

# COMMISSION OF THE EUROPEAN COMMUNITIES

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COMMUNICATION FROM THE COMMISSION

**TOWARDS A EUROPE**

**OF SOLIDARITY**

**Intensifying the fight  
against social  
exclusion,  
fostering integration**

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## INTRODUCTION

1. Social exclusion is a phenomenon which is of increasing concern to the various players in politics, business and social life, not to mention the public at large, whose concerns have been expressed on many occasions and in many forms.

It is a phenomenon which affects all Member States, though national situations vary and the stress tends to be laid on different features in different countries and at different times, by way of example the most obvious forms of poverty, such as homeless people on the streets or violent riots in urban areas, or such aspects as the marginalisation of the very long-term unemployed, the persistence of poverty in certain rural areas, households falling into severe debt, upsurges in ethnic conflict and rejection of refugees or minorities.

The multifaceted nature of these situations makes it difficult to address the problem statistically. The information available shows, however, that social exclusion is a major phenomenon. To take an example, the most recent comparable figures on low incomes in the 12 Member States of the Community indicate that there were some 50 million poor people in 1985<sup>(1)</sup>. It is also important to bear in mind that there are now some 14 million unemployed, more than half of whom have been out of work for at least a year, and approximately a third of whom have been jobless for at least two years. More than a third (35%) of the long-term unemployed have never worked. 35% of all unemployed are less than 25 years old, i.e. 18% of those under 25 are unemployed<sup>(2)</sup>. Additionally non-governmental organisations estimate the number of homeless people in the Community at around 3 million<sup>(3)</sup>.

2. The visibility of the phenomenon, the quickening pace and the extreme forms which social exclusion is assuming, have led to greater awareness of the problem. Significant initiatives have been taken. Measures and policies in this field are essentially the responsibility of the Member States and, where appropriate, of their regional and local authorities. The involvement of persons and organisations from both public and private spheres is fundamental to the implementation of such measures.
3. The Community has, on various occasions, expressed the importance it attaches to solidarity and social cohesion, and its desire, subject to its modest resources and competences, make a contribution to the range of efforts undertaken.

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(1) EUROSTAT, Rapid Reports, Population and social conditions 1990.7. The definition of poverty for this statistical exercise is a person living in a household for which the disposable income per adult equivalent is less than half the average disposable income per adult equivalent in the Member State in which that person lives. The figures come from Family Budget Surveys, the income figures from information on household expenditure.

(2) Employment Report 1992.

(3) Source: European Federation of National Associations working with Homeless people, 1991.

At a time when perspectives are opening up for a gradual achievement of Economic and Monetary Union as well as Political Union, the Community cannot ignore situations which reflect, by their very existence and their scale, the need for the balanced construction of Europe, i.e. the need to combine economic ambitions with a concern for internal cohesion and its social dimension.

Maximum support for European integration will only be forthcoming if the "social dimension" is developed. Such a dimension supported not only by the Member States and the Community institutions, but also by trade and professional associations, non-governmental organisations and public opinion in most Member States. We have recently seen various manifestations of public concern in this regard. These concerns merit particular attention at a time when budgetary adjustment measures taken by the Member States are often presented as being linked directly to the process of European integration.

The Council has, on several occasions, voiced its concern with matters relating to social exclusion. On 18 July 1989 it adopted a programme for the economic and social integration of the less privileged groups, commonly known as Poverty 3<sup>(4)</sup>; this was followed, on 29 September 1989, by a resolution on combating social exclusion<sup>(5)</sup>. On 24 June 1992 the Council adopted a recommendation on guaranteed resources and benefits in social protection systems<sup>(6)</sup> and very recently - on 3 December 1992 - underlined in its resolution on employment how much importance it attaches to the question of social exclusion.

4. Within the framework of the implementation of the principle of subsidiarity, the Community cannot assume the role appropriate to the Member States<sup>(7)</sup>. Account thus taken of the responsibilities of the Member States and of their national, regional and local authorities the added value of Community action is at four levels:
  - The Community can contribute to the development and transfer of methods and know-how which are relevant to the current forms of exclusion, to the identification of good practice, to the creation of and support for networks enabling them to share experience and develop concerted initiatives at European level, and to the deeper understanding of the debate.
  - The Community must also, with a view to coherent action, restate the positive development of its policies and analyse their impact in relation to the fight against social exclusion.

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(4) Council Decision of 18 July 1989 establishing a medium-term Community action programme concerning the economic and social integration of the economically and socially less privileged groups in society (OJ L 224, 02.8.1989).

(5) OJ C 277, 31.10.1989.

(6) OJ L 245, 26.8.1992.

(7) Communication SEC(92) 1990, 27.10.1992.

- The Community can contribute to the resolution of certain problems, the scope of which, by their very nature, extends beyond national boundaries - for example certain groups, as minorities (travellers).
- The Community can contribute towards the affirmation values common to all member States: with special reference to respect for human dignity.

5. In presenting this Communication, the Commission takes into particular account two important conjunctural aspects:

- The worsening world economic climate leading to recession
- Contrasting expectations concerning social exclusion as reflected by the state of public opinion on this issue. A large part of public opinion is aware of the need for solidarity; on the other hand, however, the attitudes and ideologies of rejection - even of racism and xenophobia - engendered by fear of the future - are also echoed in public opinion, which also voices criticisms regarding the conditions of access to public services.

6. This Communication thus covers two main issues:

Firstly, it is an expression of the Commission's concern to contribute to the debate on fighting social exclusion in the Community, and to lay out proposals for Community action in this field which would be more vigorous than in the past but nevertheless taking into account the limitations in competence, resources and means. Such action illustrates the contribution the Community could make, respecting the principle of subsidiarity, to the combined effort needed to respond to one of today's major challenges.

Secondly, it provides an account of the initiatives developed by the Commission over the past few years and promoting analysis and comparison of Member States' experiences and policies in combating social exclusion. These initiatives constitute largely a follow-up to the Resolution of the Council and of the Ministers for Social Affairs (Council of 29 September 1989) concerning combating social exclusion. The Resolution which stresses the necessity of global and multidimensional policies for combating social exclusion requested the Commission to compile a report, three years after the Resolution's adoption, on implementation of the recommended measures. This report, based on the work of an independent group of experts operating as the "Observatory of policies for combating social exclusion", is annexed to this Communication.

7. In the process of preparing the Communication, the Commission consulted the Member States both on the direction of future Community action and on the work of the Observatory, on which the report on implementation of the Resolution was based. Representatives of non-governmental organisations, local authorities and the social partners were also consulted. The proposals contained in this document have also been drawn from discussions with a large number of specialists at various European seminars held in 1991 and 1992, particularly those in Lille, Rotterdam, Brussels and Porto.

This Communication gives practical expression to a commitment made by the President at an important conference held in Brussels on 2 and 3 April 1992, which convened representatives of the Member States, regional and local authorities, non-governmental organisations and the social partners.

## I. THE CHALLENGE POSED BY SOCIAL EXCLUSION

8. Poverty and marginalisation are nothing new and have - for quite some time now - given rise not only of various analyses and discussions of a scientific and political nature but also to numerous initiatives, both public and private in nature. But public attention and debate on these matters have greatly changed over the past 15 years in all the Member States, without necessarily matching the full extent of the phenomena in question.

Looking beyond the diversity of national situations, the debates all emphasise the structural nature of a phenomenon which is tending to establish within society a mechanism which excludes part of the population from economic and social life and from their share of the general prosperity. More particularly, they point to an important change over the past 15 years in the nature of the challenge itself: the problem is now not only one of disparity between the top and bottom of the social scale (up/down), but also between those comfortably placed within society and those on the fringe (in/out).

### I.1. The changing nature of the challenge

9. In most Member States, the national authorities long considered poverty to be a "residual state of affairs which would disappear with progress and growth. Of course, this view was contested by various experts and non-governmental organisations, but it could also find some support in the improvements which social policy was able bring about in the well-being of the population as a whole and in the situation of disadvantaged categories such as the elderly and the disabled.

Towards the end of the seventies, this image changed with the appearance of new forms of poverty and marginalisation; firstly those resulting from the economic crisis, particularly rising unemployment and insecurity in respect of labour conditions; then others persisting or developing as a result of the profound economic, technological and social changes which characterise the evolution of industrial society. The controversy surrounding the notion of the "new poor" is a reflection of this changed thinking, which has gradually yielded the idea that the situations encountered, and particularly the mechanisms causing them, are structural in nature. Any reference to social exclusion necessarily denotes demonstrating the impact of the above changes.

A structural phenomenon

10. The structural nature of the social exclusion process is emphasised in the Resolution of the Council and Ministers for Social Affairs meeting within the Council of 29 September 1989, which was the first Community text to contain the notion of social exclusion. Even if the concept is not in current usage in all Member States, questioning on the processes and situations it describes is something common to them all, precisely because the structural transformations in question affect all European countries. Thus, during the Eighties such questioning increasingly assumed a Community dimension: the successive Community programmes to combat poverty, several European Parliament resolutions, the abovementioned Resolution of the Council and Social Affairs Ministers and various Commission initiatives have made it possible to compare national situations and permitted a debate, based on joint analysis of situations, on the policies to be encouraged and implemented.
11. The concept of social exclusion is a dynamic one, referring both to processes and consequent situations. It is therefore a particularly appropriate designation for structural changes. More clearly than the concept of poverty, understood far too often as referring exclusively to income, it also states out the multidimensional nature of the mechanisms whereby individuals and groups are excluded from taking part in the social exchanges, from the component practices and rights of social integration and of identity. Social exclusion does not only mean insufficient income, and it even goes beyond participation in working life: it is felt and shown in the fields of housing, education, health and access to services - all areas on which the resolution of 1989 laid particular stress.

Social exclusion is thus a multidimensional phenomenon stemming from inadequacies or weaknesses in the services offered and policies pursued in these various policy areas. Such insufficiencies and weaknesses often combine to affect both people and regions via cumulative and interdependent processes of such a nature that it would be futile to try to combat exclusion by tackling only one of its dimensions and ignoring, for example - *de jure* or *de facto* - the essential role played by housing or health in any integration process.

Social exclusion affects not just individuals who have suffered serious setbacks, but also groups, particularly in urban and rural areas, subject to discrimination and segregation or victims of the weakening of the traditional forms of social relations. More generally, by highlighting the risks of cracks appearing in the social fabric, it suggests something more than social inequality and, concomitantly, carries with it the risk of a two-tier or fragmented society.

12. The kind of projects run under the Poverty 3 Programme bear witness the multifaceted nature of the social exclusion phenomenon. Most of them are concerned with employment-related matters (e.g. Antwerp, Perama, Argyroupolis, Limerick, Girona, Ato Belice, Utrecht, Almeida), but the scope extends to health (e.g. le Doubs, Charleroi), housing (e.g. Huelva, Porto, Perama, Munich, Weimar, Calais) and education and training (e.g. Saloniki, Limerick).

The projects also yield a wide range of groups and locations. Some are closely concerned with ethnic minorities (Liverpool), ex-prisoners (Bautzen), refugees (Saloniki, Berlin), single-parent families (Bristol, Hamburg), street children (Lisbon); drug addicts (Kallithea); some concentrate on rural areas (e.g. Almeida, Burgos, Covilha, Connemara), while others are centred on the urban environment (e.g. Calais, Mantois).

13. Social exclusion is affected by a number of factors, such as:

- persistent unemployment and especially long-term unemployment;
- industrial change and its effect on the labour market, particularly poorly skilled workers;
- changes in social and family structures and the increasing breakdown of family structures;
- changes to value systems, as illustrated by advances in collective solidarity but also by weakening of the values of cohesion and of traditional forms of solidarity;
- the trend towards social fragmentation and the consequences as far as participation is concerned, for traditional representative institutions;
- changes in migration phenomena.

We might also mention the persistence and spread of traditional forms of poverty, often concentrated in declining urban areas or in rural areas lagging behind in terms of development.

A (variable) combination of these factors has led to growing resentment on the part of those excluded *de facto* from sharing in wealth with the risk of their being driven to desperate or disruptive or behaviour such as violence or drugs. Precarity generates fear of the future, often leading in turn to introversion, and sometimes to susceptibility to racist ideologies, xenophobic behaviour and various forms of extremism.

### Diversity of situations

14. Thus, the concept of social exclusion covers phenomena which have increased and become more visible during the past 15 years. The resurgence of homelessness (in particular in the large cities), urban crises, ethnic tension, growing long-term unemployment etc. - constitute types of social exclusion which have most often caught the attention of the media and public opinion. Nor should one ignore the persistence of long-term destitution or underestimate the diffuse but massive fragility of a large section of the population affected by recurrent unemployment, insecure and atypical jobs, or threatened by industrial restructuring.
15. This coincidence of phenomena explains the diverse and complex nature of the various situations which assume contrasting incidence and forms depending on the countries and regions concerned. The "excluded" do not, as is often assumed, form a homogeneous population category rejected by a supposedly homogeneous society. This of course poses the problem of targeting measures for certain categories (cf. the debate on targeting in the assistance mechanisms in the United Kingdom) or certain integrated policies (e.g. the debates on urban policy in France and on housing in Belgium).

This explains why it is difficult to come up with a simple definition of social exclusion: the experience of those working in the field has shown that social exclusion refers, in particular, to inability to enjoy social rights without help, suffering from low self-esteem, inadequacy in their capacity to meet their obligations, the risk of long-term relegation to the ranks of those on social benefits, and stigmatisation which, particularly in the urban environment, extends to the areas in which they live.

16. Satisfactory statistics on the scale of and trends in social exclusion are not available. However, work carried out in the field of low incomes suggests that poverty increased at the end of the Seventies and then stabilised at a high level. The findings also show that a number of individual situations are very precarious, as reflected in the existence of a highly fluid population hovering on the fringes of the poverty line. Although the basic core of the lastingly poor (in terms of income), is limited, a large number of people undergo (sporadically or recurrently) periods of poverty, often due to an unstable employment or family situation. From here it only takes exacerbating circumstances, such as the level and size of previous debt, health or housing problems, to provoke a slide into lasting poverty.

17. This can be illustrated by an example from a report produced by Tilburg University which, between 1986 and 1988, conducted a longitudinal study of monetary poverty in the Netherlands, based on data from the national households panel set up by the Dutch Statistical Institute (CBS). This study examined the poverty phenomenon in terms of the "official" poverty threshold represented by the guaranteed minimum wage in the Netherlands (ABW). For each of the three years in question (1986, 1987 and 1988), the study found that there were between 6 and 7% of poor households. Over the period as a whole, only 1% of households had been continuously poor over the three years, and 3% over two years, but 13.5% of households had been poor for at least one year.
18. A study of national labour market trends (long-term unemployment atypical jobs) and family structures (situations of isolation) confirms the extent of the vulnerability and the importance of remedial measures.

This is shown to by the importance of national programmes and measures relating to long-term unemployment (e.g. the PESP in Ireland, the employment programme in the new German *Länder*, programmes for the long-term unemployed in France, and the active employment policy in Denmark) and the stress which certain countries are placing on action for certain types of families (e.g. in Luxembourg, and for single-parent families in the United Kingdom).

#### I.2. Risk of exacerbation

19. The international context provides major opportunities for Community development, but it also places serious constraints upon it, since the organisation of production, the technological choices and the labour market mechanisms in the Community are still strongly influenced by old models (many jobs involving very little training and too few jobs generated by growth).

It is to be feared that the effects of all these exclusion mechanisms will be exacerbated in the next few years. The employment situation is unfavorable or uncertain, public funds are severely limited, the geographical distribution of social exclusion is fragmented, and family structures provide less of a safety net than in the past.

### Employment trends

20. The general economic development prospects hold out no hope of a short-term improvement in the situation.
21. The upturn in employment from the mid-Eighties onwards was accompanied by a persistently high rate of unemployment, and especially a high level of long-term unemployment, which confirms that the lastingly marginalised population will be unable to (re-)integrate economically and socially on the strength of an improving economy alone. The employment situation has deteriorated since the early Nineties and there are evident risks of things becoming worse as growth declines, the world economic climate becomes rougher and as a period of recession is traversed. For experience has shown that the disparities within the Community and the inequalities between social groups tend to worsen in periods of low growth<sup>(8)</sup>.
22. Furthermore, the scale and speed of technological change in the various economic sectors lead to greater selectivity on the labour market and, therefore, to greater risks of social exclusion of the most vulnerable workers or those least able to adapt to these changes, in particular on account of their age or skills (automation, robotisation, industrial restructuring), with such risks enhanced in regions where there is scant economic diversification and where restructuring is on a massive scale.
23. Finally, the development of different forms of employment, particularly atypical types of work, have a varying impact on the exclusion phenomenon. Atypical employment meets the needs of certain categories of worker and can actually be a positive step in helping disadvantaged sectors of the population back onto the labour market. But precarity of employment is another factor undermining security and protection and also leads to exclusion. To overcome this dilemma would mean the demands of flexibility falling mainly on those with the capacity to adapt, rather than on the most vulnerable workers and also, of course, better protection of the workers concerned. Certain countries (e.g. Spain) have recently emphasised on this point.

### Constraints on public spending

24. Moreover, as integration of the European economies progresses, the quest for competitiveness and for budgetary rigour is causing Member States to stabilise or even reduce public expenditure and burdens on companies; this confronts Member States with difficult choices as far as fixing budgetary priorities is concerned.

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(8) Cf. Employment Report 1992.

### Social exclusion and geographical diversity

25. Social exclusion takes different forms in the countries of northern and southern Europe, between prosperous and declining regions, and in towns and in the countryside<sup>(9)</sup>. The problem of poverty in rural areas should not be underestimated, particularly in view of the upheaval such areas are currently undergoing. With the lack of facilities and infrastructure in rural areas, the less privileged in these areas are doubly marginalised, as evidenced by projects in the Poverty 3 Programme, e.g. Almeida, Connemara, Burgos. Another point to be borne in mind is that a run-down countryside is often a cue for population movements from the country to the towns, leading in turn to urban poverty.
26. There are also disparities between urban areas: the developments observed tend to exacerbate the differences between conurbations and, within the latter, are accompanied by growing differentiation or segregation: here, too, some cities and urban areas will receive a boost while others will suffer recession or stagnation fraught with dire consequences, especially cities where economic decline has set in and, more generally, the run-down districts of conurbations which have become a refuge for rejected or stigmatised populations and where the social fabric is disintegrating. Here too, Poverty 3 projects are very revealing (le Mantois, Munich, Saloniki, Calais, Porto, etc.).

### The break-up of family structures

27. General changes in lifestyles and trends in terms of family structures are unlikely to be reversed. The increasing fragility of family structures and the instability of partnerships will inevitably mean an increase in situations of isolation. This again is evident in Poverty 3 projects on single-parent families (e.g. Hamburg, Bristol and Perama).

There is already a significant proportion of single people on benefits and such people are known to run a greater risk of marginalisation (whereas an unemployed person living in a household in which another member is in active employment runs a lesser risk, and is more likely to find another job). It is worth remembering here that the resurgence of homelessness is partly linked to the increase in isolation and the break-up of family structures<sup>(10)</sup>.

### I.3. The importance of action at local level

28. Targeted measures aimed at combating social exclusion and encouraging integration or reintegration into economic and social life are often pitched at local or regional levels. Examples of this are the Social Renewal programme in the Netherlands, City Challenge in the United Kingdom and various national poverty programmes in Portugal and Ireland.

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(9) Cf. Europe 2000, Outlook for the Development of the Community's territory 1991, COM(91) 452 final.

(10) Cf. Report of the Homelessness Observatory.

#### I.4. Promoting combined economic and social policies

29. The scale of the problem of social exclusion and risk of further exacerbation call for a stronger and more sustained response through a combined economic and social policy rather than concentrating on the social side alone.

Social policy has attempted to respond to the new problems, seeking - particularly in terms of social protection - to check or soften the effects of exclusion.

30. In all Member States, rising unemployment has meant adjustment or even complete overhaul of the compensation system. It has also led to the development of public training schemes and employment assistance which have assumed increased importance in the countries most conscious of the need for "active" employment policies (cf. Denmark). Legislation on guaranteed resources has also been introduced or reformed in several Member States (cf. France, Belgium, Luxembourg and, at regional level, Spain). Some have also introduced new housing, health and insolvency measures (e.g. Belgium and France) seeking principally to extend the rights of the most vulnerable sections of the population<sup>(11)</sup>.

Recognition of the need for a multifaceted approach to the social exclusion problem has given rise to various initiatives, in rural as well as urban areas. Urban social development policies (cf. City Challenge in the United Kingdom, urban policy in France) or "community development" (e.g. Ireland), the integration and insertion programmes associated with resources guarantee measures, ventures in the cooperative, mutual and non-profit sector (e.g. Italy) or projects promoting economy-generated integration are typical examples which have involved the national and local authorities, the mutual and cooperative movement, non-governmental organisations, companies and trade unions. They constitute a rich source of experience and sound practice (one recent example is the Poverty Forum in Spain).

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(11) Cf. Report of the Observatory on policies to combat social exclusion, 1992.

31. These highlight the effectiveness of partnerships and the decompartmentalisation of institutions, the need to dovetail economic and social development, and the importance of those working in the field being well qualified, the need for responsible, active participation of the target population in implementing integration measures, the benefit of having strategies drawn up for specific regions rather than arrangements devised for administrative categories defined a priori. This, for instance, is the basic approach to the Social Renewal Programme in the Netherlands.

The policies pursued in support of the long-term unemployed and more generally the active labour market policies (the Danish example is an interesting one in this respect) have also confirmed the need for broad mobilisation of the public and private players involved, for combining training measures (or those involving help in getting a job) with personalised support measures, and - on a wider front - for tying remedial action in with measures aimed at preventing long-term unemployment and removing barriers to integration in all fields.

32. The efforts undertaken have also revealed the limitations of tackling social exclusion processes and situations via social policies alone. The multidimensional nature of social exclusion calls for overall development and integration policies. Its structural features require that prevention and integration measures be taken by all the players (including companies, which are all too often tempted to leave it to others to pay for the social consequences of their restructuring measures), and that they form part of all policies, especially economic policies.
33. In other words, what we need to encourage and implement at all levels are global policies. It is important, then, to identify certain elements which would appear essential to a consistent and systematic approach. The experience gathered in the field by specialised bodies, NGOs and voluntary groups involved in combating social exclusion has revealed a number of areas which appear particularly sensitive in terms of creating or perpetuating situations of social exclusion, and therefore also in terms of remedying or preventing them: the labour market, in the broadest sense; the workings of the capital markets; scientific and technological development; the exercise of social rights; the structure and availability of the housing stock; initial education and acquisition of the basic knowledge required for life and work.

## II. THE ADDED VALUE OF COMMUNITY SUPPORT

34. Community action on social exclusion is of a dual nature:
- Assuming the diversity of the factors influencing social exclusion the Community fights against it first through its general social and economic policy and the contribution of its structural Funds to the improvement of the employment situation and to development. This contribution is far from negligible but is not specifically geared to combating social exclusion and thus indirectly contributes towards it.

- The Community provides specific support to initiatives implemented in or by Member States, through various projects (food aid, specific programmes to foster innovation and exchange of experience, coordination of networks in specific fields, support for non-governmental organisations etc.); such action has, for some time, been modest and in some cases rather sporadic and even uncoordinated. There has, however, been a significant move over the past few years to make these actions more ambitious and improve their overall coherence.

### Structural policies and general policies

35. Structural policies constitute a major attempt to foster a coherent Community economic and social policy. They are not specifically designed to combat social exclusion, but can make a significant contribution by promoting access to employment and regional development.

The European Social Fund has contributed to improving the situation of disadvantaged categories in terms of employment (the long-term unemployed, young people, and, of these, certain particularly vulnerable categories such as women and migrants). Moreover, money from the European Regional Development Fund and the European Agricultural Guidance and Guarantee Fund have helped regions in difficulty to improve their infrastructure and more generally aided their development or restructuring.

36. To respond more effectively to the problems of the least well-off populations or people living in certain particularly deprived urban areas, specific programmes have been set up with their needs in mind.

The ESF, for example, has set up a programme of Community initiatives to promote human resources (EUROFORM, NOW, HORIZON) which are transnational and innovative in character. The HORIZON initiative has a special section for the disadvantaged categories, providing for social and occupational integration measures for those affected by social exclusion.

37. General Community policies can themselves make an indirect contribution to combating social exclusion. Let us not forget that the gradual completion of the single market has had a major impact on growth and the creation of jobs. Community action on employment, working conditions, social protection, free movement and migration, the social economy, positive action for women and equal treatment for men and women are also significant, if indirect, contributions to the fight against social exclusion.

### Specific initiatives

38. The Community has made exclusion a specific concern since the mid-seventies. Obviously, it could not be regarded as a policy as such, but rather as a limited contribution with symbolic value. Its main, and for a long time only, form of implementation has been specific programmes.

These programmes had limited funding, but as programmes rather than funds, their contribution should not be judged only on the size of their budget, their function being primarily to foster innovation and exchange.

Community action began in 1975 with the first European programme to combat poverty (1975-80), supporting pilot projects in all Member States. Completed in 1980, the programme contributed in most Member States to promoting administrative and political consideration of the changing face of the poverty situation brought about by the crisis at the end of the Seventies. It was followed up by a second programme (1984-89) strongly focused on transnational exchange of experience between local projects. The third programme, known as Poverty 3 (1989-94), which is still under way, is more ambitious, intended to promote experimentation with local economic and social integration strategies based on partnership, a multidimensional approach and participation.

39. Within the framework of winter campaigns in certain Member States in favour of the most under-privileged the Commission made available to non-governmental organisations, food surpluses. The initial campaign was launched in 1987 and the budgetary attribution in respect of the last campaign was ECUS 150 M.
40. Community action gradually became more diversified, especially towards the end of the Eighties, the aim being to draw public attention to the scale of the problem. Acknowledgement by Member States as evident from the Resolution of the Council and of the Ministers for Social Affairs meeting within the Council on 29 September 1989. Similarly, recognition in Member States by a number of actors, demonstrated by the efforts of European-level consultation and cooperation among the networks of non-governmental organisations, towns and housing bodies.

Against this background the Commission set out to devise a series of initiatives of a more ambitious and more coherent nature. Parallel to implementing Poverty 3, it extended its support for NGOs, particularly their functioning as a European network (EAPN - European Anti-Poverty Network, bringing together NGOs and voluntary groups concerned with combating poverty).

The Commission also proposed, as a component of implementation of the Community Charter of Fundamental Social Rights for Workers, a recommendation on recognition of the right to sufficient resources and social assistance, which the Council adopted on 24 June 1992. This recommendation not only upholds the right to sufficient resources to live in a way befitting human dignity, but also emphasises the need to support this right through integration measures in the areas of health, housing, employment, training etc.

The Commission has also helped to synergise the initiatives of the various players involved in combating social exclusion in the Community, particularly through organising a series of seminars promoting discussion and proposals. It has also contributed to research and evaluation work through such initiatives as setting up an observatory of policies for combating social exclusion. It has also, in its proposals for revising the Treaties, strongly asserted the need to intensify the fight against social exclusion.

41. support for pilot projects and sheering of exchange programmes, cooperation with NGOs, local authorities and the social partners, publications by the Observatory of policies for combating social exclusion and the proposals on guaranteed resources are all examples of the Community's contribution to the exchange and transfer of experience.

The Ministers of Housing of the Community Member States recently confirmed such a Community contribution which the Presidency drew from the meeting, held in London on 24 and 25 November 1992, calling on the Commission to facilitate an exchange of information on such matters as programmes dealing with "Quartiers en crise".

Recognition of this input is, without doubt, one of the achievements of past Community action. By seeking to improve coherence between these measures and to achieve greater synergy between the various individual initiatives, the Commission now acts as a catalyst for schemes and exchanges promoting the European dimension in combating social exclusion. This has started a drive which has raised expectations of a more solid Community commitment.

These expectations do not extend only to strengthening specific initiatives which the Community has run hitherto. They also embrace the Community's capacity to reflect on the impact of its policies and to work towards preventing social exclusion by encouraging more job growth and accompanying measures for economic and social change.

### III. PROSPECTS AND APPROACHES: THE GUIDING PRINCIPLES IN DELIBERATION AND COMMUNITY SUPPORT

42. The prospects for action must take account not only of the limitations of Community competences but also of the imperatives and constraints in terms of Community resources.

#### Prevention and cure: an integrated strategy

43. Combating social exclusion means not just working to prevent it from developing but also to find a cure to the current situation. Prevention efforts must concentrate on tackling the cumulative and interdependent mechanisms generating exclusion and which, for the most part, stem from the structural changes taking place in Europe's economies and societies. Finding a cure for the situations encountered involves fostering resolute action aimed at economically and socially integrating the people, groups and regions involved.

Within the limits of its competences and resources, the Community can contribute to combating social exclusion in line with these two complementary approaches, which call for a global and integrated strategy. Implementation of such a strategy must take account of the diversity of national and regional situations, and must be suitably tailored to supplement and stimulate, in the best possible way, the policies pursued in Member States by the relevant public authorities and private organisations.

This does not only mean the possible strengthening of specific initiatives, which have so far been the Community's main input in this area, but also examining how Community policy as a whole can contribute to combating social exclusion.

It should be remembered here that the Maastricht Treaty, in the accord on social policy concluded by 11 Member States, makes "combating exclusion" one of the goals of social policy (Article 1) and "the integration of persons excluded from the labour market" one of the fields in which Community decisions can be adopted by a qualified majority.

### III.1. The economic mechanisms

44. The economic impetus initiative, just adopted by the European Council in Edinburgh, provides obviously the basic framework for this integrated approach.

#### Budgetary aspects

45. The Member States are currently in the process of adapting and restructuring their budgets. It is their responsibility, in this connection to take the measures appropriate to their specific national situations.

However, given the political need to combat social exclusion, it is important that whatever provisions are adopted should enable efforts already in progress to combat and prevent social exclusion to be pursued as far as possible.

With this aim in mind, arrangements should be made at Community level for promoting an exchange of information and experience relating to allocation of public resources in the fight against, and prevention of, social exclusion.

#### Employment and labour

46. A second major area is the labour market and the conditions for generally upgrading job skills in business enterprises over the next few years. Given the opening-up of the Eastern and Southern European countries in particular, it is highly likely that the pace of such

changes will increase. The draft Treaty on European Union explicitly refers to this. The main question is what will happen to low-skilled members of the workforce. Can companies simultaneously take on the tasks of re-skilling these people and modernising their plant without incurring excessive costs? A balance has to be found, with due regard to different national situations and traditions, between the burdens taken on by a) companies, and which will be of a temporary nature, and b) those taken on by the authorities and which are liable to become permanent and thus finally affect competitiveness via taxes and social security contributions. This question could be broached by the Community within the European social dialogue framework.

47. In this regard, the social partners delivered a joint opinion on 3 July 1992 expressing their serious concern at rising unemployment and stagnation of the labour market, and calling for a new impetus<sup>(13)</sup> to generate recovery from within the Community and a new cooperation strategy to increase employment.
48. The Community could also continue and step up its initiatives to foster in-company human resource management policies which avoid generating new exclusion processes.

The developments observed in a number of enterprises, especially as regards introduction of "anthropocentric production systems" particularly geared to preventing exclusion, should be particularly encouraged.

Mention should also be made of the ideas and proposals on the organisation of working time and the protection of vulnerable workers.

The discussions and proposals on the "social economy", more particularly the European statutes for associations, mutual groupings and cooperatives and new forms of undertakings created by, or intended for, disadvantaged persons should be pursued.

#### Convergence of economic and social protection policies

49. The Council Recommendation of 27 July 1992 on the convergence of social protection objectives and policies establishes a link between economic policy and social protection policy. When presenting the Recommendation, the Commission emphasised the essential link between convergence of economic policies and of social protection policies. This means, in particular, that convergence of economic policies can make a useful contribution to developing an advanced social protection system, to which Europeans aspire and which is featured in the Maastricht Treaty (Article 2), and which is in itself an important productivity factor. The Commission's proposed strategy for aligning social protection objectives and policies, adopted by the Council, demonstrates the possibility of taking such a step while respecting the respective national systems and traditions.

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(13) Economic impetus decided by the European Council in Edinburgh (cf. § 45).

### III.2. The potential contribution of structural policies

50. In the field of economic and social cohesion the Community has already gained rich experience of structural policies undertaken in cooperation with the Member States. Since these policies were reformed in 1988, a central role has been accorded to partnership, to integration of measures and continuity of programming; these features can be constructively applied to policies for combating social exclusion.
51. In its document "From the Single Act to Maastricht and beyond: the means to match our ambitions"<sup>(14)</sup>, the Commission stressed that integration of people excluded from the labour market was one of its principal concerns for which it intended to devise structural policies.

The Community's structural policies can help to prevent social exclusion, and can also help to integrate those excluded. Developing these policies - particularly objectives 3 and 4 - should contribute significantly to implementing the proposed integrated strategy.

#### Helping to prevent social exclusion

52. Up till now, the structural Funds have contributed to combating social exclusion mainly in an indirect and preventive manner.

This is an important role, especially with regard to the development of disparities within the Community, and it should be continued and intensified, especially to benefit the least favoured regions.

The structural policies must also help to anticipate and provide support for industrial change, thereby serving an important preventive function. The aim should be to encourage forward employment planning with a view to preventing unemployment and social exclusion rather than to remedying such situations.

#### Contributing to integration

53. The recent Community initiatives and the programmes on "human resources", including HORIZON and NOW, have involved measures of a more targeted and specific nature focusing on disadvantaged populations (HORIZON) and women in a vulnerable position vis-à-vis the labour market (NOW). These measures contain not just training and job promotion schemes, but also a number of individual or collective flanking and support measures which have proved very effective in opening up the way to real economic and social integration.

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(14) COM (92) 2000 final, 11.2.1992

54. In the event of intensified Community action, structural policies and particularly European Social Fund intervention could further promote pretraining and integration measures and continuing vocational training which is a key factor for ensuring integration of the populations in question. The aim would be, within the framework of future developments concerning the structural policies, to promote schemes which respond to the multidimensional nature of social exclusion and its concentration in deprived areas, and which involve a partnership-based approach mobilising the relevant players.

The Commission will bear these possibilities in mind in its proposals relating the revision of rules governing structural Fund intervention

### III.3. A multidimensional approach to social exclusion

#### Tackling all aspects of social exclusion

55. To ensure the success of the strategy to combat social exclusion, the general and structural policies must be supplemented by policies specifically promoting economic and social integration.

The general principle is affirmed by the Resolution of the Council and of the Ministers for Social Affairs meeting within the Council on 29 September 1989. It received practical expression in the Council Recommendation of 24 June 1992 on guaranteed resources and benefits in social protection systems, adopted within the framework of implementation of the dispositions contained in the Community Charter of Fundamental Social Rights of Workers.

56. It is important for these specific policies to address all the fields in which social exclusion arises or is generated: education, training, employment, health, housing and access to services (cf. the above-mentioned Resolution of 29 September 1989).

The Recommendation of 24 June 1992 on guaranteed resources and benefits stressed, in this context, the need to combine financial support for the most deprived with all the measures necessary for their economic and social integration.

#### A Community programme to foster and support innovation

57. As regards implementation of these measures, Community action is, of necessity, limited, even if the Structural Funds could make a greater contribution to implementing some of them. But the Community can make a useful contribution to comparison of experience and policies as well as to promoting exchanges between the players in the field and the policy-makers.

58. This is one of the functions of the specific programmes for combating poverty undertaken in the past: they have made it possible to mobilise the players, support innovative approaches, exchange experience and promote public and political debate.

59. The Poverty 3 Programme, currently underway, ends in June 1994 and will be evaluated in an interim report to be produced in 1993. On the basis of the report's findings, the Commission will propose a new programme drawing on the achievements and experience of the current programme (in particular with regard to geographical concentration and the principles of partnership, multidimensionality and participation).

This new programme could be more open, especially to coordinated large-scale schemes, for example at national or regional level, to innovative projects currently run by private partners (NGOs, two sides of industry, cooperatives, etc.), but also to measures other than local projects in the strict sense (research, evaluation, stimulation of debate and innovation).

With regard to development of social exclusion phenomena in the urban environment and problems specific to deprived areas, it could include innovative action aimed specifically at promoting employment and integration in the urban environment, in conjunction with corresponding measures to be undertaken by the structural Funds in this field.

60. This programme should permit a more significant contribution since: it must be aimed at combating social exclusion, promoting integration and fostering solidarity, and it should therefore be drawn up in conjunction with the Community's other policies and programmes, for example in the field of economic, education, employment and structural policies.

Broad consultations will take place with the various players concerned in order to draw up the programme.

#### More knowledge is needed

61. The complexity and diversity of social exclusion situations and processes, and the difficulties encountered in defining, quantifying and explaining them, as well as those encountered in evaluating the policies implemented, call for increased efforts to improve and disseminate the relevant knowledge.

This could be an effective contribution to defining in detail the policy guidelines governing a principled multidimensional approach to social exclusion.

This calls for improved statistical analysis and work to provide an overall picture - via qualitative and quantitative indicators - of the multidimensional nature of social exclusion. This would also involve assessing the effectiveness of the policies and action implemented and helping to identify suitable methods and practices.

62. Promotion of such research must therefore be an element of the proposed programme, while also falling within the scope of general policy on statistics and scientific research. In this connection, the Commission's working paper on the Fourth Framework Programme of Community activities in the field of research and technological development (1994-98) includes themes directly connected with the problem of social exclusion<sup>(14)</sup>.
63. The Observatory of policies to combat Social Exclusion, set up by the Commission in 1989, has the task of stimulating debate and comparing experience via analysis and evaluation of the policies undertaken. Given the diversity of the institutions involved in implementing such policies, it should aim to provide a better understanding of the relations between the policies undertaken and the players involved; given its central role in stimulating debate, it must also focus each year on the specific fields requiring greater comparison of national experience. Its work should dovetail in an overall manner with that similarly aimed at improving knowledge, in particular research into quantitative and qualitative indicators<sup>(15)</sup> and the local observatories which may be involved in certain projects.
64. Finally, as a follow-up to the two recommendations from the Council on convergence of social protection objectives and policies and on common criteria for sufficient resources and social assistance, the Commission will analyse the trends in social protection and guaranteed resources policies with a view to submitting a regular report on social protection in Europe, one of its aims being to analyse how social protection contributes to combating social exclusion and to economic and social integration.

#### III.4. Structuring the dialogue between the various players

##### Active participation by those involved

65. As a fact of life closely tied up with the economy, public measures, the rule of law and rights (and thus the main elements in development of society), social exclusion can be combated only through the active participation of all those who contribute - via their political, institution, professional, associative and civic responsibilities - to such development. Above all, the exclusion problem needs the greatest possible participation of the populations actually concerned, who should be fully fledged partners in any integration drive.

The public authorities are directly involved: the Member States, those responsible for economic and social policies at the top, the Community (via its economic and structural policies and its responsibilities in the social field) and the local authorities (which are directly responsible for implementing concrete measures and, to some extent, determining the approach taken).

(14) COM(92) 406 final, 9.10.1992.

(15) There will very shortly be a European seminar on these subjects organised by the UK government.

The private players are just as involved, since it is often they, being in the field, who devise the necessary measures or explore new pathways: the associations, voluntary groups, cooperative bodies and also the two sides of industry already contribute - to different degrees - to the fight against social exclusion, both in prevention and in integration terms. These private players also have a responsibility at national and at Community level: doesn't the dialogue between the two sides of industry address, and shouldn't it further address, for example, the general economic trends affecting the social exclusion processes?

### Joint action and partnership

66. Therefore, the challenge is to coordinate and dovetail the various levels of responsibility and the players at each of these levels. Stepping up the fight against social exclusion also means defining and forging maximum synergy between the policies, institutions and people involved. Partnership - something increasingly frequently affirmed in public measures (local, national and Community) and which is also a key element in the Poverty 3 Programme - must be a concern and demand of all players.
67. What we need here is enhanced cooperation between the Commission and the national authorities. The Commission exchanged views with government representatives when drafting the current Communication. It intends to enter into broad consultations with the national authorities on all the aspects broached herein, both as regards solemn recognition of certain rights and the future specific programme to combat exclusion as well as the strategies underlying economic and structural policies. Such consultations with the national authorities should not simply mirror the work done by existing groups - such as the Advisory Committee for the Poverty 3 Programme and the body consisting of the directors-general of social security - which have their own set of tasks. It should aim to obtain a commitment from Member States at high level and to stimulate debate addressing the multidimensional nature of the policies required to combat social exclusion. This approach, which involves combining economic and social elements in public measures, could be implemented by setting up a body at high level.
68. The Commission also intends to boost its cooperation with solidarity-promoting associations, voluntary groups and non-governmental organisations, particularly by continuing the permanent dialogue and exchanges/consultations already underway with the associations in the European Anti-Poverty Network.
69. Stress must also be placed on the important role played by the two sides of industry in this field, due not only to their direct involvement in general economic and social developments but also due to their new responsibilities stemming from the Maastricht Treaty. It should also be noted that in some Member States companies and trade unions have backed or initiated specific measures to combat social exclusion.

70. Finally, the regional and local authorities, with which the Commission enjoys fruitful dialogue, naturally have an important contribution to make in the form of measures and action devised mainly at local level.
71. It is particularly necessary to have discussion between all of these players within a partnership framework, this being vital for effective implementation of strategies addressing exclusion in all its dimensions.

The Commission therefore intends systematically to continue the dialogue it has started with these players so as to develop a specific form of social consultation, which could also make a useful contribution to the discussions between the two sides of industry at Community level.

72. The Commission intends to work, within its own structures by improving the coherence of its initiatives, to promote the necessary political commitment and reinforce the partnership approach, without, however, creating unnecessary and unwieldy internal bureaucratic structures.
73. In conclusion, mobilisation of society against the unacceptable phenomenon of exclusion requires media involved and Heightened awareness of the values of solidarity. The Commission has encouraged the establishment of a group of European journalists ready to participate in mobilising public opinion. This group will launch an information drive, and specific awareness-heightening measures will also be drawn up.

### III.5. Structuring the dialogue between the various players

74. The integrated strategy and multidimensional approach proposed could be firmly founded on recognition of a set of rights.

The Community is, among other things, based on the rule of law. Its values and goals espouse fundamental rights, including respect of human dignity, of which social exclusion constitutes, to some extent, a denial.

This principle of respect for human dignity is anchored in certain national constitutions or laws and is of real importance in the fight against social exclusion. It was recognised in the Council Recommendation of 24 June 1992, which affirmed people's fundamental right to sufficient resources and social assistance in order to live in a manner commensurate with human dignity.

The Community Charter of Fundamental Social Rights of Workers affirms a number of rights which, if respected, can contribute significantly to preventing exclusion (this is the case for example of the provisions on fair pay). However, since it concentrates on the rights of workers, it only indirectly or partially (social protection, elderly persons) touches on the rights needed for integration of people excluded from the labour market.

Solemn, but not binding, recognition by the Community of the rights stemming from respect of human dignity would clearly demonstrate its political resolve to combat social exclusion. It would help to create an important basis for the measures to integrate those excluded from the labour market as set out in the social chapter of the Maastricht Treaty.

75. Therefore, the Commission intends to reflect in depth on such rights both in terms of their potential for, and conditions of integration. analysis on the rights underpinning respect of human dignity should not focus solely on providing people with basic guarantees; it should also, and perhaps in particular, open up opportunities for integration and thus address the conditions necessary for real citizenship.

Such reflection should include an analysis of "sound practice" and proved policies in the Member States for implementing those rights.

#### CONCLUSIONS

The Commission views this Communication as one stage in the deliberations on how to step up the Community's efforts to combat social exclusion.

Broad consultation will be undertaken on this matter (including on the prospects and approaches set out) during a seminar to be jointly organised by the Commission and the Council Presidency in 1993.

In this manner the Commission wishes to contribute to devising the policies and measures to be taken by the most appropriate players and to promoting a Europe of greater solidarity, while rejecting fatalistic acceptance of social exclusion and recognising that respect of human dignity is something to which all citizens have a right.

A N N E X

**R E P O R T**  
**on implementation**  
**of the Resolution**  
**of the Council**  
**and of the Ministers for Social Affairs**  
**meeting within the Council**  
**of 29 September 1989**  
**on**  
**combating social exclusion**  
  
**(ECOJ No 277 of 31.10.1989)**

## INTRODUCTION

1. The Council and the Ministers for Social Affairs meeting within the Council on 27 September 1989 adopted a Resolution on combating social exclusion in which they undertook to continue and, as necessary, step up, the efforts undertaken in common as well as those made by each Member State, and to pool their knowledge and assessments of the phenomena of exclusion (§9).

The Resolution calls on the Commission to study the measures taken to combat social exclusion and to report, within three years of its adoption, on action by the Member States and the Community in this area (§10).

2. This report is essentially based on the work carried out by a network of independent experts set up by the Commission in early 1990, known as the Observatory of policies for combating social exclusion. In 1990 and 1992, this network drew up national reports and a summary of the situation in Europe, resulting in publications which give an overview of information available on an area which is difficult to analyse because information sources are generally few and far between.

Prompted by the Commission, the 1992 reports were discussed with the Member States and subsequently amended or supplemented, and several countries undertook to publicise them widely.

This document makes substantial reference to those reports. What has been adopted here is basically a summarised report aiming to trace the broad outlines of, and illustrate with a few examples the general trends observed over the reference period (September 1989 - June 1992). It does not go into extensive detail of the measures adopted, as this information is available in the Observatory's national reports. Nor does it attempt a comparative analysis of these measures, as this would duplicate the existing general report.

It should be noted, however, that some of the analyses have been limited by lack of information and serve an illustrative function rather than being exhaustive. This in itself constitutes grounds enough for a systematic evaluation of the policies implemented, which is a precondition for exchange of experience and of sound practice.

3. This report is part of a more general Commission Communication on combating social exclusion which gives a broad analysis of relevant Community initiatives over the past few years. The analysis has not been included here, the aim being rather to concentrate on measures taken in the Member States since the Resolution was adopted.

4. This document is therefore in three parts:

- a recap of the guidelines for national and Community action put forward in the Resolution;
- an overview of the background to implementation of the Resolution;
- a presentation of developments in national policies on combating exclusion since the Resolution was adopted.

I. THE RESOLUTION OF 29 SEPTEMBER 1989

5. The Resolution of 29 September 1989 includes the first reference in a Community text to the concept of social exclusion. It particularly emphasises the varied nature of the situations defined by social exclusion: "the process of social exclusion is spreading in a number of fields, resulting in many different types of situation..." (§2). It also recognises the structural nature of the factors behind this development, particularly employment trends (§3).
6. Against this background, the Resolution asserts the need for a global approach to fighting exclusion, which would mean backing up economic development policies with specific integration policies (§4) to tackle the structural aspect, and, in response to the diverse nature of the problem, measures guaranteeing adequate resources for the individuals concerned (§5) and giving them access to decent living conditions through social and occupational integration measures with an emphasis on access to education, training, employment, housing, community services and medical care (§6, §7).

In this connection the Resolution also points to the effectiveness of coordinated policies based on partnership and participation (§8).

II. BACKGROUND

7. The policy against social exclusion should be seen in the context of the background against which that policy has developed. The two most important factors in this respect are firstly that the policy on exclusion implemented since 1989 largely stems from a set of developments originally initiated as part of the broader field of social policy, and secondly the impact of the changes in the Community's general economic and social situation over the past few years.
8. Social policy rarely undergoes major upheaval. Generally, it develops slowly through the addition of new measures or ongoing reorientation of existing measures, through a gradual process involving a settling period, diversification and rearrangement which only gradually brings about any far-reaching reorganisation. It therefore comes as no surprise to observe that there have been few significant breaks with previous policy in the Member States since the Resolution was adopted. Continuity has been the overriding feature, with uninterrupted development in three main directions.

The first is a general trend towards decentralisation of social policy, affecting all Member States in different ways according to their own institutional structure, and most often taking the form of growing involvement of elected representatives in the fields of local economic development and management of local social welfare programmes, particularly in urban areas; but such activities face lack of funding capacity on the part of regional and local authorities and are limited by the level of national support granted.

Another main trend is ongoing development of social protection systems which are having to adapt both to constraints on spending and the demands created by growing unemployment, an ageing population and health costs. Here too, national situations vary considerably (depending on historical factors, the state of their economy and the political priorities of their governments), and some of the forms it has taken are the introduction of means-testing for certain benefits, growing attention to the problem of dependence on social security benefits, and the related debate on implementation of active, incentive-based employment policies.

The other main trend is the growing importance of non-governmental organisations which also vary not only from one country to another, but often within an individual country. In some cases this development has meant a redistribution of roles between the public sector and independent associations (and sometimes churches or even the private sector) and setting up a legal framework for cooperation between them.

These main trends, which were in evidence before adoption of the Resolution, and to some extent are reflected in its content, have, on the whole, continued.

9. The general background to the policies on combating social exclusion has, however, changed over the past few years, particularly from an economic point of view.

In the years leading up to adoption of the Resolution, there had been strong economic growth, several million jobs had been created and the situation of the labour market had improved considerably, even though it had not been possible to reduce unemployment, particularly long-term unemployment, to the desired extent.

Since the beginning of the 90s, this situation has changed. The world economy has deteriorated, growth has slowed and unemployment is again on the increase, making short-term development prospects bleak and uncertain. This situation has affected the availability of public funding while extending the problems social policies have to deal with. It has also increased the difficulty of finding appropriate solutions to the problems posed by regional disparities and social inequality: as stated in the 1992 Employment in Europe report, experience has shown that such problems tend to get worse rather than better in periods of low growth.

The general situation has also been altered by developments on the fringes of the Community, two of which have a direct impact on social exclusion: one being German unification, and the other increased pressure from migration.

### III. NATIONAL POLICIES AGAINST SOCIAL EXCLUSION

10. The concept of social exclusion is not in current usage in all Member States, some preferring to refer to poverty or (cumulative) disadvantage. Irrespective of the words used to describe it, the situation takes many different forms within any single country and differs from one country to another. There can be no doubt, however, that public awareness of the problem has increased in all Member States since the Resolution, and public authorities, NGOs and public opinion are expressing increasing concern.

The debate centres around different aspects. Sometimes the emphasis is on migration and refugees (e.g. B, D, EL), sometimes on long-term or extremely long-term unemployment and exclusion from the labour market (e.g. DK, F, NL); or on the problem of low income (P). Discussion is sometimes directly linked to specific policy making, as is the case with the minimum income (F, ES) or can be part of more general consideration of the functions of the welfare state (UK: Citizens' Charter) or discouraging the passivity engendered by certain forms of social protection (DK, NL, UK). It is sometimes fuelled by association or media campaigns focusing on particularly visible problems or those which in any case catch the public's attention, such as the homeless (UK, F), drugs (IT), child labour (P), and inner city crises (F).

Diversity apart, they bear witness to the growing recognition of the problem of social exclusion. This is borne out by the fact that several Member States have, over the past few years, set up or brought back into operation structures for discussion and coordination or channels for financing action on social exclusion (e.g. B, DK, F, P, IT).

#### Guaranteeing adequate resources

11. As emphasised in the 1989 resolution, combating social exclusion means, amongst other things, more careful targeting of social protection measures to guarantee adequate resources for everyone.

Prior to 1989, national and general resource guarantee (or "minimum income") provisions existed in eight Community countries (B, DK, D, IRL, LUX, NL, UK, F), France being the last to have introduced this kind of minimum social protection system, which until then had been organised around minimums for specific categories. In other countries there were regional or local initiatives (I) or measures for specific categories (particularly I and P, the amounts in question being very low). Since 1989, several Member States have taken steps to extend or relax access conditions (B) or to set up new systems (ES: non-contributory pension schemes and minimum income systems set up by the Autonomous Communities).

The scope of these provisions cannot be assessed without examining access conditions for the low income categories and comparing the level of benefits with the general standard of living and prices in the Member States. Information on these aspects is limited, but would suggest that a sizeable section of the low income categories is officially or practically excluded from resource guarantee

benefits (for reasons of age, nationality or residence (e.g. F, LUX), over-complex procedures or fear of stigmatisation or the investigation of personal circumstances that applying for benefits would entail (e.g. D)). It would also suggest that the amounts in question, which vary considerably from one country to another, are still quite low and do not always keep pace with the cost of living even where purchasing power is kept relatively stable over an extended period.

From a resource guarantee point of view, there has been general progress since 1989, and the problem was the subject of a Council Recommendation adopted on 24 June 1992.<sup>(1)</sup>

Its importance was also emphasised in the Community Charter of Fundamental Social Rights for Workers adopted in 1989.

However, on the evidence of the Recommendation, much progress remains to be made not only in the Member States which do not yet have any general national provisions, but also in those whose provisions are restrictive in certain respects.

Furthermore, methodical assessment is absolutely essential to establish the impact of current measures, most importantly with regard to situations of long-term dependence resulting from the provisions adopted, their effect on access or return to employment and the social integration of the individuals concerned, and how they fit into the general development of social protection. Such assessment exercises do exist (particularly in France) but are all too infrequent.

### General policies

12. Combating exclusion means taking action in a number of areas. This is true both of prevention, which calls for general improvements in policy on employment, education, training, housing, health etc., concentrating particularly on removing the discrimination and segregation which are the side-effects of the original policies. This also applies to the reintegration of those excluded from mainstream society, which would mean a general improvement in their living conditions requiring specific solutions to specific problems.

Working on the limited information available, the Observatory of policies for combating social exclusion has undertaken a systematic analysis of the main sectoral policies. This was a joint effort which involved identifying the social rights explicitly or implicitly recognised by and in particular policies (e.g. the right to education or housing) and examining the extent to which policy effectively implemented those rights (where applicable by introducing compensatory measures for the most disadvantaged). The Observatory also examined the measures designed to meet the priorities of specific population categories.

The analysis is too extensive to be covered here, but certain general conclusions are summarised below.

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(1) OJ No L 245 of 26.9.1992, p. 46

### Education and training

13. The right to education is universally recognised by the Member States, but either implicitly or in very vague terms. There has been plenty of evidence to suggest that the education system, which is intrinsically selective, tends to propagate social inequality.

Failure at school or dropping out without qualifications is another factor in causing and propagating exclusion. Some Member States have taken specific steps to reduce the difficulties encountered at school by disabled children or those from disadvantaged families, particularly immigrants (e.g. Lux, B) or offering a "second chance" to those originally failing or dropping out of the school system (e.g. IRL).

The latter initiative continues an idea adopted some ten years ago in respect of post-school education for young people with few qualifications. It could also be combined with measures to combat illiteracy, a problem which is ill-recognised and exists on a scale which is quite certainly underestimated.

Evaluation shows such policy to be positive, but limited by lack of effective mobilisation of the educational establishment, lack of training of educators and budgetary constraints, leaving a sizeable proportion of the population with few or no qualifications, despite participation in such initiatives.

### Employment

14. Employment policies can be seen as an attempt, within the constraints of the labour market, to implement the right to employment. But clearly there are jobs and jobs: along with the traditional salaried position there are now all kinds of non-standard or "atypical" forms of employment - part-time, temporary work on a fixed-term basis - and there has been an upturn in self-employment. Most jobs created within the past few years fall into these categories (particularly in Spain) which tends to destabilise protection against unemployment and, at least in certain countries, can lead to more arduous or dangerous working conditions (ES). Assessment of employment policy must include consideration of pay levels, action on unemployment, retirement and early retirement measures etc.

The report on employment, which the Commission has published annually since 1989, gives more details on these aspects. As regards exclusion, observations must be of a general nature in view of the difficulty of making comparisons between Member States.

The most important consideration is unemployment benefit, which has a direct impact on the living conditions of those who, through temporary or long-term exclusion from the labour market, are vulnerable to the risk of exclusion. National systems are complex, particularly in the way they combine insurance and assistance, and some countries also have specific provisions on early retirement, invalidity, redundancy or short-time working which are used as alternatives to unemployment benefit proper.

Examination of them reveals major disparities in terms of the proportion of unemployed persons in receipt of benefit, the amount of that benefit in relation to their former pay, how the level of benefit is affected by the duration of unemployment, and the least protected categories of worker. If lack of or low unemployment benefit is a factor contributing to exclusion, there is a tendency in most Member States towards restrictive measures, affecting insurance schemes particularly, to cut down costs.

Another area for consideration is that of "active" employment policies, i.e. those concentrating on access or return to employment rather than compensation for the unemployed. These policies found increasing favour in the 80s throughout the Community, and in many countries received the support of the social partners (e.g. NL, B). They can be considered as policies against exclusion in that they emphasise increased participation in employment. They have given rise to numerous specific programmes aimed particularly at young people and the long-term unemployed. Such policies can also be associated with measures to involve local authorities more closely in fighting unemployment (NL, DK) and associate a specific occupational integration element with minimum income policy (F, LUX). It is difficult at this stage to make a detailed analysis of their impact on social exclusion. The most that can be said is that, despite the steps taken, long-term exclusion from the labour market is still a major problem which has remained relatively impervious to the policies implemented. A study of barriers to integration in the labour market has shown, moreover, that many of the problems encountered cannot be tackled through the labour market alone, requiring action in other areas.

### Housing

15. Over the past few years the increasing number of homeless and the urban crisis have brought the housing issue into the spotlight. People with direct experience of the problem confirm that there can be no real social integration without decent housing conditions.

In most Member States, housing policy in the 80s (and even the 70s) was marked by reduced involvement of the public sector in favour of construction in general, particularly assisted-rent housing schemes. There have been some changes recently (e.g. D, IRL) but these have not affected the general tendency towards more involvement of the private sector due either to economy measures by national or regional authorities or, in some cases, to recognition of a tendency among the middle classes to take advantage of schemes which were intended for the most disadvantaged. Means-tested financial assistance for low income households is an alternative to assisted-rent housing schemes which is more likely to benefit those with a genuinely low income, and many countries have made a move in this direction.

The housing problem for the most disadvantaged is still extremely worrying: urban growth and the general direction lifestyles have taken, including cohabitation, have brought about increases in prices and demand, which is more acute in the countries and regions with a particularly high influx of migrants and refugees (EL, D);

the deteriorating conditions of some existing housing, particularly of assisted-rent housing estates, has brought about particularly severe urban crisis situations (F, UK); the growing problem of isolation, accompanied by low income, particularly for one-parent families, or economic and social marginalisation, particularly affecting the homeless, have lengthened the waiting lists and demonstrated the inadequacy of existing measures. Finally, the encouragement of house ownership at a time of high interest rates has plunged households, particularly those affected by unemployment, into severe debt (UK, F).

Some countries recognise the right to housing, at least for families with dependent children, and their local authorities therefore play an important role in this respect (DK, UK). Others have extended the scope of housing benefits (F), taken steps to solve the debt problem (F), and more generally set up wider-ranging schemes to house the most disadvantaged (F and, recently, through price controls, ES). These measures, some of which are too recent to be evaluated, are, however, restricted to a few countries and appear to fall well short of what is necessary.

### Health

16. The right to health care is an element of the European social protection model, to be implemented either via a public health system or organisation of a health insurance scheme (or a combination of these). In the former case, the risk of exclusion lies in possible obstacles to access to the system or organisational problems (hospital organisation, acceptance of emergency cases, etc.). In the latter case, the main potential problem is non-membership of a scheme or only partial reimbursement of expenses.

While there has been plenty of research into the general efficiency of health schemes, few have specifically studied the problem of access for those without means. Some Member States have systematically included access to health care in their resource guarantee measures (F, LUX). Others have undertaken to improve the quality of primary health care (ES) and extend the rights of patients (UK). Some of these initiatives have involved improving community services for children (EL, UK). Certainly, health care is one of the most pertinent indicators of the exclusion problem (including problems related to drugs, AIDS, mental illness etc.). NGOs specialising in medical assistance for the poorest sectors of the community confirm the scale and specific nature of the problems encountered (F). There is not, however, a strong enough basis for drawing up a table giving an overview of the conditions governing recognition and effective implementation of the right to health care.

This has since been included in the Council Recommendation of 27 July 1992 on the convergence of social protection objectives and policies<sup>(2)</sup> and the Commission will undertake further analysis as part of the follow-up to this Recommendation.

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(2) OJ No L 245 of 26.08.1992

Measures aimed at specific categories

17. The sectoral policies described above are not generally designed specifically to combat exclusion. Tending to be highly compartmentalised and designed to meet the needs of the population as a whole, or a population perceived as average, they cannot respond adequately to the problems experienced by those who do not conform to this average and/or whose needs span several different areas. They are also unlikely to respond to the needs of a particular region or district.
18. Stemming from these limitations, and the activities of certain influential pressure groups which have managed to bring their own particular priorities into the public eye, all Member States have policies claiming to respond to the multiple needs of certain population categories such as the elderly, women or migrants.

These policies can carry a certain stigma with them, particularly where they tend to isolate their target group from the rest of the population. Often they only address part of the problem under consideration (e.g. income, in as far as differential scales can easily be established, and supplementary benefits envisaged for a series of administrative or demographic categories). They also to some extent introduce category-related elements into sectoral policies. Any breakdown by category must, furthermore, be relatively arbitrary or abstract and is bound to involve overlap (it is possible to be young, female, unemployed and a migrant all at the same time).

Finally, certain category-specific policies are so only in appearance - integration of migrants and ethnic minorities is obviously linked to combating racism, which cannot strictly be seen as a policy applying to a particular category.

The emphasis of category-related measures therefore depends on Member States and their traditions, particularly as far as combining problems common to several population categories is concerned. In many cases, "category-related" means interpreting general policy as it applies to specific categories, rather than actually designing policy for those categories.

Bearing in mind this reservation, the specific situation of certain population groups justifies a general approach to at least some of their rights. This applies, for example, to the elderly, who constitute a heterogeneous category and whose material situation has, in fact, improved significantly in all Member States. It also applies to migrants and ethnic minorities who are covered to some extent by specific policies in respect both of legal residence conditions and general conditions of reception. There is some link with general policies such as equal opportunities for men and women, particularly as their practical application tends to be in the form of positive action for women.

The coexistence of sectoral and category-related policies often leads to the coexistence of ministerial departments and social institutions whose functions tend to overlap or even compete. This is yet another good reason for improving coordination of policy and practices.

### specific policies

18. The above policies can be described as general in that they apply to the population as a whole, or to categories defined essentially in demographic terms, rather than to individuals or groups within those categories who are most threatened or already affected by exclusion. Some elements are targeted at the most disadvantaged sectors, particularly means-tested financial benefits, but this is not their main priority. Their function is above all preventive, and this aspect should not be underestimated. Such policies afford genuine protection against the risk of long-term exclusion, and maintenance and extension of existing policies of this nature which, by definition, tend to avoid stigmatisation, could be considered an essential condition for combating exclusion effectively.

Other policies are explicitly designed to counter the problem of social exclusion, and are aimed at individuals or specific districts.

The predominance of such policies depends to a large extent on how far the exclusion debate has developed in the Member State concerned, and how far institutions are capable of accepting consultation between the different parties involved and decompartmentalisation of different areas.

19. The resource guarantee measures referred to above are an example of this kind of specific policy, particularly where they are accompanied by more general support in areas such as housing or health, and attention to occupational and social integration. France's response has been to link minimum income to integration policy in the form of individualised contracts (this kind of close link has not, however, explicitly been introduced for the other "social minimum" categories in the French social security system). Other Member States have the same policy of economic and social integration of those in receipt of resource guarantee benefits, but do not directly link its implementation to the benefits granted (e.g. NL, LUX, DK, B). These policies can be linked to steps taken under the active employment policy to promote reintegration of the long-term unemployed into the labour market. These initiatives, which are eligible for aid from the European Social Fund have, in several countries, prompted the creation of specific national or regional funds or specific action plans (e.g. B, DK, IRL).
20. The growing crisis in urban areas, particularly on assisted-rent housing estates, and increasing difficulties experienced by their inhabitants, have led several Member States to set up integrated urban action programmes tackling the housing environment, local services, employment and social life simultaneously. Examples are the French urban social development programme and the British "City Challenge" and Dutch social renewal programmes.

These all revolve around mobilising local authorities and creating channels for consensus and cooperation between the local parties involved (including non-governmental organisations and, occasionally, companies). They can give rise to genuine partnership contracts for social and economic development of a specific district. The State's role is to support such action financially and provide impetus at national level.

The principles of partnership and a multidimensional approach to exclusion are, in fact, among the key principles of the Poverty 3 programme (1989-94) adopted shortly before the Resolution. It is also worth pointing out that some national programmes have been organised specifically to combat poverty along the general lines of the Poverty 3 programme (e.g. P).

The main difficulties encountered by the integrated action programmes lie in the quality of local partnership (which is subject to rivalries or tension between institutions) and coordination of activities (if this is not to be limited to simple juxtaposition, there must be cooperation and strategic and operational planning of activities by all those involved, particularly where the main aim is dovetailing of economic and social development).

The diversity of objectives and application of these policies makes assessment of them still more difficult. There is no guarantee that local development initiatives reach the most disadvantaged sectors of the population, nor that combined efforts are enough to check the downward spiral of disintegration in the crisis areas. It would also seem that the success of action does not only depend on mobilising institutions, but also on their capacity to offer and accept proposals for active participation and involvement in local decision making and management. In this respect, some of the programmes can be seen as real experimentation in social innovation.

21. Just as local programmes depend on consultation and cooperation between the parties involved, national policies depend on coordination between the various ministries. As indicated above, this is far from guaranteed. Some Member States (F) have set up specific authorities and could go to the extreme of creating a separate one for every new policy introduced. Others have tried to draw up general cooperation frameworks bringing together those involved at local level (I) or national policy agreements involving the social partners (Programme for Economic and Social Progress, IRL).

There has also been a tendency, in several Member States, to set up or revive national committees responsible for proposing administrative reforms or new measures to increase policy effectiveness (B, IT, DK, IRL). Some of these are preparing the ground for social protection or employment policy reforms.

S T A T I S T I C A L      A N N E X

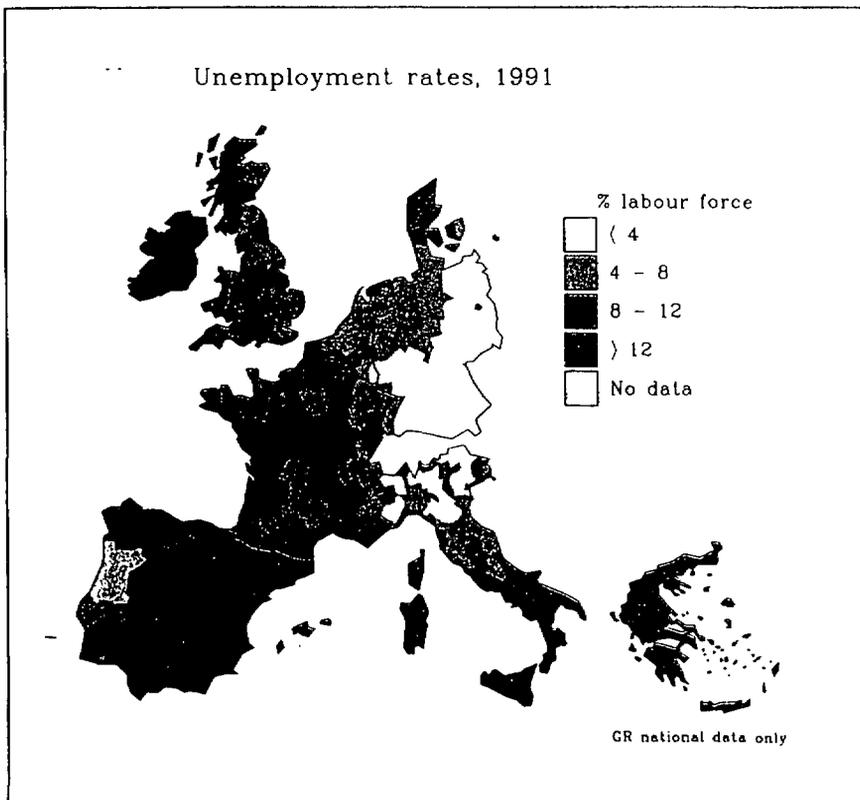
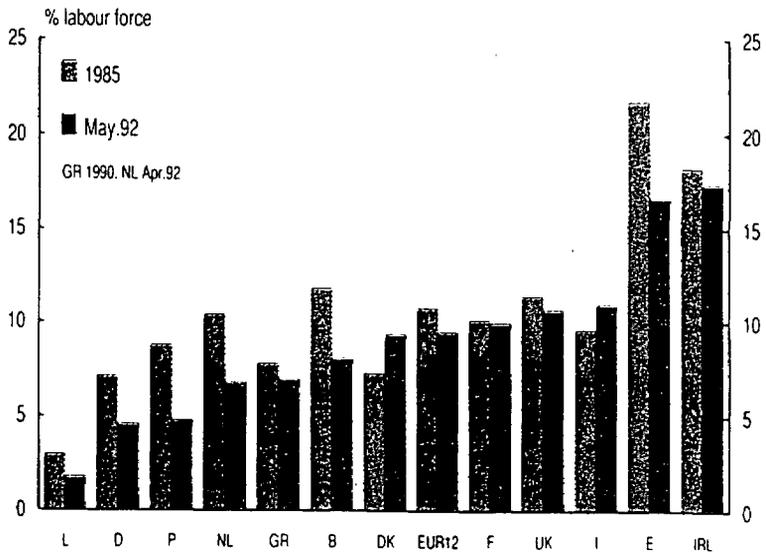
**Poverty Incidence in 1980 and 1985 (Poverty line taken as  
50% of National Average Equivalent Expenditure in respective years)**

	HOUSEHOLDS				PERSONS			
		1980		1985		1980		1985
	%	(1000)	%	(1000)	%	(1000)	%	(1000)
Belgium	6.3	226	5.2	189	7.1	701	5.9	583
Denmark	8.0	166	8.0	166	7.9	407	8.0	409
F.R. of Germany	10.3	2 592	9.2	2 306	10.5	6 448	9.9	6 074
Greece	20.5	604	17.4	527	21.5	2 073	18.4	1 817
Spain	20.3	2 129	17.8	1 924	20.9	7 829	18.9	7 257
France	18.0	3 503	14.8	2 947	19.1	10 313	15.7	8 681
Ireland	18.5	167	17.4	162	18.4	625	19.5	684
Italy	12.0	2 237	14.7	2 760	14.1	7 941	15.5	8 880
Netherlands	6.9	345	7.9	403	9.6	1 363	11.4	1 661
Portugal	31.4	906	31.7	948	32.4	3 167	32.7	3 310
United Kingdom	14.1	2 808	18.9	3 790	14.6	8 226	18.2	10 324
EUR12 *	14.1	15 683	14.4	16 122	15.5	49 093	15.4	49 680

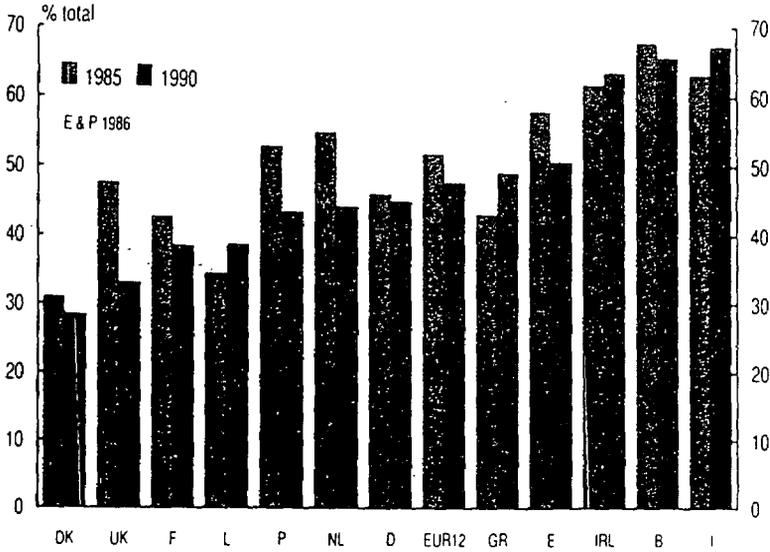
\* Except Luxembourg for which no data were made available.

Source : EUROSTAT

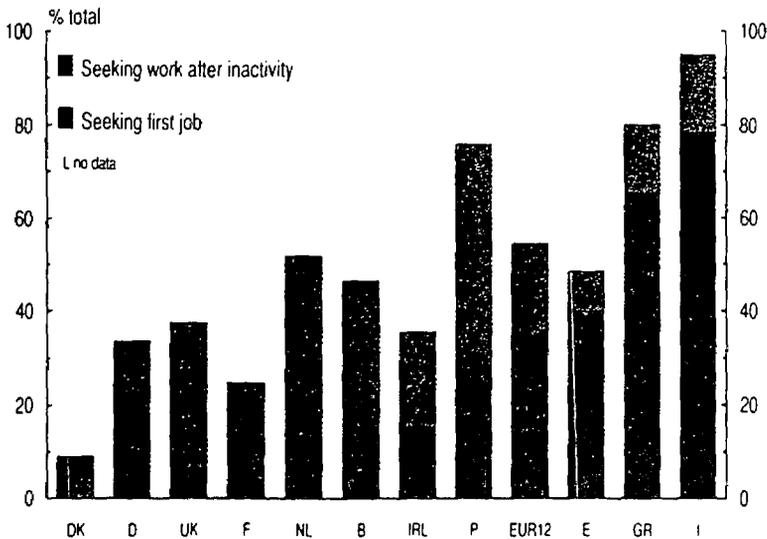
### Unemployment rates in the Member States, 1985 and May 1992



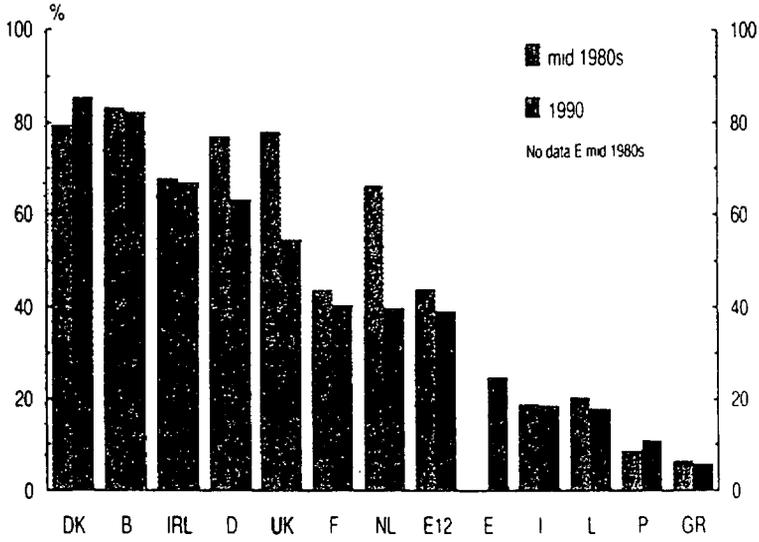
10 Share of the unemployed who have been unemployed for longer than 1 year in the Member States, 1985 and 1990



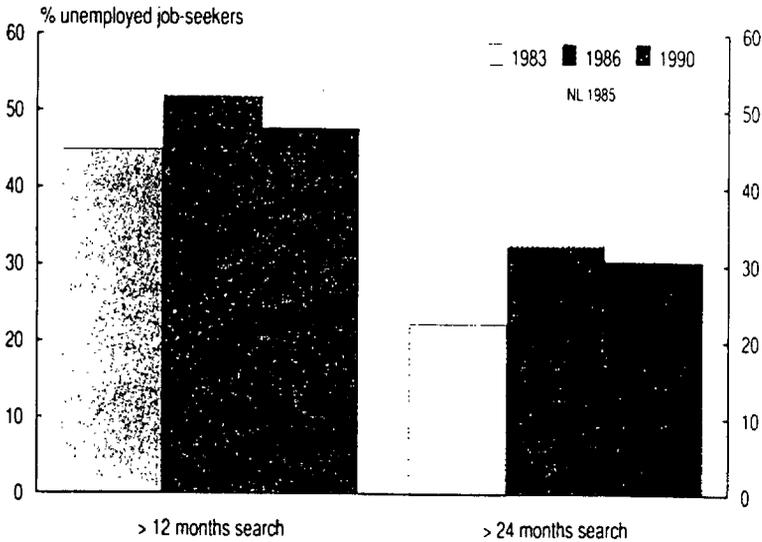
Share of the long-term unemployed looking for their first job or looking for work after inactivity in the Member States, 1990



**Share of unemployed receiving unemployment compensation in the Member States, mid 1980s and 1990**



**Long-term unemployed as a share of the unemployed in the Community, 1983, 1986 and 1990**



LONE PARENTS IN THE EC LABOUR FORCE SURVEY 1989

Percentage of Households with Children under age 18 which are headed by Lone Mothers and Lone Parents

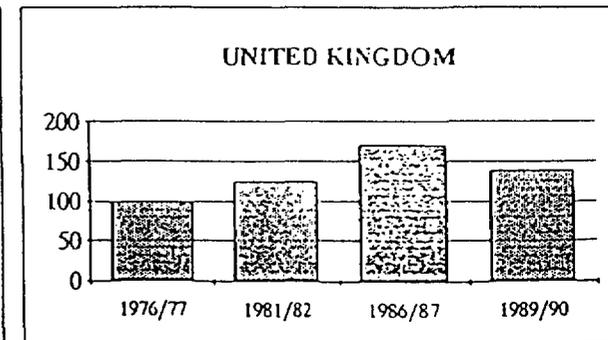
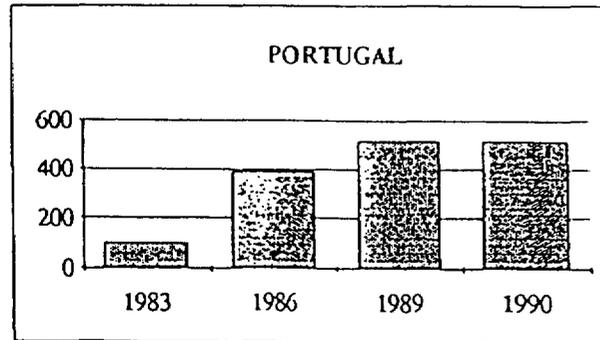
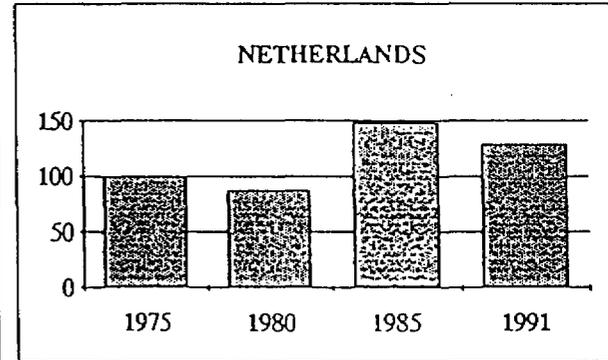
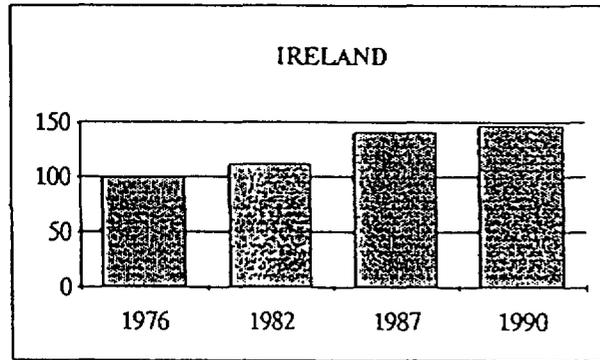
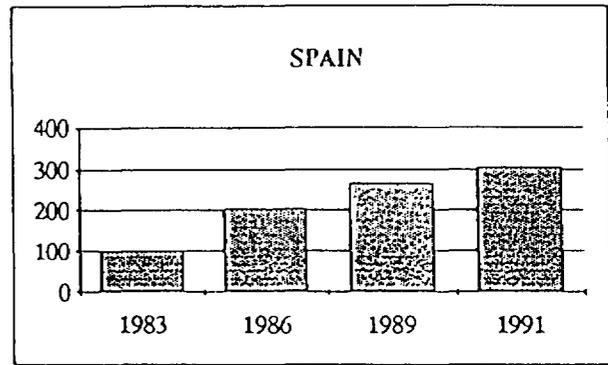
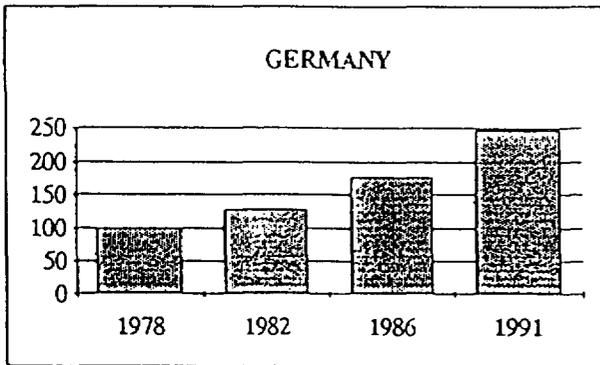
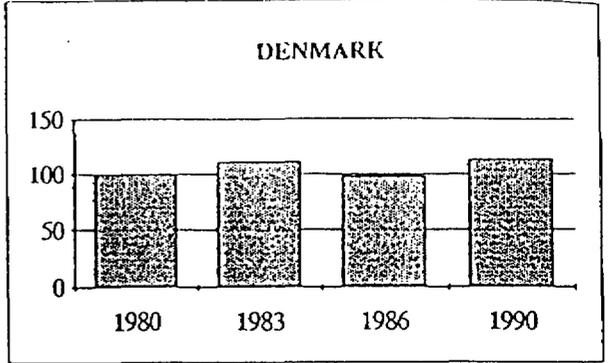
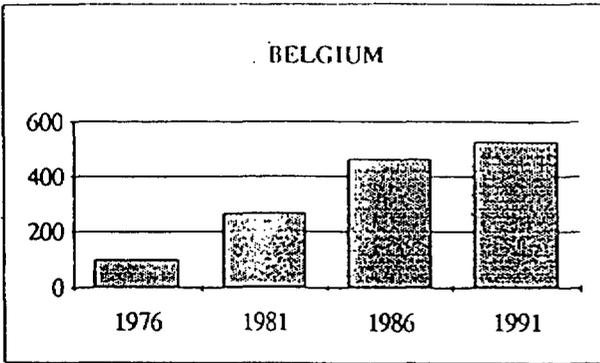
	Lone Mothers %	Lone Parents %
Belgium	8	10
Denmark	28	31
Germany	10	12
Greece	4	5
Spain	5	6
France	10	11
Ireland	8	9
Italy	5	7
Luxembourg	8	*
Netherlands	9	12
Portugal	8	10
UK	14	15
<hr/>		
Eur 12	9	11

Source: Eurostat: Labour Force Survey 1989: Special Analysis carried out by the EC Statistical Office

Notes: \* Lone parents who live in the household of others are not included. To that extent these figures underestimate the number of lone parents. On the other hand, they do not exclude all those who are cohabiting, nor some with a temporarily absent spouse (although the survey covers those who are normally resident in the household so that there should be few of the latter) and to that extent they overestimate the number of lone parents.

\* A star \* in the table indicates that the numbers in the sample were too small to be reliable. (In this table the figures for lone mothers and lone fathers were added together which is why there is no total for Luxembourg).

TRENDS IN ANNUAL NUMBERS OF RECIPIENTS OF MINIMUM BENEFITS



base: ... = 100 for the first year

## Notes to Figure

In some countries, there are several schemes of minimum benefits. Except where otherwise stated, this Figure concentrates upon those schemes which (a) are general, rather than being targetted on particular population groups; (b) are intended for normal maintenance expenses. The country notes give further explanation where appropriate.

Belgium: The data refer to recipients of the "Subsistence Income" (Minimex), which is a nationally guaranteed social assistance scheme. The figures do not include recipients of the Guaranteed Income for the Elderly (GIE). Nor do they include recipients of locally administered social assistance schemes.

Denmark: The data refer to families who are receiving locally administered social assistance, which is in general granted only to people who are not entitled to any other State benefit. The data are confined to those families who receive payments for normal maintenance; they do not include persons who received social assistance benefits intended for education and training (unless they also received normal maintenance assistance).

France: The Revenu Minimum d'Insertion is too recent to allow an analysis of trends.

Germany: Social Assistance refers to "Laufende Hilfe zum Lebensunterhalt", administered by local authorities. Figures refer to the number of recipients at the end of the year in question. "Recipients" refers to the number of persons in households which are receiving social assistance. The 1991 figures refer to the western Länder only.

Ireland: Social assistance here includes supplementary welfare allowances, family income supplement and rent allowance, along with a variety of schemes for particular groups, including unemployment assistance; non-contributory pensions for widows and orphans; assistance for deserted wives, unmarried mothers and prisoners' wives.

Italy: National data are unavailable because (apart from social pensions for the handicapped and the elderly poor), these minima are decided at the local level, both in terms of the amount paid and the rules of entitlement.

Luxembourg: Data for the numbers of recipients of the Revenu Minimum Garanti were available from 1987 onwards. These have not been included in the present report because it was not possible to present the trend over the same period as for the other countries.

Netherlands: Figures refer to the ABW benefit (General Social Assistance Scheme) and RWW benefit (Unemployment Assistance) combined. They do not include the elderly who are receiving minimum pensions.

Portugal: These data refer to beneficiaries of a variety of different social minimum benefits: the old age and invalidity minimum pensions of the contributory regime; the social pension (means-tested) of the non-contributory regime for elderly and invalid people; the social unemployment benefit, also means-tested, which was introduced in 1985.

Spain: Recipients of Assistance Pensions and Unemployment Assistance.

United Kingdom: Until 1988/89: Families in receipt of Supplementary Benefit of housing benefit supplement.. Until 1989/90: Families in receipt of Income Support. Changes in the social security system in 1988 mean that data for years before and after that date are not directly comparable. Data are for Great Britain (i.e. excluding Northern Ireland).

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