionality of poverty and social exclusion has been recognised and that social inclusion gets greater consideration in national policy-making. This is most clearly evident in the structures which have been put in place, notably a Cabinet Sub Committee, an Office for Social Inclusion and Social Inclusion Units in a number of government departments and in local authorities.

It is social inclusion processes, however, which have the potential to have a greater effect. Poverty impact assessment offers hope but to date has not been widely applied. Its most consistent use has been by the Department of Finance in assessing the impact of tax proposals in the annual Budget, but the extent to which the overall Budget proposals have reduced poverty has been mixed, as indicated in Budget poverty assessments undertaken by the Combat Poverty Agency. Memoranda to government also contain a statement on the impact of proposals on poverty and some policy documents, such as the Green Paper on Lone Parents (Government of Ireland, 2006), contain a poverty impact assessment of the proposals.

The measurement of poverty has also developed over the period with improvements in data and indicator development. While some measures, such as 'consistent poverty', have shown a reduction in poverty over the period, others have been more controversial. For example, relative income poverty has been hotly debated, linked as it is to the distribution of income. Relative income poverty in Ireland has not

declined to any great extent between 1994 and 2008, (between 1994 and 2001 it increased), hence the reluctance to set a poverty reduction target based on this measure.

One of the areas which has been innovative, but ultimately disappointing, has been the participation of people experiencing poverty and related NGOs in the design, implementation and evaluation of anti-poverty policies. While there are examples of extensive consultation exercises, supports for the community and voluntary sector, and the novel Social Inclusion Forum, the ongoing engagement of people experiencing poverty and their representatives has been fraught with inconsistencies, frustrations and unmet expectations.

In conclusion, while implementation instruments are an important driving force in the overall objective of poverty reduction, it is a country's model of development and political priorities which ultimately determine whether this overall objective can be met. The overriding priority in Ireland over the period examined has been a focus on economic growth. While economic progress has led to a significant reduction in consistent poverty it has not addressed structural inequalities, with many people remaining vulnerable to poverty and social exclusion. The ability to achieve the stated poverty reduction targets must now be questioned in the changed climate of an economic recession, increasing unemployment, cut backs in public services and a dismantling of many of the social inclusion structures. Implementation instruments for poverty reduction can only be effective where there is an overriding commitment to a fairer and more inclusive society and where initiatives to achieve this are adequately resourced.

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Hanz Zomer - Director of Dóchas Irish Development NGO network

This book marks twenty years of EAPN. Twenty years of reminding governments of their duties when it comes to poverty and exclusion. And twenty years of seeking to harness People Power; the power of ordinary people brought together through civil society organisations.

EAPN is to be congratulated on its capacity to build alliances, forge consensus and to put forward new and positive proposals that challenge the dominant finance-only model of development. For we know that 'the rising tide does NOT lift all boats.'

Like Dóchas, EAPN is bringing a voice and a platform to people and organisations that find it difficult to articulate their issues on their own. Through its analysis and advocacy, EAPN highlights and - more importantly - addresses the key aspect of poverty: marginalisation and disempowerment. And for this reason, it must not stop reminding us all that poverty is essentially manmade, and that people can - and do - reverse inequality, injustice and exclusion. Here, there and everywhere. Thank you, and well done.

Kevin P O'Kelly - Former Acting Director, Combat Poverty Agency

During my time as co-ordinator of the European Commission funded Mainstreaming Social Inclusion (MSI) project and later as Acting Director of the Combat Poverty Agency, I appreciated the support and advice of colleagues from EAPN, both at the EU-level and in Ireland. During the MSI project Fintan Farrell, Director, EAPN Europe, took a very active role in the work of the Steering Group. He make a major contribution to the two books published by Combat Poverty as a result of this project – Better Policies, Better Outcomes – Promoting Mainstreaming Social Inclusion (2006) and The Evaluation of Mainstreaming Social Inclusion in Europe (2007).

At the national level, the colleagues in EAPN Ireland, Robin Hanan, as Director and his successor, Anna Visser, and Paul Ginnell, Policy Officer, were always a source of support for those of us working in Combat Poverty and, indeed, EAPN took a lead in the campaign to keep the Agency open as an independent research, policy advice and public education organisation on issues affecting people living in poverty and those living in disadvantaged communities.

Poverty is, more than ever, a major problem blighting European and Irish society. It is unacceptable that almost 80 million people still live in poverty with in the EU, an estimated 19 million of them children. It is a shame that after twenty years of the work of EAPN highlighting the problems of poverty and deprivation, and because of a lack of political commitment from the Member State governments that there is still so much work for EAPN to do at the EU-level and in each country by the affiliate national organisations. I hope that by the thirtieth anniversary (and the completion of Europe 2020) greater progress will have been made in eliminating poverty from European society.
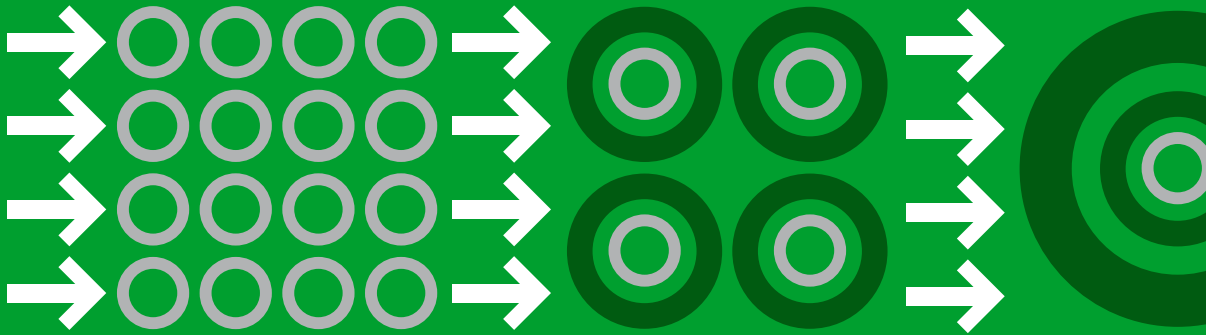
Chapter 10

From talk to impact: assessing the participation of people experiencing poverty in policy development

Paul Ginnell and Michael Mackey

B

"There is no point in a Government body saying they are going to do this or that unless they sit down with the people who are actually using the service to understand exactly what is going on on the ground" (Irish delegate to the EU Meeting of People Experiencing Poverty 2009).

Introduction

Participation of citizens in decisions that affect their lives is widely accepted as an essential element of good governance and as a democratic right. It has a number of benefits. It benefits society in terms of the quality of decisions that get made. It also benefits those who take part through increasing the self-esteem by being valued for the contribution they make and a sense of having some control of aspects of their lives (Richardson, 1983 and Burton, 2007). Participative democracy, which involves the ongoing direct engagement of citizens in decision making and recognises the essential role of civil society organisations in building the capacity of citizens, complements formal representative democracy.

Participative democracy plays a particularly important role in recognising the disengagement of many people from disadvantaged communities where the majority of people have no connection in general with those with responsibility for the policies that impact on their lives.

Participation takes place across a range of levels from information through consultation to co-decision making and other levels and forms in between (Combat Poverty Agency, 2006). The quality of participation at each level is important in itself and each builds on the previous stage. For participation to be effective there must be openness to engagement from those with responsibility for policy making, backed up by commitment to ensuring that it is effective in influencing policy and properly resourced and facilitated.

This article will briefly outline a number of key issues related to the impact of the EU Social Inclusion process, the social Open Method of Cooperation (OMC), on the participation of people experiencing poverty and their organisations in policy development in Ireland. It will show that while the OMC process has helped bring greater focus on direct participation it also raises a number of questions. Notably, what influence the European Commission can have on practice in Member States and most importantly the impact participation has on policy. The

article will also briefly look at examples that could be drawn on from other Member States.

First however, it is important to give a brief overview of the policy context, particularly from an EU perspective.

EU level

The European Union has progressively addressed the issue of participation over time. Social dialogue, which promotes engagement in the employment area between employers and employees, as well as in the social area with stakeholders including NGOs, is a key approach at EU level.

Between 1974 and 1994 the EU introduced three Poverty Programmes which allowed for actions in Member States, and on a transnational basis, to identify innovative ways of tackling poverty. A key aspect of these Programmes was the focus on the participation of "poor people" themselves in actions to address poverty. The third Poverty Programme, Poverty 3, also included a focus on developing partnership as an approach in tackling poverty. Lessons from the Poverty Programmes had an impact on the development of the community sector in Ireland, in particular in the direct engagement of people experiencing poverty and their organisations in policy making. These Programmes helped set the foundations for a greater focus on participation in the EU social inclusion strategy.

In 2001 the European Commission set out a clear strategy for participation when they produced 'European Governance – A White Paper' which states that, *'The quality, relevance and effectiveness of EU policies depends on ensuring wide participation throughout the policy chain – from conception to implementation. Improved participation is likely to create more confidence in the end result and in the institutions which deliver policies. Participation crucially depends on central governments following an inclusive approach when developing and implementing policies'* (European Commission, 2001: 17).

The Lisbon Treaty Article 8B also attempts to address the democratic deficit through the 'citizens initiative' where one million citizens can put a policy proposal on the agenda of the European commission and

also commits the EU consultations on policy development and to open, transparent and regular dialogue with citizens and representative associations (European Union, 2007: 15).

Over the past ten years of the EU Open Method of Coordination (OMC) for Social Inclusion, participation has been a core objective. This began with the Common Objectives adopted in Nice in 2000 and continued with the revised Common Objectives for Social Protection and Social Inclusion in 2006 which includes the clear overall objective of *'Good Governance, transparency and the involvement of stakeholders in the design, implementation and monitoring of policy'*. Among the three specific objectives on social inclusion is *'that social inclusion policies are well coordinated and involve all levels of government and relevant actors, including people experiencing poverty, that they are efficient and effective and mainstreamed into all relevant public policies, including economic, budgetary, education and training policies and Structural Fund (notably ESF) Programmes'* (European Commission, 2006a).

The reference to all stages of policy development and the specific mention of people experiencing poverty is significant and provides a basis for a focus on these issues throughout the 10 years of the social inclusion process up to 2010.

A specific example is the annual EU Meeting of People Experiencing Poverty[1] which is part of the EU's social inclusion strategy and provide an opportunity for people experiencing poverty to participate directly at EU level in the process.

During 2010 the EU has begun to plan for the coming 10 years and has published Europe 2020: A strategy for smart, sustainable and inclusive growth. This strategy poses challenges for strengthening participation over the next 10 years and building on current lessons and practice.

National level

Consultation and participative processes are not new in Ireland. The participation of people experiencing poverty and social exclusion and their organisations in decision making was a principle of the National Anti-Poverty Strategy (NAPS) in 1997 and the *White Paper on a*

1. The annual Meetings of People Experiencing Poverty are an EU Presidency event which began in 2001. They are an important part of the social inclusion strategy at EU level and also complement actions taken at Member State level. At EU level, EAPN is responsible for coordinating this process with EAPN national networks having responsibility for supporting the delegations to prepare and take part. For Information on the Meetings of People Experiencing Poverty see EAPN Ireland webpage www.eapn.ie/eapn/participation/people-experiencing-poverty

Framework for Supporting Voluntary Activity and for Developing the Relationship between the State and the Community and Voluntary Sector in 2000. The White Paper included Active Citizenship as a key principle and defined it as *'the active role of people, communities and voluntary organisations in decision-making which directly affects them. This extends the concept of formal citizenship and democratic society from one of basic civil, political and social and economic rights to one of direct democratic participation and responsibility'* (Government Publications, 2000:14).

Since 1996, community and voluntary organisations also have a separate pillar in national Social Partnership. This includes a role in overseeing implementation of the Government's social inclusion commitments in the social partnership agreements. The role of the Community and Voluntary Pillar is recognised by the European Commission in its reports on Ireland's engagement with the process (European Commission, 2007c).

Participation is also an element of engagement in decision making at local level particularly in the context of the County and City Development Boards, the Strategic Policy Committees in local authorities and the RAPID programme.[2]

The existence of these structures is important and should support the direct participation of people experiencing poverty and social exclusion and their organisations. The Community Platform, a network of 29 national anti-poverty and equality networks and a member of the Community and Voluntary Pillar, plays an important role in bringing the voice of these people to social partnership and wider policy development process.

A strong community infrastructure in Ireland is critical to supporting good participation. The Irish Government's support for the community infrastructure has been a positive example in the EU. The report from the EU Peer Review[3] of the Social Inclusion Forum highlighted this

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2. The Revitalising Areas by Planning, Investment and Development (RAPID) programme is aimed at improving the quality of life and the opportunity available to residents of the most disadvantaged communities in Irish cities and towns. It aims, in a focused and practical way, to reduce the deprivations faced by residents of disadvantaged communities. It attempts to do this through targeting significant State resources at the needs of disadvantaged areas.
3. Peer Reviews are an element of the EU Open Method of Coordination. The aim is to bring a number of Member States together to analyse a good practice example of policy or practice highlighted by one Member State and draw on their own experience and to highlight learning that could be transferable to other Member States.

support as an essential precondition for the Social inclusion Forum[4] and an example of good practice to other Member States (Swinnen, 2007). This has also been highlighted in other reports on the OMC (EAPN, 2003: 15) and Combat Poverty Agency, 2006). Ongoing support for community organisations at national and local levels is essential to achieving the governance objective of the OMC inclusion.

However, the current approach of Government to cut its funding for community development organisations, including the recent decision to effectively discontinue the Community Development Programme, undermines the process of supporting the participation of people experiencing poverty and their organisations in policy making. These developments indicate a change in approach by the Irish Government; it sends out a negative message to other Member States and directly undermines the 2000 White Paper.

The Irish Government alongside the Combat Poverty Agency and the NGOs in the Irish National Anti-Poverty Networks participated in an EU transnational project in 2000 where partners were involved in the development of Guidelines for Effective Involvement (Combat Poverty Agency, 2000) in decision making. The Guidelines highlight that in order to support meaningful participation the purpose of the involvement needs to be clear; the way it is organised is effective and that the practical issues and barriers that make it possible are addressed. These Guidelines could be revisited as a starting point for developing a much stronger, consistent and structured approach to the participation of people experiencing poverty in decision making In Ireland.

The impact of the OMC on participation in Ireland

Participation of people experiencing poverty at all stages of policy making on social inclusion, as stated earlier, is an objective of the OMC. This means that Member States have to report to the European Commission on participation in the process. This in itself helps raise the importance of participation in policy development at national level. Alongside the Commission's reports, the engagement of national and European NGOs in providing an alternative view through shadow reports or other forms of engagement, allows us to identify the quality of this participation in consultation and the wider policy making process.

4. The national Social Inclusion Forum (SIF) was coordinated until 2009 by the National Economic and Social Forum. It is the only formal opportunity for people experiencing poverty and social exclusion and their organisations engage directly with policy makers on the design and implementation of social inclusion policy. Specifically the SIF provides an opportunity for those involved to input their views on key policies and implementation issues and participate in the monitoring and evaluation of social inclusion plans as well as offer advice on any shortcomings. Depending on the timing of the SIF it also has the objective of contributing to the process of drawing up Ireland's Plans and Reports to the EU OMC process as was the case for the second NAPincl 2003-2005 and the first NSSPSI 2006-2008. Six fora were carried out between 2003 and 2009.

Consultation and the OMC

Over the 10 years the quality of the consultation process for the development of Ireland's EU National Action Plan Against Poverty and Social Exclusion (NAPincl) has varied greatly.

The Irish NAPincl Plans from 2001-2005 and the Social Inclusion chapter of the National Reports on Strategies for Social Protection and Social Inclusion (NSSPSI)[5] in the revised process from 2006 provide a description of the consultation process. The NAP Incl 2001-2003 outlines the process as involving a consideration of submissions from the community and voluntary sector and government departments and a Roundtable on the integration of equality and poverty perspectives in the NAP Inclusion at the request of the community and voluntary sector. It also highlights that this process coincided with and was informed by the review of the Ireland's National Anti-Poverty Strategy (NAPS) 1997-2007.

The NAPincl 2003-2005 and the NSSPSI 2006-2008 noted the detailed consultation that took place including the publication of specific reports in each case on the consultation process. The NSSPSI 2008-2010 however, outlines reasons why a specific consultation was not necessary mainly highlighting the fact that there was a thorough process two years previously and that Ireland had a 10 year National Action Plan for Social Inclusion 2007-2016, which replaced the NAPS.

The shadow reporting process by NGOs including EAPN over the years however provides an alternative view from the perspective of organisations and people on the ground and a critique of the consultation process for each of these periods.

The EAPN assessment of the consultation process for the NAPincl 2001-2003 in Ireland is not positive. It states that 'there was no opportunity for people affected by the Plan to input seriously to the process, due to the short timescale'. It also highlighted that, 'Ways of developing processes to involve people more in decisions which affect their lives need to be explored for the next review leading up to the new NAPincl in 2003' (EAPN, 2003).

However, there is a recognition that the lack of proper consultation for

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5. From 2000-2005 Member States submitted bi-annual National Action Plans Against Poverty and Social Exclusion (National Action Plans for Social Inclusion or NAPincl for short). In 2006 following a review of the Lisbon Strategy the NAPincl became one chapter in the bi-annual National Reports on Strategies for Social Protection and Social Inclusion which also included chapters on Pensions and on Health and Long-term Care. In 2007, the Irish Government also produced a separate National Action Plan for Social Inclusion 2007-2016.

the first NAP Inclusion was improved for the 2003-2005 and 2006-2008 plans. A report on the 2003-2005 process carried out by the Community Platform and EAPN Ireland states that 'the consultation on the Plan, organised by the Office for Social Inclusion and the Combat Poverty Agency, and before this by the NESF, was far reaching, thorough and well-designed and can serve as an example of good practice for this type of consultation' (EAPN Ireland and Community Platform, 2005). The positive developments include the first Social Inclusion Forum.

The continuation of this positive approach to the 2006-2008 period was also commented on by the European Commission and which states in 2007 that Ireland 'continues to demonstrate a clear commitment to wide-ranging consultation in the preparation of its inclusion strategy' (European Commission, 2007c).

However, this positive development was reversed for the 2008-2010 period when no consultation was carried out highlighting the inconsistencies and lack of overall commitment to high quality participation of people experiencing poverty and their organisations in the process.

This inconsistency on consultation on the social inclusion process is reflected in other policy areas in Ireland. A positive approach has been put in place to consult communities on how primary health care teams can better meet the needs of communities. Time will tell in terms of the outcomes from this process. An example of a negative process has been that carried out by the Centre for Effective Services on the Community Development Programme and the Local Development Social Inclusion Programme resulting in their integration. Community organisations and the Community Development Projects (CDPs) themselves have publicly commented on the flawed nature of this process, which effectively results in the closure of approximately 190 local community led organisations and has a very negative impact on the capacity of marginalised communities and groups to participate in decisions that affect their lives.

Role of the European Commission
The Commission's role in coordinating the EU social OMC process is essential. In order to bring greater clarity to the responsibilities of Member States the European Commission issued a Guidance

Note on the development of the National Reports in 2008. This Note emphasises the importance of strengthening the governance of the OMC and ongoing structured dialogue with all stakeholders including NGOs and people experiencing poverty at all stages of the process. However, in developing the NSSPSI 2008-2010 the Government ignored the Commission's Guidance Note (European Commission, 2008) and its own good practice for the previous two periods, and decided that consultation was not necessary. This lack of consultation was criticised by anti-poverty organisations and reflected in the EAPN Ireland Shadow Report (EAPN Ireland, 2008). EAPN highlighted its concerns directly to the European Commission.

The criticism of the consultation process was referred to by the European Commission in its Joint Report on Social Protection and Social Inclusion in 2009 which stated that *'... the decision not to engage in a separate consultation process in advance of this NSR received some adverse publicity in Ireland'* (European Commission, 2009).

Considering its role on governance in the OMC this reaction from the European Commission was weak and had little impact. This highlights a wider weakness in the role of the European Commission in relation to the soft law OMC process in that if a Member State engages positively with the process then progress can be made but if a Member State is less positive then the Commission may highlight the issue but does not have the teeth to bring about a more positive engagement.

Conditions for Participation

The importance of proper conditions to support participation of people experiencing poverty has been raised repeatedly in relation to the OMC and involves constant learning.

In 2003, while highlighting the positive engagement in the initial phase of the consultation for the NAP Inclusion 2003-2005, the Community Platform and the EAPN Ireland report on the process also identifies that *'people in poverty were not directly consulted in the preparation of the Plan. Although there was an opportunity to participate in public consultations, the language and structure of these was not specifically designed to encourage their participation'*.

The report highlighted that there was a responsibility both on NGOs

and the Government to make sure that people affected by the issues should be involved in the design, implementation and evaluation of strategies and that the proper conditions needed to be created for this to happen.

The Social Inclusion Forum is an important part in the social inclusion process in Ireland. The focus on participation in the EU social inclusion process brings greater impetus to the direct participation of people experiencing poverty and social exclusion in the Forum. Participants in their evaluation of the Social Inclusion Forum have highlighted some areas where the Forum could be strengthened to support better conditions for good participation. A number of areas were also highlighted by the EU Peer Review on the Social Inclusion Forum in 2007 which states that there was a need for sufficient resources to support the participation of stakeholders in policy development and implementation. The Peer Review report specifically highlights a number of other practical issues that need to be thought of when planning events which impact on participation. These include the type of language that is used, the timing of events, capacity building with participants to ensure they are able to fully participate and ensuring that the financial barriers are addressed including travel, childcare etc. (Swinnen, 2007).

The report outlines the importance of resources given by government agencies to NGOs such as the Community Platform and EAPN Ireland to carry out preparatory meetings and focus groups and the process which began in 2007 of providing direct support for approximately 20 people experiencing poverty to participate in the meetings. While the Social Inclusion Forum was highlighted as an example of good practice on participation for other Member States, improvements were still needed to create the conditions for good participation.

Impact of Consultation

A critical issue is the impact of initial consultation on the content of the social inclusion plans and their implementation. While highlighting the positive earlier elements of the consultation process for the 2003-2005 NAPincl the Community Platform and EAPN report also states that *'the impact on the content of the Plan is less obvious'* and that the process *'would appear to have very little impact on actual Government policy and have diluted Government responsibility and accountability*

by creating an impression of broad agreement when, in fact the views of anti-poverty constituencies is hardly reflected at all'. It warns against the danger of this lack of impact resulting in *'consultation fatigue'.*

In 2007 the European Commission raised the general point for Ireland, and other Member States, where the drafting process was open, that *'in all Member States there is scope for improving the quality of this involvement, ensuring that it actually impacts on policies and priorities'* (European Commission, 2007b: 59). For Ireland it specifically mentions that *'the direct involvement of stakeholders is more limited in the area of implementation, monitoring and evaluation'* (European Commission, 2007c: 65). This report also emphasised the need to address the 'implementation gap' in existing legislation, policy programmes and task force recommendations. These concerns had also been raised in previous Joint Reports (European Commission, 2003: 73).

The concern over implementation is also raised in relation to the impact of the Social Inclusion Forum. Evaluations from SIF participants over the years, have highlighted that this is an ongoing concern for many. Comments by participants include the need for *"clearer feedback on issues brought up in past Fora and where they ended up" (NESF, 2008: 138)* an*d that, 'Themes should focus on why recommendations are not in place or not working' (NESF, 2007: 124).* The EU Peer Review report in 2007 also highlighted that an essential part of consultation is that authorities must listen to opinions and views of other stakeholders and that they are clear on the outcomes and impact of such consultation. It also highlighted that public authorities must not only listen to actors but give systematic feedback and discuss what happened to their advice (Swinnen 2007: 20). The need for ongoing evaluation and monitoring of the impact of participation processes such as the Social Inclusion Forum is also highlighted by the Peer Review (Swinnen 2007: 26).

While Irish delegates' evaluations of the EU Meetings of People Experiencing Poverty are generally positive in terms of the opportunity to participate, a recurring issue for them is the need to know if these meetings are having any impact either at EU or national level. As one delegate stated *'I really hope that the crossover of information that I saw in Brussels will have some effect'.* Recent meetings have been structured to begin to address this issue through the preparation of delegates, engagement with policy makers from Member States and EU institutions and direct feedback at the Meetings themselves.

The lack of follow through from initial consultation, to how this is reflected in plans and their implementation undermines the process and its sustainability. It is crucial that those experiencing poverty and social exclusion and their organisations are convinced that their participation is valued and has an impact on policy and its implementation. Difficulties in the implementation of strategies such as the Traveller Accommodation Strategy, and the National Women's Strategy, recent cuts in social welfare, difficulties in accessing quality services and recent cuts to essential services at all levels and the ongoing dismantling of the community, equality, rights and anti-poverty infrastructure indicate to people experiencing poverty that their voice is not being heard and directly undermines participation. Those who participate need to see the impact of their contribution. At a minimum to at least receive feedback on what has been taken on board. To have a greater influence over decision making participation needs to be at all stages of the policy making process past consultation to implementation, monitoring and evaluation.

At national level, the Community and Voluntary Pillar has a formal role in monitoring the implementation of aspects of the OMC which are included as part of social partnership process. While this engagement is important, it is essential to identify how the process can be strengthened to ensure a greater positive impact on policies and give a stronger voice to people experiencing poverty and social exclusion.

Learning from Other Member States

A range of reports highlight positive examples of consultation and wider participation including the European Commission's Joint Reports and the EAPN annual reports on the implementation of the OMC inclusion. The Mainstreaming Social Inclusion EU Transnational project final report (Combat Poverty Agency, 2006) also highlights a number of examples of participation at different stages of the policy making process from Member States including Ireland, Portugal, Czech Republic, France, Norway and Northern Ireland. Many of these indicate elements of good practice without the existence of a broad strategic approach for developing participation within the Member States.

In some regions standards and more formal structures for representative democracy are more progressed. Belgium has a Participation Decree adopted in legislation which supports participation

in policy making. However, in Scotland the process is even more progressed and deep rooted.

In 2005, the Scottish Executive adopted National Standards for Community Engagement which set out best practice guidelines for engagement between communities and public agencies and is structured as a way of implementing the Community Planning obligation in the Local Government Scotland Act. The Standards are coordinated through the Scottish Community Development Centre (SCDC) and involve standards for a range of areas including support, planning, methods, working together, sharing information, improvement, feedback and monitoring and evaluation. Support materials have been developed including a National Standards Booklet and advice notes on areas such as how to apply the standard in a range of different contexts including with young people, rural communities and equalities groups.

The standards have been tested and were developed after a wide process of consultation with communities and agencies.

Conclusion

The common objective on governance in the EU OMC inclusion, and the requirement of Member States to report on this, brings greater focus on how people experiencing poverty and social exclusion and their organisations are engaged in policy making on social inclusion at national level. The European Commission's Joint Reports repeatedly highlight shortcomings in how Member States, including Ireland, are achieving this objective stressing the importance of high quality participation which needs to be resourced and go beyond the preparation stage to implementation and evaluation (European Commission, 2007). However, in any future EU strategy, the resolve with which the Commission tackles bad practice needs to be strengthened alongside the enhanced capacity to bring pressure on Member States, similar to that which it has in areas of greater competence.

It is clear that the majority of participation in decision making in Ireland is at the level of consultation, the quality of which needs to be more consistent. Within this the quality of processes to ensure the active engagement of people experiencing poverty and social exclusion and their organisations needs to be greatly strengthened. The EU Meetings

of People Experiencing Poverty offers a positive example and the Social Inclusion Forum the potential for improving practice. It is crucial therefore that it is not just an improvement in the process but in the impact of participation for quality services, income levels, employment access and decent jobs. Greater effort therefore needs to be made to identify how there can be greater and more effective participation at all levels and stages of decision making. These changes will require a high level commitment to good governance and making participative democracy an effective way of influencing policy.

The report from the EU Peer Review of the Social Inclusion Forum in 2007 concludes that *'the preconditions for participation do not drop from the sky. You need to work on it. The preconditions for good participation start from having clear objectives, having resources to support the process, empowering people and ensuring feedback'* (Swinnen, 2007: 26).

Strong community development organisations at local and national level, and the support they receive from the State are key. The Government needs to immediately reconsider and reverse the current policy of dismantling the independent community infrastructure which is central to supporting participative democracy in marginalised communities and therefore good governance.

Learning from other Member States highlights that it is possible to be ambitious and develop and implement clear structures for meaningful participation. The benefits are better and more effective policies and the recognition from people experiencing poverty and their organisations that their contribution is respected and has an impact. The Scottish Assembly provides an example of standards and a structured approach which the Irish Government should look to in developing it's own future approach.

As the EU works towards an agreement on the Europe 2020 Strategy which will outline its priorities for the next 10 years, it is essential that people experiencing poverty and social exclusion and their organisations are recognised as key stakeholders in its design and implementation. This can help build on the potential from developments in the past 10 years.

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Mary Connors - Irish delegate to the European Meeting of People Experiencing Poverty 2009 and 2010 and member of the board of the Irish Traveller Movement

I want to say that I feel privileged to be involved at an international level with EAPN and to be representing Travellers.

I believe that we have to keep highlighting and raising awareness of poverty wherever we encounter it. Though more importantly to highlight the way that poverty impacts on the everyday lives of people who experience it. I believe in this campaign to end poverty now, or at least working towards it at every opportunity.

The group put together by EAPN to attend the Meeting of People Experiencing Poverty in Brussels are great together representing Irish Travellers, lone parents, homeless people, and older women, and also a great opportunity to meet others from other countries.

Gay Mitchell MEP – Fine Gael

Involvement in politics or civil society, regardless of ideology, is essentially about trying to improve society. Poverty is perhaps the biggest obstacle to that progress both at home and abroad. The building of a strong economy and the promotion of social justice are two of the most important tools in the fight against poverty. EAPN Ireland has been instrumental in promoting social justice and has stood at the forefront of the fight against poverty and social exclusion. In this time of economic uncertainty their work will become even more important. Addressing poverty in the developing world is why I chose the Development Committee for my work in the European Parliament. It has been an honour to be able to work with EAPN through the years as a public representative here in Ireland and in Europe, and I hope to continue doing so in the future.
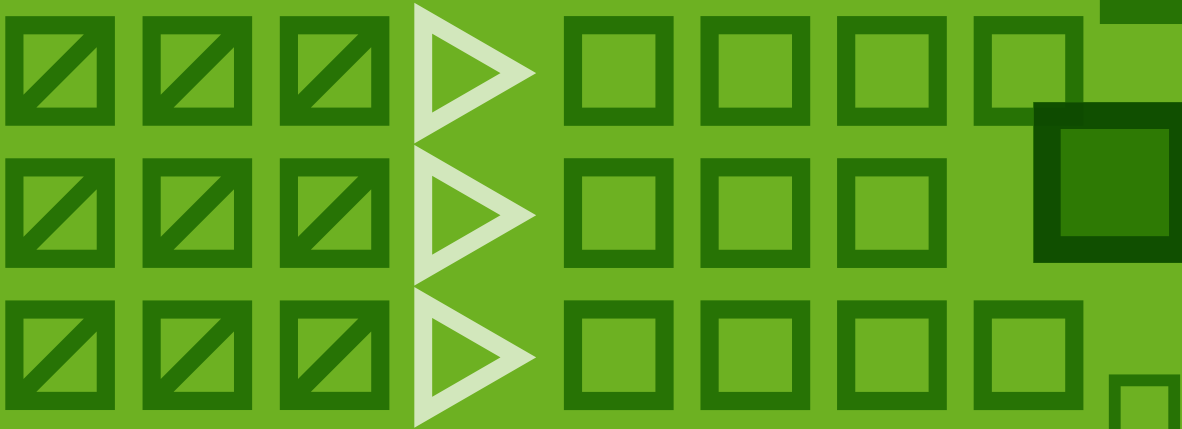
Chapter 11

'Lots done, more to do'; the future of the Open Method of Co-ordination

Mary Murphy B.A., PhD (DCU)

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This chapter reflects on the future of the Open Method of Coordination (OMC) on Social Inclusion and Social Protection in the EU. It asks how to move forward in tackling still too high levels of poverty in a now very different EU and very different Ireland. This book's assessment of the OMC at national level shows mixed but overall positive results. In relation to income related poverty, the consistent poverty rate fell from 9.4% in 2003 to 4.2% in 2008 and the at-risk of poverty rate fell from 22.7% to 14.4% in the same period.[1] However, it is impossible to say with any accuracy that the OMC contributed in any meaningful way to this decline in poverty. Leahy (2009) attributes late 2000s social welfare rate increases (which contributed significantly to the decline in poverty) not to anti-poverty targets but to electoral politics and particularly to the pragmatic populism of Bertie Ahern's political reign. Recent 2010 budget cuts to social welfare rates (which may increase both consistent and relative income poverty) were not informed by OMC analysis or targets. Calls to publish the poverty proofing of the 2010 budget went unanswered.

However just as it is important not to claim too much on behalf of the OMC nor should we claim too little. We can be realistic about what can be achieved in a voluntary or soft policy process while at the same time maximising the potential of the Social OMC. In particular there are strong arguments that the social clause in the Lisbon Treaty offers potential to strengthen the OMC and move it from a soft to a slightly harder policy instrument. As Farrell's and de Rossa's chapters[2] discuss the future of the OMC from the larger European perspective, the remainder of this chapter focuses on the domestic challenges for a new OMC.

Murphy in chapter three advises that the impact of the OMC can be viewed from a glass 'half full' or 'half empty' perspective and it is generally accepted that delivery on common objectives remains a challenge. The approach of this chapter takes the glass half full approach. As in the infamous phrase, 'there is lots done and more to do'. The context of recession and budget deficits means that all available tools are needed to keep a focus on poverty and inequality and the OMC despite its limitations is now more, rather than less, important and needed for the next decade. This chapter assesses the future of the OMC from an Irish perspective and offers insights as to

1. EU Silc, Central Statistics Office Ireland, various years.
2. Chapters 12 and 13 respecively.

how it might be developed and improved. It first locates the OMC in the wider process of governance or Multi-Level Governance (MLG). Using the example of activation policy, it evaluates the influence of the OMC relative to competing policy discourses. It argues for a realistic assessment of the OMC and warns against the dangers of an elitist and closed policy community and language. Reviewing the challenges facing a new round of the OMC, it identifies the ongoing challenge of co-ordination and integration of policy and the importance of services. The paper then attempts to locate and comment on the OMC as a governance process in the context of the recent reform of Irish government departments. It then reviews some practical recommendations on how to strengthen some of the weaker aspects of the OMC as a policy process focusing on: participation of people living in poverty; involvement of all stakeholders and strengthening wider policy community capacity to make fuller use of the policy learning potential in the OMC. It argues for a continuation of the data strategy, stronger use of target setting to reduce income inequality and for a stronger focus on gender as an aspect of the OMC. The chapter ends by arguing that key to the next OMC is the EU Lisbon 2020 framework and at national level, the national Irish macro economic framework within which the OMC will be expected to deliver its objectives.

OMC as Multi-Level Governance

The OMC can be understood as part of the evolution of MLG, where, in the context of globalisation and other pressures, decision-making evolves from traditional sites of government to embrace new actors and new levels (both local and international). Irish policy making is influenced by international policy making processes other than the OMC and which itself is best understood as part of that broader governance trend. Ireland's colonial history is evident in Ireland's participation in policy exchange networks of English-speaking countries including the UK, US, Canada, New Zealand and Australia. There is clearer institutional fit between Ireland's relatively liberal welfare regime and Anglo Saxon regimes in other English speaking states and we might therefore expect policy learning in this policy community to transfer more efficiently than policy learning in the OMC. We might also ask where OMC fits into the emerging sites for policy in the new north/south bodies and the Ministerial Council as well as the British Irish Council. Policy shopping or policy transfer opportunities also arise through membership of international institutions including the United Nations related social security institutions, International

Labour Organisation and International Social Security Association. Ireland's membership of the Organisation for Economic Cooperation and Development (OECD) also influences Irish policy discourse as does both the International Monetary Fund country report and the World Bank policy reports (Yeates, 2002).

Johnston earlier highlighted how Ireland adapted well and contributed to the administrative and political demands of multi-level governance in the EU and particularly to the technical development of indicators and data strategies. This Irish contribution to the OMC is important and Irish policy makers and academics continue to break new ground in refining understandings and measurements of poverty (Whelan and Maitre, 2010). However, back at home the Irish State tends to selectively filter its engagement with all international policy discourses and Irish policy makers appear to control and use international governance processes, selectively amplifying or ignoring what suits it: 'I think maybe we are inclined to invoke Europe… when actually the lines of policy are what we would do anyway' (Smith, 2005: 183). The OMC potential to impact therefore, depends hugely on how it has filtered into the domestic policy community. This to some degree depends on political attitudes and the capacity of the domestic policy community and particularly domestic NGOs to use the OMC indicators as political tools to lobby for improved domestic performance. The recent weakening of the domestic infrastructure of NGOs is worrying in this regard as it will surely in turn weaken the capacity of the OMC.

It is difficult in such a complex policy environment to know the true influence of any one international policy process. However, focusing on one policy debate enables us to see, in practice, how international discourse influences and frames the choices in the Irish model of development. Mangan argued earlier that "activation" policies were one of the important successes of the OMC. Analysis of recent Irish activation debates illustrates competing activation policy agendas emerging from different coalitions of actors in global policy institutions. Within the EU OMC there is a coalition for an inclusive and developmental agenda of Active Inclusion for All which focuses on adequate income, active labour markets and good public services as the way forward for an inclusive society. An alternative European policy coalition argues for flexicurity - a more employment-focused social inclusion strategy with a flexible but secure workforce based on three pillars – strong welfare, jobs and an active labour market. The OECD,

on the other hand, argues for activation based on a more conditional and more minimal welfare system with higher levels of labour market participation. Various policy coalitions argue at a national level for these different models of active social policy. In March 2010, Government restructured the Department of Social and Family Affairs into the Department of Social Protection and charged it with greater integration of income and employment supports. Which model of activation informed this institutional shift? This activation approach appears closer to OCED style activation and inconsistent with OMC principles of Active Inclusion for All which is more concerned that activation leads to long term, enhanced social outcomes (EC, 2006).

This example is offered as a reminder that the OMC is not 'the only game in town' and that equally other important and strategic policy dialogues frame Irish policy. The OMC is developed and maintained through in part a new language and discourse of policy-making and has facilitated the emergence of policy entrepreneurs with a new policy language and new forms of knowledge who then form a distinctive policy network without formal power but with extensive knowledge resources. While this can be used to good effect to bring new thinking into the policy community, it is not without its dangers. Murphy in chapter three describes a reality that is 'closed and unaccountable with limited and highly variable patterns of participation for stakeholders outside of national civil servants and EU officials. Policy actors from other stakeholders run the risk of being caught or contained in relatively closed policy making arenas (while policy is made elsewhere). Unless used appropriately in an enabling way, such new knowledge and language can be elitist and exclusionary rather than open and inclusive. In the absence of OMC processes having statutory powers, the OMC remains more a coordination of process than a coordination of policy, but is still a politically significant governance mechanism (De la Porte and Pochet, 2004).

On the 20th anniversary of the founding of EAPN and EAPN Ireland, Ireland and Irish EAPN can be proud of its contribution to date in developing and engaging with OMC Inclusion. While OMC is undeniably a positive tool in the Irish fight against poverty, it is vital to be realistic about OMC strengths and weaknesses, and its advantages and disadvantages. EAPN and others need to engage carefully and selectively with OMC. That said, the rest of this chapter focuses on what can be done to develop Ireland's contribution to OMC, to

strengthen OMC capacity and to use OMC as effectively as possible in the Irish fight against poverty and exclusion. As Murphy earlier outlined, European Commission recommendations to strengthen the OMC process include: increasing political commitment and the visibility of the process; strengthening the positive interaction with other EU policies; reinforcing the analytical tools underpinning the process, with a view to moving towards the definition of quantified targets and enhancing evidence-based policymaking; and increasing ownership in Member States, by boosting implementation and enhancing mutual learning. How does this translate into Irish policy priorities and processes?

Coordinating and Integrating the OMC in Irish Government Policy.

A major challenge is how the OMC process is fed into government and between government departments. The role that social services of general interest have to play in relation to those experiencing poverty and social exclusion was reinforced by the EU renewed social agenda in 2008 and is recognised in NESC's concept of the Developmental Welfare State which stresses the need for *'more effective integration of the services, income supports and activist measures … at each stage in their life cycle'* (NESC, 2005: 204). O'Kelly (2007) identified a lack of understanding and communication between different levels of government administration. It is hard to disagree with Mangan's earlier prioritisation of the strategic process in relation to policy planning, development and implementation in a more coordinated and integrated way. He particularly notes in the longer term the need for more effective implementation at national and local levels and on coordination between these levels. Examples relating to children, drugs, disability and integration suggest cross cutting is achieved more easily when it is a named ministerial responsibility. As Irwin argues in chapter eight, education and related services are crucial in breaking intergenerational poverty. The proposed target to reduce early school leaving by 2020 is crucial however it will not be achieved without coordinating and integrating general services including social security, employment and training services, social housing, childcare, long term care and social assistance services.

In March 2010, the function of driving the OMC in the Social Inclusion Division (formerly the Office for Social Inclusion) was moved from the new Department of Social Protection (formerly Department of Social and Family Affairs) to a new Department for Community, Equality and the Gaeltacht Affairs (formerly Department for Community, Rural

and Gaeltacht Affairs). It is not clear, at the time of writing, what the implications of these shifts are. However, the move is worrying for both social inclusion policy and for the OMC. While the omission of social inclusion in the name of the department may be only symbolic, of more concern is that the OMC has been placed in a government department with little political power to achieve cross cutting or integration. This department has no significant policy implementation role, no control of any significant mainstream delivery budget and, at best, only a two year time frame to work with until the next election. There is nothing in the departmental reformulation to suggest that a major stumbling block of OMC - cross-departmental coordination - will be easier to achieve. However, placing the Social Inclusion Division and OMC in the Department of An Taoiseach would strengthen the likelihood of enhanced coordination and political leadership. Making poverty proofing a statutory requirement for all government departments and especially the Department of Finance, would also make for a stronger Irish OMC.

Participation of People Living in Poverty

Ginnell and Mackey in chapter 10, demonstrate that when people living in poverty are asked, they say that services are not meeting their needs, that they are not engaged with about the development of services and that statutory services were not always respectful and mindful of the fit between their needs and services provided. There is little evidence of the impact of views gathered during consultation and participation processes. The Irish OMC remains challenged to enable participation of people living in poverty in a real, rather than symbolic way. Ginnell and Mackey observe that the quality of OMC consultation varies greatly and that there is a growing wariness of consultation without results. As Murphy earlier outlined, the trend has been for greatly limiting public consultation. The current approach of government is to cut funding for NGOs and community development organisations. The 2010 decision to effectively discontinue the Community Development Programme, the 2009 decision to restructure Combat Poverty Agency into the Social Inclusion Division and the 2008 43% reduction in funding to the Equality Authority, all undermine the process of supporting the participation of people experiencing poverty and their organisations in policy making. It would be useful in the next OMC to empower the European Commission to bring about a more positive engagement between Member States and their vulnerable populations and to insist on well documented conditions and resources to NGOs to support the participation of people experiencing poverty

(Swinnen, 2007). If present trends continue the government may not be able to rely on the support of NGOs to carry out preparatory meetings and focus groups. In 2008, EAPN Ireland responded to the lack of consultation by preparing a shadow report for the European Commission. Might this be a more common approach in the future or will government use the opportunity of developing a new OMC to strengthen engagement and participation (for example, by guaranteeing funding for national networks and the poverty networks programme)? Much can be done to make participation in the OMC more open and inclusive, including avoiding overly technical language that creates barriers to inclusion. New forms of power and exclusion, new groups considered at risk of poverty and new forms of risk need to be continually considered in a new OMC. For example, the 2010 street count of homeless showed over half of street homeless are non-Irish nationals. Can this new experience be captured in a new OMC?

Involving all Stakeholders in the Policy Learning Process

Every policy community has an inner policy network or policy elite where a combination of power and knowledge-resources determines membership. No social partners or non-government holders are included in the inner policy network of the Senior Officials Group on Social Inclusion who report to the Cabinet Sub-Committee on Social Inclusion. The EU has questioned the extent to which stakeholders have been involved in *'ongoing structured dialogue in all stages of the policy-making process'* (European Commission, 2009: 273). The challenge in the future is to enhance the meaningful involvement of stakeholders and initiate greater public debate about target setting.

Achieving best practice through policy learning implies the need for best practice in policy learning. This means involving all stakeholders in the policy learning process. Policy learning processes are, for time and resource related reasons, too limited to desk research and literature reviews. Those documenting best practice in the various thematic country reports under OMC processes should be required to consult with stakeholders. Academics and policy consultants might challenge terms of reference in OMC contracts that do not sufficiently stress consultation with stakeholders or engagement of people living in poverty. Mangan argues that there is scope to exchange best practice on effective consultation, including with the media and academic community, both of whom are under utilised as stakeholders. Knowledge created by academics or consultants through EU OMC

processes needs to filter back through stakeholders and be used more effectively to advocate for more effective social provision in public debate.

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Indicators and Data

Johnson, in chapter nine, welcomed the key Irish contribution to developing indicators for the OMC. She notes that a key legacy is the way OMC processes greatly assist in identifying, documenting and reporting on comparative economic and social trends in other Member States. A major contributor to this dimension of the process is the annual EU Survey on Income and Living Conditions (SILC) which is used to adopt national indicators and to track the implementation and achievement of time bound targets. There is a need to develop target setting in the next OMC so that they include the measures to be taken, the resources to be provided, and the time to be taken for achieving the targets. All of this also implies who is responsible, administratively and politically, and enables the policy making system and those with power to be held more accountable to people in poverty. As Johnson argues, maximising this approach ensures transparency and crucially allows a greater public, media and political understanding of the relationship between targets, policy development, and priorities and policy outcomes.

There is also a need to develop better understandings of how indicators, especially in relation to poverty, relate to other national policy objectives. The findings of Wilkinson and Pickett (2008) that greater equality is better for everyone, can assist in improving public support for anti-poverty targets. An 'at risk of poverty' or income inequality reduction target is consistent with a public commitment to address Irish income inequality and in so doing improve the quality of life for everybody. A range of social indicators can be utilised to demonstrate this practical improvement in quality of life for everyone. Creative use of such indicators can take anti-poverty strategies out of the margins and into the mainstream of Irish policy and political debate. Wealth is the opposite side of poverty. Any strategy that seeks to minimise income inequality must engage with wealth disparity and policy mechanisms including tax instruments that can both narrow the gaps between the poorest and wealthiest and also generate revenue for funding public expenditure.

173

As Crowley argues earlier in chapter seven, equality and anti-discrimination issues provide an important focus in any attempt to eliminate poverty and social exclusion. The previous OMC had a fragmented approach to equality and poverty. A policy area which cannot be evidenced is less accepted as a policy priority. There are still data limitations that need to be addressed in a future OMC. One example relates to the lack of gender and ethnicity segregation in health and crime data, which limits to a great extent the possibility of developing evidence informed policy in relation to domestic violence. There is a clear need to have a stronger gender dimension to a revived and enhanced OMC. In particular, given the stress on employment led policy in the previous OMC (EC 2003), there is a need to have a gender sensitive approach to the working age stage of the life cycle. Such an approach would enable policy makers to 'gender' the activation debate with a care ethic. A gender sensitive approach would highlight the cumulative impact of gender inequality across the life cycle, and this could bring a greater gender dimension to the pensions aspect of OMC. In the next OMC, the care infrastructure needs to be a policy priority and gender based violence needs to be understood as a major cause of social exclusion. Likewise there is the danger of a gender blind approach to policy responses to the recession. Smith (2009) argues that differences in the types of jobs that women and men occupy shapes the impact of the recession and should shape our policy responses; different policy responses will benefit or disadvantage different groups. Russell et al (2009) bear witness to the gendered nature of the Irish labour market. A gender input to and analysis of a recovery plan is an essential part of recovery. This will not happen without bringing women's voices into all economic and political decision making arenas and making their presence more distinctly visible by gendering the analysis informing the OMC

The Bigger Picture - Sustainable Future

Johnson stressed earlier that it is not implementation instruments but a country's model of development and political priorities which ultimately determine whether the overall objective of poverty reduction can be met. The biggest threat to social inclusion and to what can be achieved through an OMC is the larger macro political economy approach of the Europe Union. How will Europe 2020 set the context for more micro policy making and target setting? To date the OMC has had to work in

the context of macro-constraints imposed on European social policy by the single market, EMU and globalisation. Will Europe 2020 maintain the almost exclusive focus on growth, jobs and economic participation at the expense of facilitating an ethic of care and social participation? Will it set boundaries to what can be achieved in the OMC? Johnston argues that Irish economic progress led to a significant reduction in poverty but did not address structural inequalities.

O'Brien in chapter six and Farrell in chapter 12, in discussing the tensions between economic and social sustainability, argue for a more sustainable model than the previous EU neo-liberal economic model which over focused on competitiveness and undermined social development. Given the centrality of unemployment as a cause of exclusion, the next OMC must tackle the issue of a sustainable employment strategy and forsake a development model that privileges fiscal discipline over social needs or social cohesion. Mangan argues, with hindsight, that in the first OMC there may have been a rush into the technical requirements for national action plans without the benefit of debates at national level on challenges, strategic directions and priorities. Such a debate should inform the next OMC. The voice of people, and particularly of women, living in poverty needs to be heard in this debate.

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In 1990 I was working in a project funded through the 2nd European Poverty Programme. Around 80% of households in the community were primarily or wholly dependent on social welfare. While anti-poverty work at local level was, and is, a key part of an anti-poverty strategy, poverty is not created in local communities and will not be eradicated by local level action alone. And so the establishment of the European Anti-Poverty Network was enormously important.

Being part of a highly focused and effective network in Ireland that was itself part of a comparable network at European level has provided me with information; challenged me to think more strategically; made it easy to be part of discussion and debate on policy issues. EAPN has been a reference point and stimulus for me and my work for the last 20 years. My thanks to everyone who has maintained its professionalism and vision of and passion for a poverty free society.
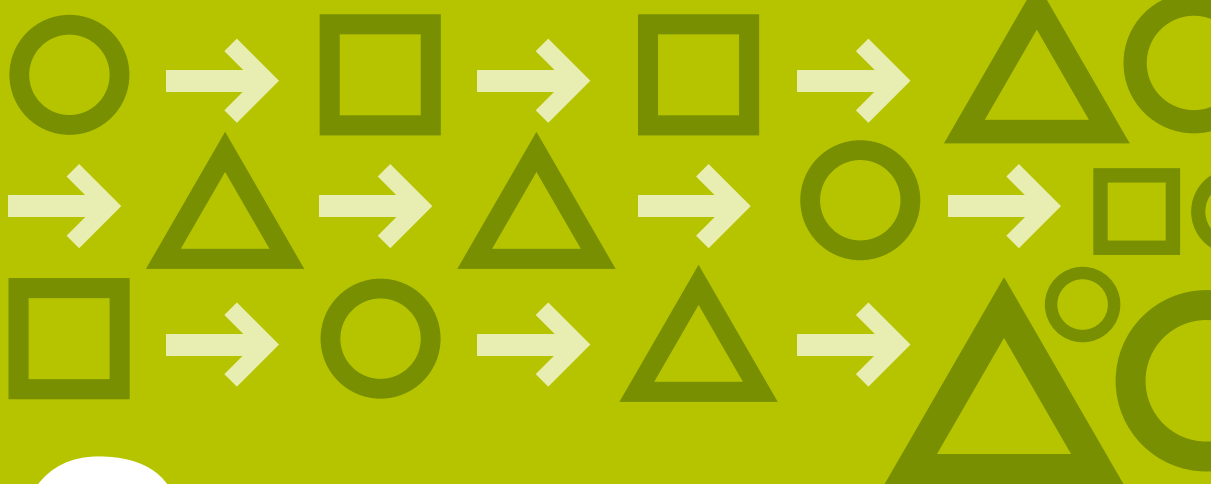
Chapter **12**

2030: A European social model. What we need to make progress in the fight against poverty and social exclusion

Fintan Farrell

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In order to know what we need to fight poverty and social exclusion in the European Union it is good to start from the current reality. It is important to acknowledge that thanks to the EU poverty programmes of the 1980s and early 1990s and also the EU Inclusion Strategy (the Social Open Method of Coordination), operating since 2000, that we now have powerful tools that provide information and knowledge about both the reality and what is needed to make progress in fighting poverty and social exclusion in the EU. The fact that over this period the levels of poverty, as measured by the 60% of median equivalised income indicator, has remained constantly high at around 16% of the population (currently 84 million people)[1] is not an indication of failure of the Social Inclusion Strategy but rather a clear indication that the current model of development, in which the Social Inclusion Strategy operates, is incapable of making real progress in the fight against poverty and social exclusion. The simple fact that we have an increasing number of working poor (officially 8% of the working population or 18 million people) who are living below the poverty line shows the weakness of the current 'growth and jobs' model.

The work EAPN does to increase the direct participation of people experiencing poverty and social exclusion tells more about these realities. Quotes from participants at the European Meetings of 'People Experiencing Poverty and social exclusion' such as; 'I am undocumented, so for you I don't exist', 'waking up in bad housing conditions which saps the will to do anything', 'being paid regularly, but my debts still mounting up anyway' tells more about these realities. The 'deprivation indicators' developed at EU level, measured as lacking more than 3 basic necessities (such as adequate shoes, a meal with meat or fish every second day, adequate heating) provides further illustration of the reality with on average 17% of Europeans facing material deprivation. This indicator also illustrates the different general level of development in the European Union countries with differences of between 45% of the population who experience material deprivation in Romania as against 6% in Sweden and the Netherlands or 3% in Luxembourg (2007 figures).

You cannot address the fight against poverty and remain silent about wealth. Perhaps it is illustrative that we know less about wealth than we do about poverty. Wealth remains an under analysed reality in

1. The figures used in this section come from EUROSTAT.

many European societies, which have failed to question the right of a few to control the resources of the majority. However, what we do know is that there has been growth in income inequality (as measured by incomes of the top and bottom 20% of the population) in the period of 1997 to 2007 in the EU (15) from a ration of 4.7 to 4.9 and during this period the figures for the UK showed a rise from 4.7 to 5.5. However, this apparently small rise in income inequality (remembering that income is only a small part of wealth) comes on top of an enormous increase in inequality globally that developed in the 1980s and early 1990s. The work of Wilkinson and Pickett in their much publicised book, *The Spirit Level*,[2] outlines clearly the detrimental effect of inequalities in 'rich societies' for a broad range of social and societal concerns, including issues such as child well-being, educational attainment, imprisonment rates and levels of trust in the society.

The Need for a Shift in Paradigm

The reality outlined above, which is not just a consequence of the current crisis but rather at the heart of the cause, shows clearly it's need for a shift in paradigm. The current model of development based on 'growth' as measured by GDP has reached its limit. Tim Jackson in Prosperity without Growth puts it more strongly when he says that *"the myth of growth has failed us. It has failed the 2 billion people who still live on less than $2 a day. It has failed the fragile ecological systems on which we depend for survival. It has failed, spectacularly, in its own terms, to provide stability and secure people's livelihoods" (2009: 258)*. There is a clear need for a shift from the dominant 'growth and jobs' model to a 'social and sustainable' model of development.

The need for such a shift in paradigm is gaining increasing support. The increasing cooperation between different families of Non Governmental Organisations (Social, Environmental, Development, Human Rights) with Trade Unions which is evident in many EU Member States is increasing the awareness of the need for such a shift in paradigm. The Spring Alliance[3] at EU level bringing together such actors in the call for a more social and sustainable development model is an important indication of this development. This drive for a 'social and sustainable' model of development should end the current disastrous policy of separating economy from society and the environment. While the 'social' is already contained in the 'sustainable' model approach, it is still important to highlight distinctly the social element

2. See www.equalitytrust.org.uk
3. See www.springalliance.eu

of the model because of the danger to only look at ecological factors and to miss both the social and environmental impact of inequalities. The European Social Model built on strong welfare states which emerged following the Second World War has been the guarantor of more equal societies. However, as noted by Jackson (2009), the role of government *'in delivering social and environmental goods and protecting long-term interests has for too long taken second place to the narrow pursuit of economic growth'*. Only the adoption of a new sustainable paradigm for development can ensure the necessary rebalancing to ensure a reversal in high or growing levels of poverty and inequality coupled with a greater respect for the environment.

The contribution of EAPN towards achieving a social and sustainable model of development

While recognising the need for a new paradigm for development, EAPN brings to the debate a particular contribution coming from the perspective of people experiencing poverty and social exclusion. As well as the work EAPN does to defend strong social policies as being essential in their own right and to ensure recognition of social protection spending as an investment (it reduces poverty in the EU by 40%), EAPN in the context of its work under the banner of the 'EU We Want' has also identified six areas for debate and awareness raising that can contribute to a more social and sustainable future. These areas have been further elaborated and adopted by the European level NGO Coalition for the 2010 year, coordinated by EAPN.[4] These key areas which are outlined below, call for values such as social cohesion, sustainability, social justice, equality, and respect for human dignity to be at the core of informing the political choices so as to develop harmonious and sustainable societies.

Access to rights and dignity for all

It is time once and for all to break the stereotypes in relation to people experiencing poverty: there are no 'deserving' or 'undeserving' poor. The economic crisis and changes in social protection systems have left more and more people exposed to poverty and insecurity, resulting in the reality that poverty can no longer be seen as something distant and remote. Social rights to health, housing, education, culture and income, are fundamental rights which must be available to all, irrespective of

4. See www.endpoverty.eu

age, gender or legal status. The cycle of intergenerational transmission of poverty must be broken. Principles of solidarity, equality between women and men, equal opportunities for all and non-discrimination must shape policies aimed at ending poverty and social exclusion.

An economy at the service of people and public interest:

Europe's economic systems must be redesigned to safeguard people from poverty and social exclusion. Increased public investment and a fairer redistribution of resources and wealth must regain a central place in designing both economic and social policies. Social economy, linking economic activities with the realisation of social goals such as access to health care, decent employment and affordable housing, should be promoted, not only to respond to new needs in the community but also as a source of employment, in particular for vulnerable persons and disadvantaged groups.

Mobilising all policies

Poverty has both structural and personal causes and is generated and perpetuated every day through inadequate policies and lack of political commitment. Poverty cannot be accepted as part of society's structure. It is time to rethink the system - to put into place policies where solidarity, social rights and the public good comes first. Building a poverty-free Europe requires that all policies - social, economic, employment, health, education, cultural, housing… - are mobilised and coordinated at all levels and implemented in a mutually reinforcing manner.

Guaranteeing universal services and providing necessary targeted measures

Accessible universal services for all are essential foundations for redressing the inequalities leading to poverty and social exclusion. In addition, specific measures are necessary, recognising that people facing extreme forms of poverty and social exclusion are particularly vulnerable and that their fundamental rights are extensively violated.

Participation and commitment

Participation and commitment of everyone is central to building

inclusive societies. Strong and well functioning representative democratic institutions are essential to ensure the defence of the public interest. Transparency and accountability in policy making are needed to foster trust in our democratic processes. Participatory democracy is necessary and must ensure that the voices of people experiencing the poverty and social exclusion are heard and acted upon. The engagement of individuals through voluntary activities should be recognised and promoted. Particular efforts are needed to empower people experiencing poverty and social exclusion to actively engage in their communities.

Solidarity across the globe

The European dimension of the fight against poverty and social exclusion cannot be dissociated from global challenges linked to demographic change, migration, climate change and decent work. The structural causes generating poverty are linked, and increased solidarity between the different struggles to end poverty across the globe is needed. The EU needs to strengthen its role as a global actor for trade justice, debt cancellation, poverty eradication and the effective application of decent work standards for everyone.

The Fight against Poverty in the Future EU Agenda

At the time of writing this article the European Union leaders are in the middle of deciding the future priorities of the European Union. This discussion is based on a proposal by the European Commission called the Europe 2020 strategy. This proposed strategy is based on three pillars - smart, sustainable and inclusive growth - and has five key targets including a target for social inclusion and poverty reduction. It is clear that this proposal is not the shift in paradigm called for above and is clearly wedded to the 'growth model' whose shortcomings are becoming increasingly visible. The proposed Integrated Guidelines for the implementation of this strategy based only on a narrow growth dominated economic perspective and employment show even more clearly that the necessary lessons have not been learned.

Despite the narrow vision informing the Europe 2020 proposals, there are some positive signals and areas in the proposals worth fighting for. The obvious need to qualify growth with the smart, sustainable and inclusive labels, shows that elements of the current debate about the need for a more social and sustainable model of development

are influencing political discourse and decisions at the highest levels in the EU. The question is if this will provide enough of a basis for a real interrogation of how the strategy is implemented in the coming years. The hope is that people and communities and different levels of 'governance' will move more quickly than the big EU political machinery and recognise the need for a more sustainable approach and thus challenge the way the strategy is implemented and demand that it responds to the challenge of a more sustainable and inclusive growth.

The addition of a Social Inclusion and Poverty reduction target and a Social Guideline in the proposed Integrated Guidelines means that the concern with poverty and inclusion moves beyond just being a concern for Social Ministries and social actors to becoming a concern mainstreamed across all political decision making. The European Headline Target and Indicator needs to be backed up by a set of realistic National Targets and Indicators based on national analysis. Of course this has the danger that social objectives may become even more subservient to narrow economic considerations. To avoid that we need effective instruments at all levels to move from words to real delivery in the fight against poverty. Work that has been done to develop measures beyond Gross Domestic Product, including at risk of poverty and inequality indicators and targets, must now be used systematically to measure progress under the EU 2020 strategy.

The Europe 2020 strategy also proposes a 'Platform against Poverty' to deliver results on meeting the target on social inclusion and poverty reduction. At the time of writing it is not clear what exactly the European Commission will propose as the elements for this Platform. It would be perverse if the inclusion of a headline target for social inclusion and poverty reduction should result in a weaker process at EU level for Social Inclusion than the one mentioned in the introduction to this article. Thus for EAPN the 'Platform Against Poverty' must deliver on previously agreed commitments to work through an autonomous but strengthened Open Method of Coordination on Social Protection and Social Inclusion, based on revitalised National Action Planning process, involving stakeholders (including anti-poverty NGOs) in regular, structured dialogue on delivery of the target. The Platform should also follow up on already agreed priorities such as action to implement the Active Inclusion Recommendation (including the adequacy of minimum income schemes) and follow up on the commitments to tackle child poverty and homelessness. In addition, the Platform

should ensure a stricter application of social impact assessment of all policies, in line with the new horizontal social clause in the Lisbon Treaty. In order to defend Fundamental Rights and promote coordination amongst EU Member States to achieve high level social standards, the Platform should also consider legislative proposals such as a framework directive on the adequacy of minimum income schemes. In addition, the Platform against Poverty should ensure that EU financial instruments are assessed and new instruments developed to ensure they contribute to the poverty reduction target.

While it is clear that the Europe 2020 strategy falls short of the shift in paradigm which EAPN and other actors believe is necessary, there are 'hooks' in the proposal on which EAPN can create demands for EU action in the fight against poverty, social exclusion and inequalities. However, it is also clear that EAPN needs to continue to contribute to wider alliances aimed at achieving the necessary shift in paradigm. Perhaps as well as taking inspiration from contemporary alliances for a more social and sustainable development model we can also take inspiration from the vision of one of the founding fathers of the EU, Jean Monnet. In 1943 in the throes of the second world war, when thinking about the future cooperation needed at European level, he wrote what we are aiming for is *"an organisation of the world that will allow all resources to be exploited as well as possible and to be distributed as evenly as possible among persons, so as to create peace and happiness throughout the entire world"* (Mak, 2008: 25).

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**Maurice Hayes - Former Senator and Northern Ireland
Ombudsman and former Chairperson of the National
Forum on Europe**

EAPN has played a vitally important role in keeping Irish society
and Irish politicians and policymakers informed of wider European
programmes, policies and developments. There can be no doubt
that but for the European connection social policy in Ireland would
be much less developed. In this respect, EAPN played an important
role as a two-way conduit for information, in advocacy both in
Ireland and Brussels, and in being a constant irritant to officialdom
in both places.

Poverty is a hydra-headed monster: cut off one head and another
appears in a constantly mutating form. The five giants of Want,
Ignorance Disease, Squalor and Idleness identified by Beveridge
still stalk the land, even if under more sophisticated names. The
work therefore never, never can be done.

The Year for Combating Poverty and Social Exclusion and the 20th
anniversary of EAPN is a suitable occasion to salute all those who
have fought and laboured under its banner, and I gladly do so.

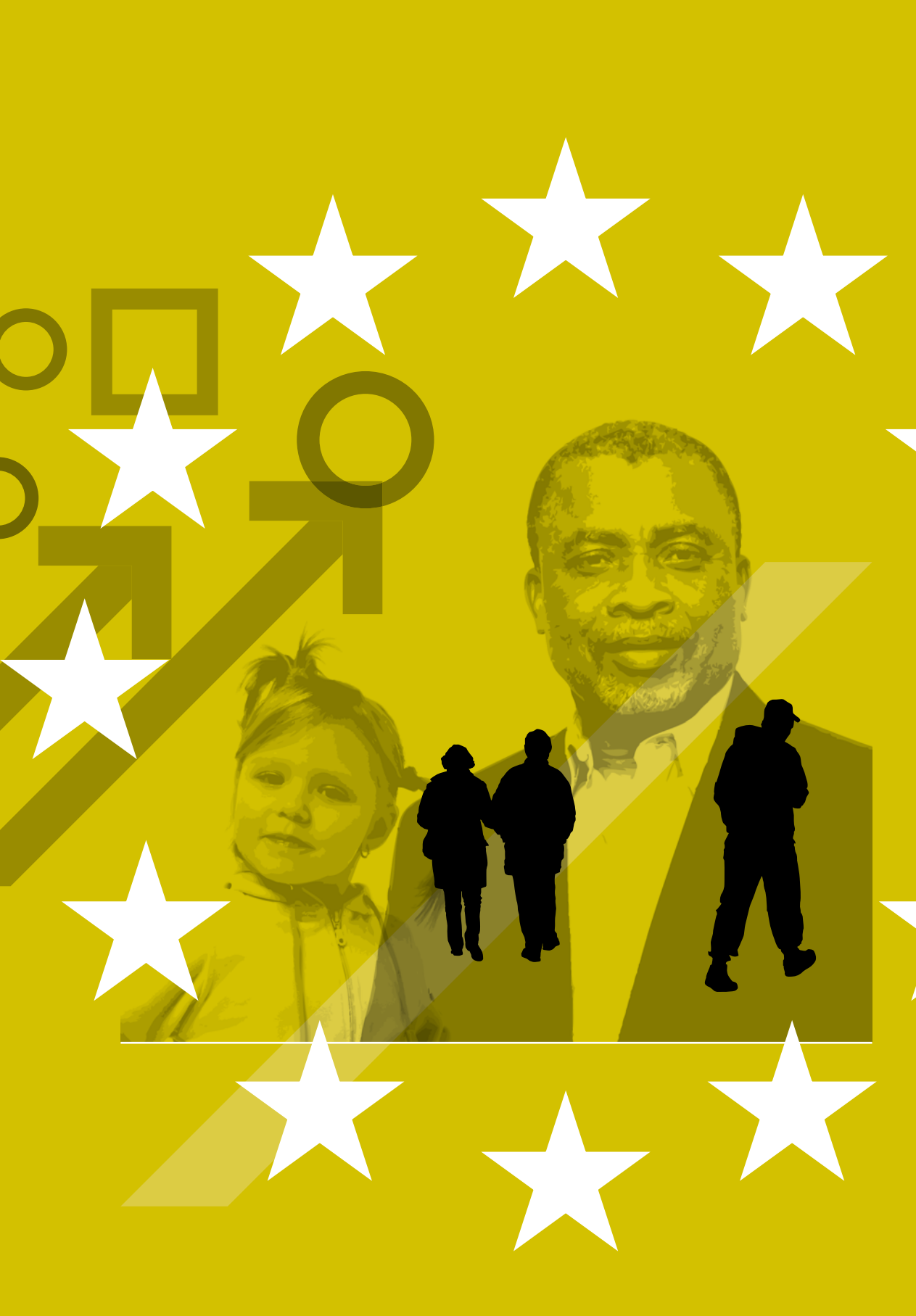# Chapter **13**

Conclusions

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The eradication of poverty and the achievement of an inclusive society are aims that are more relevant than ever as we find ourselves in the midst of the deepest recession since the 1930s. That makes it even more appropriate that the EAPN should address these aims in this publication particularly during this, the European Year for Combating Poverty and Social Exclusion.

In 1997 as the Rainbow Coalition of Labour, Democratic Left and Fine Gael, in which I served as Minister for Social Welfare, lost office, we were about to embark on a project that had the potential to achieve not only full employment and an end to emigration but also crucially the eradication of poverty and social exclusion in Ireland. I had made a commitment at the UN World Summit for Social Development in Copenhagen in 1995 to introduce Ireland's first ever national anti-poverty strategy. I then persuaded my partners in government to implement it. Persuading everyone of the need for it was relatively simple but persuading all Ministers and their Departments that they all had a responsibility in this area was less so. Finally the strategy, which we called *Sharing the Progress*, was launched in 1997, based on the idea that all departments of government had to assess their policies not only for their impact on poverty but to ensure that they could positively impact on its elimination. For too long Irish Governments had settled for providing a safety net to catch those who fell into or were born into poverty and social exclusion, rather than creating a coherent, over-arching policy framework for the prevention and eventual eradication of these scars on our society. As Helen Johnston points out, *Sharing the Progress* was the first national anti-poverty plan in Europe to set an explicit global anti-poverty target - to almost halve consistent poverty over a 10 year period.

The Fianna Fáil/Progressive Democrats (FF/PD) Coalition which replaced the Rainbow Coalition in 1997 continued to assist the economic growth that began in the previous government term, but the National Anti-Poverty Strategy (NAPS) was not given a high priority nor did the new government have the prevention and elimination of poverty as an integral objective of their economic policies. Its economic policies did ensure that unemployment continued to fall dramatically, to the point that Ireland became a country of substantial inward migration, particularly after EU enlargement in 2004. This dramatic rise in employment however, masked a crucial issue - 'in-work poverty' - which received too little attention at EU level and almost none in Ireland.

Nevertheless it would be a mistake to think, as many did until quite recently (and some still do), that the neo-liberal economic model, as implemented by the FF/PD coalition, was the only way to achieve or maintain prosperity. It is worth noting here that even before the financial and economic crisis, Ireland's employment rate – that is the percentage of the population aged between 16 and 64 actually in the labour force – at 69%, was still significantly below the Danish, Dutch and Swedish rates, at 77%, 76%, and 74% respectively.

If the neo-liberal received wisdom popularised in Ireland was correct, these countries with their high levels of public provision supported by significant taxation, should have been economic basket-cases. Of course they were not and are still not. The World Economic Forum's 2006/2007 Global Competitiveness Report put Denmark in third place, and Sweden in fourth, with Ireland well behind in 22nd place (Schwab, 2010).

It was always the case that alternative routes were available to Ireland. Mary Harney's well-known speech in 2000, in which she cited her preference for 'Boston not Berlin', was no idle phrase-making and the Irish economy was consequently caught in the 'Boston' collapse eight years later.[1]

It is the case that most other European countries did not reach the high economic growth rates that Ireland regularly achieved, maintained in later years by an unsustainable speculative bubble, but it is also true that other European countries turned in very impressive, and importantly, more sustainable economic performances than Ireland over these years, using a more social democratic approach to development. The global financial and economic crisis has caught all European countries to varying degrees, but many are also now in a better position than we are to cope with its effects due to their preference for the social democratic model. Taking the EU as a whole and again using just one indicator, Eurostat recently reported that the increase in unemployment in the EU27 since the first quarter of 2008 has been smaller than in the US, where the rate has overtaken the EU27, despite having been much lower at the start of the crisis (Eurostat, 2010a). Precisely because of FF/PD choices, Ireland is one of the countries worst affected; the European Commission's Spring 2010 economic forecasts estimate the EU's unemployment rate will fall slightly

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1. Mary Harney TD., Tánaiste and Minister for Enterprise Trade and Employment in 2000. Remarks made at a meeting of the American Bar Association in the Law Society of Ireland, Blackhall Place in July 2000.

between 2010 and 2011, from 9.8% to 9.7%, but would rise in Ireland from 11.9% to 13.4% over the same period (Eurostat, 2010b). ICTU's economic adviser Paul Sweeney recently estimated that when you add the tens of thousands who are staying in education, emigrating or working part-time because full-time work is not available, Ireland's 'real' unemployment rate is already at 18% (Sweeney, 2010).

All this is not of academic interest, nor is it a question of 'point-scoring'. The model we choose now will shape our immediate future and, most importantly, will decide the future of our children, even those who have yet to be born.

As regards the specific role of the EU in driving change in Ireland and other Member States, I was struck recently by a comment by a member of the National Economic and Social Council (NESC) that the most important role of EU interventions in Ireland has been that of a catalyst for change. That indeed has been the case in many areas, but it seems to me it has only been significant where our government was obliged to be accountable for its actions to the EU. With regard to social policy however, accountability is largely voluntary and therefore does not have the dynamic for change as say market policy has.

In the absence so far of a willingness by Member States' Governments to agree legislative obligations in the social area, the Social Open Method of Coordination (OMC), despite its weaknesses, has been a useful instrument. Since 2000 strenuous efforts have been made to transform voluntarily agreed EU anti-poverty and social inclusion targets into domestic policies in the Member States. However, as Mary Murphy says, we have to be realistic about what a purely *voluntary* process can achieve, a point also made by Ann Irwin and acknowledged by Gerry Mangan. The Social OMC was established precisely *because* Member States' Governments have decided not to pool sovereignty in the field of social policy at EU level, some of whom, Ireland included, vigorously resist any developments at EU level that would *require* them to cooperate in this area. As a former member of the Constitutional Convention on the Future of Europe, I for one recall the initial hesitancy from many national capitals to the calls for the establishment of a specific working group on social policy at the very outset of the Convention's work in 2002. This working group was eventually set up, proved to be very dynamic and succeeded in having many of its progressive recommendations incorporated into the draft Constitutional

Treaty agreed by the Convention in July 2003. This ultimately became the Lisbon Treaty.

Other contributors to this publication, who have had a closer engagement with the detailed operation of the Social OMC than I have had as an MEP over the past decade, have provided excellent analyses and assessments of its relative successes and failures and its strengths and weaknesses in Ireland and across the EU. It is true as Mary Murphy concludes in relation to the Irish experience, that there have been 'mixed but over all positive results'. This would be accurate for all Member States. Candy Murphy's reservation that the 'decisive impact on the eradication of poverty has not been achieved' would be acknowledged by everyone involved with this process over this period.

That said, as Mary Murphy also points out, against the background of the economic crisis any policy tool that focuses on poverty and inequality is needed now more than ever. This is all the more the case for Ireland where the crisis has brutally exposed our already shallow commitment to the principles and aims of the Social OMC, as highlighted by contributors including Niall Crowley who has drawn attention to the 'limited ambition' evident in the Irish response to the Social OMC, and Brid O'Brien who writes that the impact of the downturn is already producing results that are contrary to the spirit and the substance of the Social OMC's objectives. At the European (and national) level attention must therefore turn to making the Social OMC more effective in the years ahead.

As I mentioned earlier and as Fintan Farrell and Helen Johnston have confirmed, the most important factor in determining a country's success in tackling poverty and social exclusion is the model of development it chooses for itself - and I use the word 'chooses' deliberately. Nearly everyone now recognises that the neo-liberal roadmap embarked upon in Ireland since the mid-1980s, has led us directly to where we now are. Soft-touch regulation and self-regulation, and putting the market at the centre of policy making with all other criteria - social, environmental and employment - treated as peripheral add-ons, the now discredited 'rising tide lifts all boats' mantra, has failed the Irish people as a whole and not just the poor.

Changing the choice of model is not simply a question of adding on a few programmes to help the poor and the marginalised. I say 'not

simply' because I am not arguing against such initiatives, but because I believe we urgently need to change the official mindset both at European level and at national level regarding the integration of the approach of the State and the EU of social, economic, financial and fiscal policy, and the development of more participative democratic processes.

As Farrell says, what we need now is a change of paradigm to an entirely new social and sustainable model. The EU2020 strategy currently under discussion must aim for, and facilitate at Member State level, the strong, integrated and coherent development of a social market economy over the coming decade. It must be a strategy aimed at a full recovery from the current crisis and at creating a European economic and social model built on equality, sustainability and solidarity, based on full employment with decent jobs, include the fight against precarious work and the reconciliation of work and family life; in other words the States must work with social partners and civil society to secure a life of dignity for all our citizens.

As regards the detail, the proposal to reduce by 2020 the at risk of poverty rate by one quarter (a reduction of 20 million people) among the five headline targets at EU level is to be welcomed but it is deeply regrettable that the Spring 2010 European Council was unable to agree numerical and specific rates for this target (and for reducing school drop-out rates and increasing the share of the population having completed tertiary or equivalent education). If this strategy is to be taken seriously the Commission and the Council must keep both the poverty reduction and education objectives as top priorities and concentrate their efforts on setting concrete and quantifiable targets for both areas.

On the basis of the poverty reduction headline target, and as the European Parliament has previously suggested, the Commission and the Council must establish concrete sub-targets both at EU and national level, to be followed up by effective policies and monitoring mechanisms. These should include an EU target for minimum income schemes and contributory replacement income schemes providing income support of at least 60% of national median equalised income, and an EU target for minimum wages (statutory, collective agreements) providing remuneration of at least 60% of the relevant (national, sectoral etc) average wage. Agreement should also be reached on a

timetable for achieving these sub-targets in all Member States.

The 2020 strategy must include a strengthened governance process for the Social OMC, covering the monitoring of poverty and social policies, the integration of the social pillars with other pillars of the strategy and crucially the effective involvement of all relevant stakeholders. On this last point, Paul Ginnell and Michael Mackey correctly identify that when citizens participate in decisions which directly affect their lives, society benefits overall from the quality of those decisions. In this regard, the Commission and the Council should also accept the positive role to be played in implementing a reformed Social OMC by the European Parliament - the directly-elected representatives of Europe's citizens. Member States' Governments must also bring their national parliaments into the process. These democratic institutions should conclude Inter-Institutional Agreements or codes of practice to ensure the full involvement of parliamentarians on equal terms in drawing up objectives, targets and indicators, as well as providing for access to documents, participation in meetings, monitoring and review of progress under the EU2020 strategy, including the future Social OMC.

Conclusion

On a previous occasion I spoke at an EAPN Ireland conference on the topic 'Mobilising Europe Against Poverty and Exclusion'. I expressed my regret then that the European treaties then in place accepted the goal of social cohesion between Europe's regions but not between its social classes - as Seamus O'Cinneide points out, the original Treaty of Rome did not even mention poverty or social exclusion.

Around the same time I was also involved in the inter-governmental conference (IGC) negotiations on a post-Maastricht treaty. One of my priorities during those negotiations was to insert a new legal base into the treaties to enable more effective EU action against poverty and social exclusion. These particular negotiations proved successful and such a legal base was included in the Amsterdam Treaty and was used to launch the Social OMC in 2000.

Building on this, subsequent treaty revisions, most notably in the Lisbon Treaty, the European treaties now provide us with the means to better address many of the issues highlighted in this publication. In particular I would draw attention to:
• The clear articulation of common values and progressive social

objectives, including the commitment to a social market economy (Art.3 TEU);

- The new provisions of general application covering all EU policies, including the policy consistency clause (Art.7 TFEU), the gender equality clause (Art.8 TFEU), the social clause (Art.9 TFEU) and the anti-discrimination clauses (Art.10 TFEU);
- The binding nature of the Charter of Fundamental Rights with its strong emphasis on social rights, and the requirement on the EU to accede to the European Convention on Human Rights and Fundamental Freedoms (Art.6 TEU) which is already underway;
- The new provisions on participatory democracy and the citizens' initiative (Art.11, TEU & Art.24 TFEU), and on national parliaments (Art.12 TEU and, Protocol 2);
- The enhanced role for MEPs in the revision and adoption of EU anti-discrimination measures (Art.19 TFEU);[2]
- The new legal base (Art.14, TFEU), absent from the old treaties, permitting the adoption of EU legislation promoting public services, and Protocol 26 to the treaties which sets out the framework for all future EU initiatives in this area, emphasising the principles of universal access, users' rights, needs and preferences, high quality, affordability and safety.

But we will not achieve the potential offered by the new treaties simply by wishing for it. We must work for it and make our contribution to it by formulating innovative policy initiatives which stretch the new provisions to their limits.

Many of the contributors rightly identified the need to move away from the neo-liberal paradigm that still dominates thinking and decision making in too many national governments and most obviously in Ireland, which in turn drives and sustains the actions taken by the Council and the Commission.

I believe like Fintan Farrell that developments such as the emergence of the Spring Alliance is an example of an immensely positive step in that direction. I am also encouraged by a recent Eurobarometer survey which shows that although Member States' citizens consider that their national governments are primarily responsible for social policy, three-quarters of them expect Europe to play an important role in the fight against poverty and social exclusion in the years ahead (TNS, 2010).

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2. Under the pre-Lisbon Treaties, the European Parliament was just 'consulted' by the Council in the adoption of such measures. Under the Lisbon Treaty, the Parliament's role has been upgraded to the 'assent' procedure, giving MEPs a greater negotiating hand with the Council.

I believe a political 're-balancing' in favour of the eradication of poverty and social exclusion and the overriding commitment to a fairer and more inclusive society, is possible. To achieve it though, as Niall Crowley says, we need to build a 'popular demand' for effective anti-poverty strategies. One way of helping to achieve this in today's economic crisis, when so many more are at risk, is to link it to the demand for poverty prevention.

Building such a popular demand requires us above all to act as citizens making politics, rather than acting as 'consumers'. We have to make it clear that while market mechanisms and competitiveness have their respective roles in achieving a prosperous economy, they must not define us as a society. If we want not only a prosperous economy but also a successful society, we need to make our political choices on the basis of the values and characteristics of the type of society we cherish and desire.

What must we seek, in policy terms, from those who offer themselves as our political leaders? What policies do we need to achieve the political, economic and social reforms that will provide prosperity and jobs in a caring society, and will also take us towards the goal of eradicating poverty and social exclusion? We know that waiting for 'the tide to come in' is a short term respite at best.

I think much of the thoughtful analysis and proposals in this book make a significant contribution to answering those questions.

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This book, published during the 2010 European Year for Combating Poverty and Social Exclusion also marks the 20th anniversary of the European Anti-Poverty Network (EAPN) Ireland.

Ireland and the European Social Inclusion Strategy: Lessons learned and the road ahead reviews Ireland's engagement with the EU social policy and specifically the European Social Inclusion Strategy which started in 2000 with the commitment 'to make a decisive impact on Poverty by 2010'. The book captures the perspectives of a myriad of actors who have, in the past, or are currently contributing to the development of social inclusion policy in Ireland. Authors include prominent individuals from the national and European stage ranging from political figures to academics, and NGO representatives to activists. As a way of assessing the impact of European policy on addressing poverty and social exclusion in Ireland the authors look at different policy areas including adequate income, decent employment, equality and anti-discrimination, services, participation by people experiencing poverty, and at ways of measuring progress. Drawing on the lessons from the last ten years, the book presents a way forward as to how a European Union, with social inclusion and equality as core and guiding objectives, can make a greater impact on poverty and social exclusion in the EU and Ireland in the future.
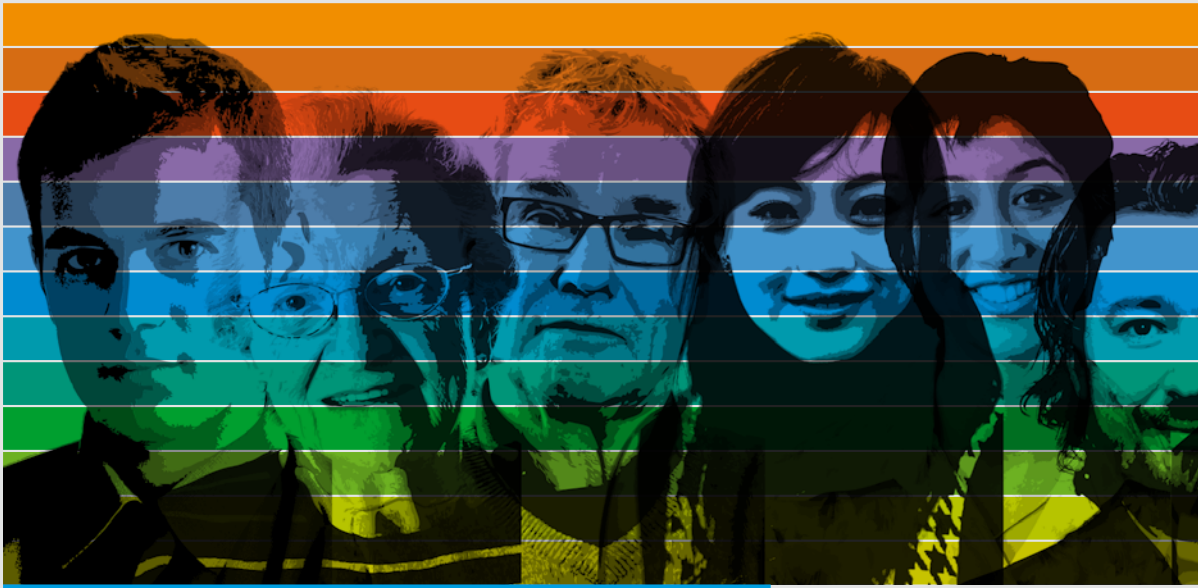
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