

10 Theses on the Future of Social Democracy in Europe

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If you want to keep ideas afloat in an ocean of media cynicism you must first build a secure platform. Without somewhere stable that gives theory time to mature into practice, good ideas, ideas that challenge the conventional wisdom, are likely to sink to the bottom, or worse, become part of a press feeding-frenzy. This is particularly true of progressive ideas. It is no exaggeration to say that, these days, messages of solidarity, hope, or a collective solution to individual problems, have a hard time keeping their heads above water. Media outlets, particularly in their conglomerated, »synergized« form, have little time for such notions of togetherness. What sells is the idea of the individual. The lodestones are choice, freedom, and unfettered competition, or shock-horror stories, which are freakish statistically as well as in factual detail, and then become magnified as a general threat.

Building the platform first is therefore essential. This also applies to the future of Social Democracy in Europe. Before we can begin to convince the millions of disillusioned or disenfranchised voters – and yes, they are in the millions – we need to create a viable platform that affords us the opportunity to put across the details of our message.

Therefore, in this outline of 10 theses on the future of Social Democracy in Europe, I wish to concentrate first of all (points 1–4) on how we can best build the platform, and secondly (points 6–10), on how we can then showcase the social democratic policies that we believe point the way to a positive future.

1. Engagement

In terms of its potential to represent and connect with people throughout Europe, no other political movement is as well positioned as the Party of European Socialists. The very history of social democracy and socialism is based on the concept of mass participation, increased transparency, and a fundamental belief in the principles of democracy.

And yet this position is not something that should ever be taken for granted. Currently, we are facing two major challenges to our status as the most representative political family.

First, there is a deep-seated malaise among the people of Europe with regard to representative politics in general. This sense of disillusionment is something that affects the left more than the right. The more people become disinclined to vote or participate in politics, the less representative politics becomes. Socialists and social democrats cannot hope to make electoral inroads with a model which yields only 50 percent or less of the electorate vote.

Recent elections that illustrated a major shift towards progressive politics showed a marked increase in the number of first-time and returning voters. Turnout is usually significantly higher than in preceding elections. Major examples include the 2008 US presidential election and the 1997 UK general election. Conversely, major right-wing shifts have occurred when voter turnout has drastically decreased. Recently, this was the case in Hungary (2010), the 2009 European elections in the UK and, most famously, the 2002 French presidential election.

Secondly, the manner by which we reach our natural political constituency, never mind the wider electorate in European member states, is in a state of flux. Traditional methods of mobilization and, indeed, dissemination of information for political campaigns are undergoing a radical transformation. The most significant element in this change is the combination of new tools of communication, social networking in particular, and an increasingly segmented audience. While traditional »geographical« mobilization of communities remains paramount, new »identity-« based communities are now central in any political campaign. Such communities, based on an identity of cause or profile, open up the possibility for a multi-layered approach by political parties. However, the transfer to identity politics has also led to a shift in how political messages are communicated. It is no longer one-way. Rather, newly »information-rich« voters must feel that they are truly being engaged. This obviously means being heard at the beginning of the process; namely, when the policy is being drafted.

This is why the PES is committed to making our 20,000 party activists an integral part of our European-wide movement. We have recognized that, in order to re-engage voters and introduce a sense of urgency to our European ideals, we need to have representatives in each local community. In the build-up to the 2014 European Parliament elections we

will make sure that our activists become a highly motivated, highly informed force to bring the campaign into people's lives.

Party members are vital for building a genuine European Party. We will provide more tools to enable them to get involved. As a consequence, we have decided to recognize their role in the PES statutes and create a »PES activists initiative« in order to build a true European activism, and be heard by PES bodies.

In addition, the PES, as part of its Progressive Society consultation, will establish an online community to allow policy debates, campaign ideas, and general political concerns to be shared across the continent.

2. Leadership »Living Our Values«

When looking at the disconnect between people and politics some blame so-called »professionalization.« They point to a new cadre of self-serving political operatives who are interested only in their career. Happily, this seems to be little more than a lazy stereotype. People are perfectly happy to note the professionalization of the legal sector, or indeed the medical sector: no one complains that doctors are »careerists« because they have dedicated themselves to their profession. People are happy that they have the required skills. The same should be true for professional politicians. The problem is not that politics has become more professional but rather that it is framed in largely negative terms. Media demands for pithy sound-bites and easy answers are endless. However, just because these demands are endless does not mean that they should be met. Political leaders should instill enthusiasm. Most importantly, this inspiration should come from the practical rather than the rhetorical.

Social democratic leaders have a responsibility with regard to how they conduct their lives. Privacy should of course be protected, but when espousing values, one should be prepared to live them. Voters are expert at separating genuine commitment from empty words. What kind of message does it give if, having served as head of party, or even government, the departing leader swaps representative politics for a life of consultancies and company directorships. Is it illegal? No. But is it inspiring? Certainly not.

This is why the PES has committed itself to a course of action that will produce a clear democratically elected candidate to front the European elections. Giving a face to a political platform is imperative in today's

politics, especially in such difficult elections as the European ones. To make this election relevant, citizens must know that their vote can shape the executive and change policies. We have therefore made a commitment to choose a PES candidate for the European Commission presidency for the next European elections. This candidate will be expected to inspire party activists but also, most importantly, potential voters.

3. Defining the Political Center of Gravity

In its most positive moments, Social Democracy has not only set the agenda, but also redefined public norms – public healthcare, state pensions, and reasonable working hours are just some examples. What start out as groundbreaking initiatives soon become accepted as the status quo. This is the result of political courage and the willingness to identify and define the standard. In recent years, however, there has been an over-preoccupation with the so-called »center ground.« Rather than positively define what is politically accepted, progressive parties have fallen prey to the temptation to second-guess what the mythical »floating or swing voters« want. Such reactive politics never ends well. It signals only that one lacks the courage of one's convictions. It is this sense of conviction that the PES wishes to introduce to European politics.

The political »center« is a constantly shifting concept and continually open to redefinition. Social Democrats must seize any available opportunity to conduct that definition. If we try to chase preconceived notions of »the center ground,« we will simply find ourselves on a conveyor belt moving ever rightwards.

Europe's right-wing has changed in a number of ways in the past decade. It has fragmented between traditional pro-European parties and eurosceptic and nationalist parties. They use Europe as a scapegoat and ignore the consequences of isolationist rhetoric. Many of these parties dress such negative policies up in social democratic language. Praise for women's rights, the welfare state, and calls for financial market reform are made hollow by the absence of long-term policies to back up the rhetoric.

At the same time, many right-wing parties use anti-immigration, anti-minority, or xenophobic rhetoric to extend their electoral appeal further. This plays on people's uncertainties and fears with inflammatory identity politics.

In our work with other democratic political parties we must be guided by our principles of equality, fairness, and respect for cultural, linguistic, ethnic or national minorities and apply the same standards at home and abroad. It is through this kind of conviction-based approach that we will establish a platform of credibility among voters. We must be prepared to speak out against injustice and intolerance where it exists and refuse to legitimize prejudice by remaining silent. We cannot let the political right define what is acceptable, particularly when they resort to tactics that play on vulnerable people's fears. It is not enough for us to say that these fears are irrational. We must build a solid base of policies that illustrate how a diverse culture and identity can enrich the lives of all citizens.

4. Europe Could Be So Much Better – Coordination, Not Isolation

One of the biggest »post-crisis« debates in the European Union centers on the level of economic governance. In simple terms, there seems to be a divide between those who see such governance in terms of supranational coordination and those who merely want to allow strong member states to be able to punish the weak. This debate on economic governance neatly encapsulates a wider European discussion – namely, whether we should have genuine coordination by the European Union as a single entity, or merely a managed series of steps by separate and disparate nation states.

The Party of European Socialists wishes to see increased coordination between its member parties on European issues. We have to deepen the collective work undertaken with and between our member parties in government and in opposition, as well as within and between our member organizations and with all relevant stakeholders.

The PES should not only be a platform for member parties and organizations to discuss European policies, but also the place where member parties come together to formulate the political vision, strategies, and policies for socialists, social democrats, and progressives across Europe. We will strengthen even further the cooperation between PES members with decision-making responsibilities in all EU institutions, notably with our governments, particularly when they hold the EU Presidency, with our Commissioners, and with our Members of the European Parliament and of the Committee of the Regions.

This kind of coordination will allow the PES not only to be seen as a genuinely European party, but will also help us to develop a detailed network of voices from the local level upwards. This will allow us to engage with and learn from activists as we prepare for the 2014 elections.

It will also be crucial to reinvigorate our cooperation with stakeholders, such as our partners in the trade union movement and all spheres of civil society on a regular and coordinated basis.

5. Let's Get Europe Working Again

One of the most shocking aspects of the current crisis is how quickly blame for the financial crisis was transferred from the *reality* of bad banks and investment houses, to the *myth* of public sector overspends. The simple fact is that without public sector bail-outs the situation would have been immeasurably worse. How quickly those »market-first« advocates, who are now clamoring for drastic cuts in public spending, seem to have forgotten this. Instead, the public purse has been left holding not just the bill, but also the blame. The pressures now being brought to bear on public budgets and, by extension, on the European Social Model, are unprecedented.

Unfortunately, those who have most to lose from these cuts are those whose voices are weakest. The disadvantaged and the socially excluded are left counting the cost of being unwilling creditors for the so-called titans of finance. This situation is unacceptable.

It is for this reason that the Party of European Socialists is calling for a policy foundation that will reinforce the European Social Model. We need to ensure that ordinary people are not the long-term victims of financial sector profligacy and incompetence. In short, what Europe needs is a Social and Employment Progress Pact.

As a first priority, new jobs must be identified as quickly as possible. Despite the crisis, millions of new jobs can be created in new sectors, such as green technologies or health care, if the European economy is re-structured with the support of active economic, labor, and social policies. This requires that both public and private investment be redirected to labor-intensive sectors using European and national programs for job creation. At the same time, we have to re-skill our workers for the jobs of the future. Europe should never attempt to compete with emerging economies on the basis of low labor costs. It should, on the contrary,

base its competitiveness on high skills, effectiveness, productivity, and innovation in a knowledge-driven economy.

To avoid mass unemployment, it is vital that governments implement fast and effective measures to maintain viable jobs. Employers should be discouraged from resorting to lay-offs. Active labor market policies must also be stepped up to swiftly reintegrate recently laid-off workers and the long-term unemployed into the labor market.

6. Gender Equality

It should be clear that inequalities in the ways in which men and women are treated in society continue to have deeply negative consequences for the economy, social justice, and democracy. Women still earn, on average, 17.4 percent less than men for doing the same work. They are much more likely to be unemployed, discouraged from entering the labor market by the lack of decent jobs, or in lower-paid, low-quality, or part-time jobs. The financial and economic crisis and particularly the ill-thought out austerity measures are having a severe impact on women in the public sector, who account for 68 percent of employment there.

The PES and member parties have shown that those European countries which have done most to increase women's rights and opportunities are among the leading sustainable societies in Europe with the highest proportion of women in the workforce *and* the highest birth rates.

Therefore, we believe that gender issues should be mainstreamed throughout all EU policies and instruments, including national and European economic recovery plans. It is urgent for the EU to adopt a European Women's Rights Charter to improve women's rights and opportunities and promote mechanisms to achieve gender equality in all aspects of social, economic, and political life.

The PES recognizes, unlike our political opponents, that genuine advances in gender equality can be achieved only through a sensible combination of public policies. For example, improving paid and shared parental leave rights and pre-school child care and education would benefit labor market participation and economic performance, reduce poverty – thereby alleviating welfare burdens – as well as improve the life chances of children.

7. Green Growth

We, as Europe's socialists, social democrats and progressives, will continue to take the lead in the fight against global warming. We will act to further position our political family as the leading force for a progressive and ambitious climate policy on the European, as well as the international level.

The PES believes that the minimum target should be a 30-percent reduction in greenhouse gas emissions by 2020 and 80–95 percent by 2050, in addition to binding mid-term targets. Global, binding emissions reduction targets are needed for aviation, maritime traffic, and agriculture. Vulnerable developing countries should be supported to adapt to the consequences of climate change through capacity-building, transfer of knowledge and financing. The mechanisms and financing means must be established, including a global carbon trading system and an adequately resourced global climate fund for mitigation and adaptation across developing countries. Funding for climate change adaptation should be additional to development aid. Innovative financing instruments must be elaborated to meet the scale of investment needs.

The fight against climate change – such as by radically stepping up energy efficiency and the promotion of renewable energy sources – will also serve Europe's energy security by lowering our dependence on external energy sources. Investments in public infrastructure and the expansion of cross-border networks is a precondition for a successful new European energy and climate policy. We believe the EU and its Member States should consider the introduction of a specific Green Bond initiative at national level and possibly also at the European level. The PES supports the principle of environmental taxation that is socially just, bringing about necessary and profound changes in our living and transportation patterns.

8. European Social Democracy in a Globalized World

Europe's welfare states have been fundamental in protecting people from the harshest effects of the financial and economic crisis. But there are now far higher pressures – resulting from mass unemployment and an ageing population – in a context of tighter financial resources. The risk of permanent social divisions and inequalities has grown due to the

crisis. The conservative »austerity-only« response seems set to further exacerbate these divisions.

Rather than accept this attempt to undermine the welfare state, the PES demands needs-based social welfare benefits for all those who are retired, unemployed, or unable to work in all European countries, to guarantee a life of dignity. We propose to include a social progress clause in every piece of European legislation, and to take into account social and environmental impact assessments when developing European legislation. We propose a European pact on wages, guaranteeing equal pay for equal work and setting out the need for decent minimum wages in all EU member states, agreed either by law or through collective bargaining and applying both to citizens and migrant workers.

Employee participation at European and global level is a key issue for the future – a vital element of a more social Europe and a precondition for decent work. The EU should guarantee the primacy of labor law – including collective agreements and workers' rights, such as equal pay for equal work – over against Single Market rules.

The Europe-wide program »New Skills for New Jobs« should ensure a massive re-skilling for new jobs. Schemes should be implemented to enable employers to avoid job cuts, such as through the intelligent combination of working time with training programs.

It is also essential that European business and competition rules must not conflict with our ability to deliver public services. Therefore, we believe a European legal framework for strong public services is essential, guaranteeing universal and equal access for citizens, quality, local autonomy and transparency in public services, irrespective of users' language competences, maintaining their integrity as defined at national level, so that European competition and business rules do not run counter to citizens' rights.

9. Fixing Finance

As we are all painfully aware, one of the harshest economic crises in history hit the EU in September 2008. There can be no lasting recovery or new growth model without fundamental reform of the financial markets. The principal objectives of such reform should be to prevent future financial crises. Robust regulation and supervision must have two goals: to make financial markets serve the real economy and to ensure

financial stability. Banks have to get back to basics, serving people and businesses. The shadow banking system must operate according to the same principles and system of regulation.

In response, the Party of European Socialists says it is not up to the citizens to pay for the reckless behavior of financial actors. We cannot accept that seven million citizens lose their jobs because of financial speculators. The ones that caused this crisis must be made responsible. It is for this reason that we are calling for a Financial Transaction Tax.¹ A tax of 0.05 percent applied to every speculative financial transaction in Europe would generate up to 200 billion euros each year, which could help to minimize the effects of the economic crisis and prevent future crises.

Conservatives and Liberals have only just begun to speak the language of financial regulation in the past year. Their proposals are piecemeal; their commitment to fundamental reform is unconvincing. We must act decisively to overcome resistance to regulation.

10. Establish the Platform and Grow the Ideas

The Social Democratic idea is alive and well in Europe. In many cases, it has become a victim of its own success, with the main elements – such as fairness, quality public services, equality and progressive taxation – all universally accepted. However, it is a constant battle to adapt these constant values within the framework of a constantly shifting society.

The Social Democratic »ideas platform« will be built on:

- ▶ the engagement of our activists and, by extension, the electorate;
- ▶ leaders who are prepared to assert their values by living them;
- ▶ a renewed sense of political courage to define the political ground; and
- ▶ coordination of efforts across the continent to establish the PES as a truly European party.

Social Democratic values and ideas are based, and will continue to be based, on quality job creation, adapting to environmental needs, genuine gender equality, respect for the welfare state, and a commitment to fundamental reform of the financial sector so that it benefits the real economy.

1. For more information, see <http://www.pes.org/en/financial-transaction-tax/pes-european-day-of-action>.