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#EUROPEMATTERS

SHAPING AN EU CITIZENS' "MANDATE FOR CHANGE"

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Shaping an EU Citizens' "Mandate for Change" is a call for action. It is addressed to European and national parliamentarians, to civil society bodies and NGOs, to private sector companies both large and small and to opinion-formers ranging from academia to the media.

This piece sets out what citizens think about the EU and what they want from it. Based on research conducted for Friends of Europe, it outlines policy ideas that could respond to the issues raised by citizens.

The aim is to engage with relevant political, societal and business actors to test ideas and establish whether there is enough consensus on these to form a coalition of those willing to endorse them and back their implementation.

The central idea of this initiative is to respond to the citizens' poll conducted for Friends of Europe in late 2018. This suggested that a renewed social contract should reset the EU's relationship with citizens, the private sector and civil society actors. The European Union was founded on the strong social contract defined in the Maastricht Treaty and its goals of social progress, sustainable development, balanced economic growth and the well-being of Europe's peoples. But that was almost thirty years ago.

Knowing what citizens feel and think now about the EU, and its 21st century political, social and economic context, there is clearly a case for a renewed social contract to put the emotion back into why Europe still matters to us now - its values and the passion needed to ensure the EU remains a beacon of hope.

This renewed contract should be based on ensuring the security, economic prosperity, equality and social progress of citizens in a way that is both fiscally and environmentally sustainable. The EU must therefore reform in ways that engender participatory democracy and include its citizens in decision-making. It must deliver inclusive growth based on innovative tax policies, improved education and skills teaching of future generations, the readying of businesses to take advantage of digitisation, adapting societies to AI, protecting the planet and tackling climate change as well as guaranteeing citizens a fair income and social protection.

Women matter now and in the future, yet their voices and inclusion in the EU does not reflect this. Urgent action is required to rebalance this gender divide. In its policymaking and ways of working, the European Union should nurture a fair, just and more equal society.

WHAT EUROPE'S CITIZENS TOLD US

Europe's citizens are demanding change.

Citizens trust less the European Union to address their problems and challenges as they might have before. Voter participation rates in the European parliament elections have been trending downwards since its inception. More citizens believe that the next generation will be worse off than the current one. If citizens' expectations are not met and there is less clarity than ever on their future well-being, then their trust in the European Union and its institutions will decline even further.

That has been clear from voters' recent political choices in a number of EU countries, and is underlined by the results of Friends of Europe's citizens survey⁽¹⁾. The poll contains much food for thought for European policymakers, even if at times the results point in somewhat different directions. More than a third of respondents (36%) thought their own personal situation would be worse if the European Union ceased to exist, but many also had criticisms of the way the EU works.

The poll made it clear that citizens still want a Europe that matters to them. Nine out of ten said the EU should be more than just a single market and more than four-fifths (81%) thought the EU should not give priority to a further shifting of power to national governments.

In sum, our poll showed that citizens are calling for a Europe that focuses on the big questions of peace, jobs and climate change. We at Friends of Europe believe these results amount to a citizens' mandate for change.

Asked to choose priority areas that the EU should pursue after this year's European Parliament elections, three fields stood out: helping to keep peace in Europe and across the

(1) The poll was conducted on 10,960 EU citizens, proportionally weighted between the member states, age-groups, gender and geographical indicators, (habitant of an urban or rural area). The survey was conducted by Dalia, on behalf of Friends of Europe.

world; contributing to job creation and sustainable economic growth; working for the environment and tackling climate change. Globalisation and the pace of social and economic change across all societies, in large part set by digitisation, all require action at EU level. Member states can't resolve or address these by themselves. This is where the EU can come into its own and play its role by adding real value by working on these three fields in a way that creates coherence. Despite the tensions and sometimes conflicting policy choices between them, the EU can take the opportunity lead on these and motivate a greater sense of unity and cohesion for the future.

The policy ideas in this document therefore respond directly to these demands. They amount to a call to action if policymakers are to regain public trust. Their aim must be revive support for a Europe that really matters to citizens.

There is, however, little time in which to achieve this. Choices made in the months ahead will determine Europe's path for years to come. That's why our #EuropeMatters project aims to translate voters' concerns into concrete recommendations for the incoming European Parliament and the new team of European Commissioners as well as the European Council.

#EuropeMatters aims to find ways to reinvigorate enthusiasm for the European project.

Set out below are a set of policy ideas based on the work undertaken to date by Friends of Europe as part of its #EuropeMatters initiative in which we have consulted broad cross-sections of society in communities across the continent, brought in key multisectoral stakeholders, expert foresight analysts, interviewed senior stakeholders across sectors, surveyed 500 policy makers, and lastly, and most importantly, polled citizens on how they feel about the European Union and what they want it to focus on.

The ideas that follow cover the work and structure of the EU and its future policy priorities in response to what citizens and stakeholders have told us is important to them. These ideas build on '#EuropeMatters – Europe 2030 Towards A Renewed Social Contract' discussion paper led by Pascal Lamy.

These policy ideas are the next stage of our #EuropeMatters journey to spark debate on the future of Europe.

The European Union has the scope to find solutions to global challenges that are beyond the capacity of individual nation states. That is Europe's strength, provided a coalition of diverse national and political sensitivities are able to form a consensus around a policy agenda that they can deliver.

But to do this, EU Institutions must become more transparent and political processes more participatory. Our poll showed that increased transparency, improved education and more accountability through direct democracy would boost public confidence in the European project.

How should EU institutions respond?

#EUROPE MATTERS

Without change and reform, “the EU will remain irrelevant to a majority of its citizens”

This is the big message coming out of a citizen survey conducted by Friends of Europe as part of its #EuropeMatters project.



Q1 Do you think your life would be better or worse if the EU no longer existed?

The biggest EU supporters

Europeans aren't sure the EU is working for them

64%

of Europeans aren't convinced life would be worse without the EU

49%

of the citizens think the EU is irrelevant

41%

of the French think life would be the same without the EU while only 22% think it would be worse

41%

of under 35-year-olds think their life would be worse without the EU



More than one third of Europeans want more transparency when it comes to how the EU is spending money

Q2 If you could choose the main purpose of the EU in the future, what would it be?

Europeans don't want 'less Europe'

90%

of EU citizens feel that the EU should be more than just a single market

81%

of EU citizens don't think the EU should prioritise leaving more decision-making to national governments, which suggests that national sovereignty isn't an issue for the majority





a MESSAGE from European citizens

Q3 What areas should the EU prioritize after the European Parliament elections in May 2019?

Europeans want the EU to focus on policies they care about

The core actions the EU should prioritise according to a plurality of Europeans:

keeping
peace

creating
jobs

tackling
climate change



Q4 What would make you trust the EU more?

Europeans want to have a bigger say!

41% want to vote on
EU-wide policy decisions

31% want budget
transparency



Q5 What is the primary role of the EU?



40+%

of citizens in Visegrád and Southern European countries think the EU's main focus should be to **improve economic growth**

32%

of Nordics

36%

of the French

37%

of the German

want the EU to **promote values and democracy across Europe**

The poll was conducted on 10,960 EU citizens, proportionally weighted between the member states, age-groups, gender and geographical indicators, (habitant of an urban or rural area). The survey was conducted by Dalia, on behalf of Friends of Europe in October 2018.

IDEAS FOR CHANGE

A. ISSUES OF PURPOSE, STRUCTURE AND FOCUS OF THE EUROPEAN UNION

Be clear what the EU should be and stand for – as evidenced by the results of the scenarios we proposed to citizens, they want the EU to be a value-setting market maker; this would mean there should not be a trade-off between making money and values

Demonstrate Policy coherence – in its policy development and decision-making, the EU should demonstrate the nexus between prosperity, security and climate change.

Have more focus, be more agile and responsive - organise the work of the European Commission at the Commissioner and at the Directorate General level around prosperity, sustainability and security. This would reduce silo thinking, create greater coherence and improve its pace.

Close the policy book on future institutional debates and focus on implementation – prioritise enabling member states and the private sector on implementing the current EU policy rulebook.

Make equality matter - leading by example on equality by setting targets to improve the representation of women, ethnic minorities, disabled and LGBTQ communities as employees of the EU institutions will enable it to demonstrate its values and commitment.

B. IDEAS FOR RESTORING CITIZENS' CONFIDENCE IN THE EUROPEAN UNION

The electoral successes of populist parties across much of Europe reflects dwindling public confidence in the European Union as well as in mainstream national governments. The ideas presented here stop short of being detailed policy proposals, but are aimed at triggering discussion of ways the EU might better demonstrate its relevance and its flexibility in our changing world.

1. Introduce the principle of power sharing and seeing citizens as assets, shareholders and active stakeholders in EU-level decision-making. Include and work with citizens on policy thinking, decision-making and evaluation – initiate a citizens' Participatory Review on what this means for the EU and how it would work. This is not to undermine existing processes but to make sure that citizens have a greater say and are included more in decision-making which engenders trust.

Identify on an annual basis, policy areas in the fields of employment, skills, climate change, security which would be subject to review by citizens; establish a Citizens' Assembly specifically for the purpose of consulting on the amount and use of the Multi Annual Financial Framework.

Introduce an annual Budget Transparency Report on EU expenditure written in simple language and available as an app. These actions would strengthen the EU's existing transparency efforts.

To underpin this citizens led approach a workable EU-wide model for teaching civics and citizenship should be established to safeguard the EU's values for future generations.

2. Renegotiate the deal with the private sector. Bring private sector leaders closer to the purpose of the European project. This would mean engaging the private sector across the policy areas of sustainability, prosperity and security, regarding them as stakeholders and investors in the EU's success and not only limited to contributions that follow their business interests.

3. Making money smarter with a social purpose. This can take various shapes. A different, proportionate, adaptive and digital approach to fiscal and monetary policies - based on where gain is made for social and economic purposes.

Adapting fiscal and monetary policies to social goals should see the EU sharpening its focus on environmental protection. To increase investment and capital flows to such projects, there should be greater emphasis on sustainability and innovation. In particular, the EU should initiate socially progressive tax models that would help to close the inequality divide and use taxes on profits to reduce Europe's carbon footprint and increase social payback.

4. Future proof the market by merging the single and digital market into one.

The European Union should use the opportunity of the digital era to enhance the market and tackle outstanding issues holding up the completion of single market. To underpin this approach, the EU should lead on developing a one stop shop for internet governance that will make the net a more secure, harm free place by reviewing all initiatives to date, bringing consumers, tech companies and civil society together with regulators on an ongoing basis to respond to current and emerging developments.

5. Incentivise action on climate change. Use energy taxes to enhance competition while also increasing energy efficiency and reducing industrial costs. This can be done by devising bonus schemes that reward progress and championing a global climate-sustainable trade pact. Greater innovation can be encouraged by creating an EU ideas lab to promote behavioural change. Public opinion would be engaged by the introduction of a Green Procurement Act aimed not just at environmentally sustainable procurement but also at attaining carbon-neutral public transport throughout the EU by 2025.

6. Champion the development of a Europe-wide healthcare and social protection framework.

The EU's emphasis on social and healthcare policies is close to citizens' hearts. The EU should strive to buttress poorer member states' social safety nets while also stimulating debate on progressive ideas ranging from an EU-wide unemployment benefit scheme to ideas for a Universal Basic Income.

7. Introduce a Millennials Premium similar to ERASMUS+ but much larger in scope targeting young millennials that are furthest from the labour market and with very little hope in the ability of the European Union to address their problems. This initiative should have a focus and objective on these millennials becoming ambassadors of the EU's values, its liberal democracy and a place of opportunity.

8. Open up the dialogue surrounding integration. Allow citizens to come together and participate in a debate on migration. Create processes to spark the conversation in a safe environment that promotes mutual learning so that the benefits of migration can be discussed in an inclusive way. Member states must learn and guide each other and be supported by the EU in this process so that integration can be seen as the pathway to successful social cohesion rather than a complication. As Europe's working population continues to decline, extol the economic benefits of migration and provide citizens access to unbiased data about what newcomers are already doing for Europe. Future European workers need to be seen as key to resolving grievances created by rising inequalities rather than their cause.

Confront the reality of an increase in human mobility in the coming decades which will result from population growth, climate change and the emergence of a huge new middle class in India, Africa and China and make a virtue of Europe as a place to live, work and learn. Promote it as the market place that global players and neighbours want to invest in, and increase sustainable economic growth directing its impact to bridge the inequalities across income, education and opportunities.

9. Take a more progressive, socially minded approach to peace, security and defence - internally and externally. Establish a different relationship with the EU's neighbours and global partners focused on the principles of mutual respect and responsibility sharing, co-investment, reducing the impact of climate change and spreading social and economic well-being.

10. Become the place and global leader in combining modern and emerging technology with its foreign and development policies based on the principle of human rights, democracy, privacy protection, and the rule of law and with approaches that maximise the impact of technology such as blockchain, in aid, enterprise, infrastructure and defence.

11. Establish a new relationship with cities and regions-acting local for Europe wide impact. The Economic and Social Committee and the Committee of the Regions are not able to bridge the gap between citizens and the European Union. The EU should create a lever to engage citizens as sources of policy ideas and innovation, and make this the basis for a new localism and a bottom up approach.

CONCLUSION

A big challenge for the future in the context of the globalised world is the dominance of the United States and China and the increasing rivalry between them. The European Union has an opportunity to remain a place in which globalisation is better balanced, harnessed and underpinned by values.

Europe should be proud of how its drive for integration helped ensure that our continent – with some tragic localised exceptions – has remained at peace for the past seven decades. The horrors of World War II and divisions of the Cold War are increasingly remote for generations grown used to peace, prosperity and free movement. They take Europe's post-war achievements for granted. To inspire them anew, Europe needs a project that citizens can rally behind. Forging a new Social Contract can provide that focus, centred on a drive to defend Europeans' quality of life, to protect the planet, improve security and uphold our diverse cultural identities in a globalised world.

Tackling entrenched and enduring inequalities across and within member states will need to be a driver for the EU's work over the next decades.

Issues of culture and identity are likely to become even more important to people and communities over the coming decades; being proactive in this respect and not allowing issues of migration and refugees to become toxic but necessary both for its economic growth and respect of human rights will be an important political imperative for the EU.

The top line message from citizens and advocated in the ideas above is that the European Union should be less state-driven and more citizen-driven. It must recalibrate relationships between citizens, member countries and the Brussels institutions.

The EU may need more powers or more resources in certain areas, but what is really required is the political will and the public backing to confront contemporary and future challenges.

Friends of Europe

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Friends of Europe is a leading think tank that connects people, stimulates debate and triggers change to create a more inclusive, sustainable and forward-looking Europe.