

Conclusions: What we would like after - New Challenges and New Ideas

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Sbilanciamoci!

This book represents a huge heritage for European Institutions and European citizens. It is a concrete input offered by European civil society to its elected and non-elected representatives.

Passing through all the contributions collected by this book it clearly appears a strong call on European Institutions to re-address the selected EU policies contained in the EU Budget. People's needs should address money and not vice versa.

It comes out evidently that Europe needs to invert some trends. These trends, are not only localized in Europe, but on a global scale. This current phase of capitalism, better known as neoliberalism, is harming our economies, our environment, our communities, our social solidarity and justice, undermining what Europe has considered since its beginning as a well organised response to the Second World War tragedies, fundamental human rights and International Law.

This book is calling on European Institutions to react to these trends and to take a 360° change in its approach to policies and Budget, revenues and expenditure. It demands to have less free market and neoliberal policies and more public control over salaries and social justice, it asks for more transparency and accountability and less complexity and vagueness, it demands to have a foreign cooperation policy that is more focused on aid than trade, it requests a better redistribution of resources, it demands less pollution and less big trans-European motorways and more environmental sustainability, it needs for more quality and less quantity, less "security" and more freedom of movement for all, both European citizens and migrants.

This book also states that if Europe is brave enough to make this 360° turn in order to start a cultural change towards a structural transformation of its institutions, European civil society is ready to be a reliable, honest and expert partner. A structural transformation would include real democracy, active civil society's participation in decision-making processes, equal opportunities, social justice, environmental sustainability and defence of public goods.

The book strongly underlines as well the important role of the European Parliament, as the only body with direct and universal mandate from European citizens, and the need to empower its functions and role.

Through using the budget the European institutions choose *where* to take and *how* to spend public money every year. Since we are dealing with public money, it seems obvious that these choices should pursue citizens' needs. Yet budgets, both at European and national level, are often discussed, negotiated, drawn up according to special interests and, above all,

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the consequent choices are presented as inevitable, unquestionable, shrouded in the drabness of figures and graphs that should represent collective welfare but which seem of little importance to the uninitiated or distracted reader. Instead, through those terms and those percentages, it is decided how to use public money to deal with the needs of society: it is therefore speaking of us, of the money and needs of each of us. Remaining outside this discussion means leaving our future in few people's hands.

The analysis collected in this book shows that changes are needed in the budget structure as well as in European policies in order to build a Europe reflecting citizens' priorities.

It is of paramount importance for citizens' inclusion that all decisions and expenditure tracking are fully transparent. The way the new Lisbon Treaty has been written appeared almost secret and the way it will be finally ratified shows a strong lack of involvement of citizenship in front of the fear for a citizens rejection. And a further effort has to be done in order to enhance budget transparency. Understanding the EU budget by following the money is very difficult because of the complexity of budgets in general and the EU budget in particular, but most of all because there is little transparency about how the money is spent. This money passes through a multi-layered patchwork of jurisdictions, agencies and programmes that vary greatly in their levels of transparency and accountability. The transparency issue becomes a problem when money is spent by Member States, this being the case of the CAP and often of Structural Funds, that is to say the great majority of the budget. EU institutions have the chance to lead by example and to show that transparency can be fulfilled. If budget transparency becomes a reality for the EU, it will not be long before European citizens demand transparency from their national, regional and local governments too. Nevertheless a further effort to push Member States towards a major transparency can be put forward also by Community institutions, so to create at least a minimum standard throughout the Union.

On the side of policies the topics raised in the book vary a lot and tackle many different issues.

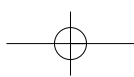
A major attention is to be given to the Lisbon Agenda. Its strategy for social inclusion is currently limited to employment and competition. Knowledge, research, lifelong learning and labour market policy are all considered in a general framework where economic policies set the pace and the social ones follow. The inclusion of excluded groups into occupational activities can be seen as a positive development but social inclusion and fight against poverty cannot be limited to the integration in the labour market. Inclusion appears to be often driven by public finance and labour market rather than social inclusion needs. While structural funds 2007-2013 are marked by an increasing link with the Lisbon Strategy, the new framework has overlooked the contribution of the Open Method of Coordination on Social Protection and Social Inclusion ("the EU social inclusion process"), which was at the beginning one of the key pillars of the Lisbon Strategy. It is crucial for the credibility of cohesion policy to better take into account the objectives of the OMC on inclusion and to acknowledge the added value that civil society can provide.

Structural and cohesion funds show their limits not only on their social impact but also on the environmental one. Only 17% of the structural funds have been spent under environmental headings and a decarbonisation of the EU funds should represent a general objective for the forthcoming reform of the budget, with climate change impact assessment carried out for all major investments. Investments in public transport, railways and in general environmentally friendly transports are still overtaken by investments in roads. This means investing in a non sustainable Europe.

Social and environment impacts have to be faced as well when analyzing the CAP. It is for sure the most controversial issue emerging from the EU budget (together with its consequence, the UK rebate). CAP is non transparent and deeply unfair within states and among states. During many years it has been linked to the quantity of production promoting a massive use of pesticides. In fact the agricultural policy has an irreplaceable role at both social and environmental level. A deeply reformed CAP should be able to sustain small producers, to stop the flight from the countryside, to promote biodiversity, local productions and organic farming. The share of the EU budget for the CAP may still decrease getting rid of export and agro-fuels subsidies, investment subsidies for big farms, for import/export industry, for the restructuring of agro-industry and slaughter houses. Moving resources to rural development might instead be the key for an healthy land management in the EU. Eventually, what appears more urgent is the fair distribution of resources. This is fundamental for a legitimacy of the CAP in front of the citizens, who cannot accept rich land owners receiving fat income support or large companies profiting from export subsidies, and also to provide European policies with an overall coherence. Cohesion funds are in fact spent in new members states in virtue of the low incomes, often in the countryside, yet Polish farms receive yearly 743 euro on average. Horizontal and vertical equity would be powerful tools for social inclusion also through the CAP.

Foreign policies as well show an overall inconsistency mainly between development aid policies and trade. On one side Europe is the first donor at international level providing more than 50% of total development aid, and since its constitution with the Treaty of Rome cooperation has been a principal expression of the Union's relations with the rest of the world. At the same time the European Union is pursuing aggressive trade policies and bilateral agreements that can be conflicting with aid policies. The clearest example being the Economic Partnership Agreements with ACP countries that may generate important decreases in GDP of the same African countries that Europe is supposed to help.

Europe is playing globally, but it is playing in the wrong side of the field. The U.S.A. model of preventive war, civilization clash and violation of human rights needs to be tackled. Europe needs to be an alternative to this model, and needs to start now. The document on security, namely "A Secure Europe in a Better World", approved by the Council in 2003 including many reflections elaborated by NGOs, recognizes the linkages between injustice and insecurity, the predominance of non military threatens for the future of the planet and supports a



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multilateralism in decision processes and in international relations. But, in contrast with all this, it insists considering the military element as central without understanding that security strategies based on military actions are self-defeating and doomed to produce insecurity.

If the Community budget needs to be reformed, the revision of the revenue side is the starting point. The new European budget should be based first of all on genuine own resources able to guarantee independency to the European Institution so to size the budget according to a principle of best effectiveness for the Union as a whole. In order to reach this objective an overtaking of the current system based on country contributions seems urgent. Sbilanciamoci! campaign proposes a combination of an energy taxation and a currency transaction tax, that added to the current "traditional own resources" would reach a sufficient flow of resources. A proper own resources system will allow the removal of all the adjustments and rebates currently characterizing the revenue side, thereby enhancing budget transparency in the view of European citizens.

The different items listed by the EU Budget cannot be approached separately anymore, they are all interlinked in a unique single process. Health, education, employment, fights to precarious employment, environmental sustainability, agriculture, infrastructures, humanitarian aid, cooperation, and immigration policies, structural and cohesion funds.

Finally, from this anthology emerges that civil society in Europe is expressing the will to struggle for its Europe as the first common good to be protected against the slow undermining of all fundamental rights and freedoms.

