

LABOUR AND SOCIAL JUSTICE

# SOCIAL RIGHTS ARE FUNDAMENTAL

Expanding the Social Dimension of Enlargement

**Felix Henkel and Mirna Jusić**  
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Expanding the Social Dimension of Enlargement

The countries of the Western Balkans (WB) are facing enormous social challenges, including poverty and inequality, widespread joblessness and precarious employment, as well as a poor quality of crucial services. Clientelism in and beyond the state sector directs resources away from important social reforms. Informal practices are common as people look for solutions outside of institutional channels. Such conditions provide dire prospects for the people living in the region, feeding distrust in institutions and dissatisfaction with democracy and making large shares of the population ›vote with their feet‹. The political discourse in the countries, meanwhile, continues to be saturated with the legacies of the violent 1990s, distracting from the actual challenges people face in their daily lives. Ultimately, this state of affairs is undermining the democratic transformation of the WB countries.

**EU integration should not only be about institutional and economic transformation, but also social convergence.** Recognising the severity of social challenges in the region, the European Commission's 2018 Western Balkans Strategy<sup>1</sup> announced ›a new reinforced social dimension‹ to the enlargement process. A study published by the Friedrich-Ebert-Stiftung in November 2019 finds, however, that social affairs remain side-lined in the accession process and substantial commitments by governments in the fields of education, employment, social protection and healthcare have not yet materialised.<sup>2</sup> In its Western Balkans Strategy Paper of February 2020, the Commission commits to ›foster(ing) [...] economic growth and social convergence‹.<sup>3</sup> Yet to effect social change, further paradigmatic shift is needed in enlargement policy: **people need to be placed at the heart of the process.** This document provides recommendations on how to achieve such a shift.

**Social rights are fundamental rights and ›fundamentals should come first.‹** The European Pillar of Social Rights (EPSR) is a core component of the EU's new strategic agenda, and its twenty principles should be a central frame of reference for enlargement policy. The EU Charter of Fundamental Rights promotes social rights as fundamental rights. Enlargement policy, with its ›fundamentals first‹ approach should feature social rights and the governance of the social sector more prominently. Hence, in the course of *acquis* negotiations, the ›social fundamentals‹, such as the rights to social security and social assistance, to health care, fair and just working conditions, to collective bargaining and action as well as to environmental protection should be front-loaded together with Chapters 23 and 24.

→ *The social situation in the region is dire and fuels discontent; at the same time, it is not reflected in political discourse nor addressed by reforms. Ultimately, this undermines the democratic transformation of the WB countries.*

→ *EU integration should also be about social convergence. The social dimension of enlargement policy has not yet materialised, and further paradigmatic shift is needed: people need to be placed at the heart of the process.*

→ *Social rights are fundamental and should be front-loaded in negotiations. The EPSR should be a crucial point of reference for enlargement policy.*

<sup>1</sup> European Commission, A credible enlargement perspective for and enhanced EU engagement with the Western Balkans, COM(2018) 65 final, Strasbourg, 6 February 2018, p. 13.

<sup>2</sup> Mirna Jusić and Nikolina Obradović, Enlargement Policy and Social Change in the Western Balkans (Sarajevo: Friedrich-Ebert Stiftung, 2019).

<sup>3</sup> European Commission, Enhancing the accession process – A credible perspective for the Western Balkans, COM(2020) 57 final, Brussels, 5 February 2020, p. 2.

**The »enlargement toolbox« should include more incentives for governments of the region to pursue strategic social reform.**

The various instruments the EU is deploying in the region, including accession negotiations, the formulation and implementation of Economic Reform Programmes (ERPs), Instrument of Pre-Accession (IPA) strategic planning and support, the annual enlargement package, regional cooperation, as well as mechanisms for policy exchange and learning, should mutually reinforce each other. As sectoral integration increases, it is critical that both negotiating and non-negotiating countries participate equally. Specifically, the following measures could be undertaken:

- **Allocate substantial funds towards strategic social reform in all WB countries.** IPA III (2021–2027) funds should be designated for strategic and comprehensive reform projects in the social realm. To conform with the principles of the EPSR, IPA III should be planned in such a way that a wide set of social challenges are being addressed across the region. The EU may also extend countries' access to various funding facilities under the future European Social Fund Plus (ESF+). In line with the proposal to strengthen socio-economic integration, the EU should seek to spark off open and multi-stakeholder debates in all WB societies on how structural funds might be employed effectively to curb demographic challenges, inequality, poverty and brain drain. In any pilot programmes, strategies for evaluation and scaling up, where appropriate, should be stated clearly.
- **Promote strategic structural social reform through ERPs.** The Western Balkans Strategy of February 2020 makes the ERPs a top priority by linking them to the negotiations on the fundamentals.<sup>4</sup> Accordingly, structural social reforms articulated by WB governments in their annual ERPs should be more ambitious and address a broader range of social challenges in the education, employment, healthcare, and social protection sectors, such as unequal access to and poor quality of education and healthcare services, poor working conditions and workers' rights violations, narrow and ineffective employment strategies, and inadequate social benefits and underdeveloped social services. Commission assessments and bilateral consultations on reform priorities should encourage national authorities to implement strategic reforms in line with the jointly agreed upon ERP policy guidance as well as national and regional strategies and targets.
- **Make policy development more accountable and inclusive.** Analogous to the increased commitment to social rights within the European Semester, the ERP process should include monitoring of the countries' compliance with social rights in line with the EPSR, utilising the Social Scoreboard and, to the extent possible, the methodology applied to identify trends and compare the

→ *More strategic reform is needed, instruments in the enlargement toolbox should mutually reinforce each other. Countries should be able to participate regardless of their negotiation status.*

→ *IPA III social funding and future ESF+ facilities should be increased and designated to strategic reform projects in all WB countries. The prospect of accessing additional funds should go hand in hand with national debates on social reform initiatives.*

→ *Governments should articulate more ambitious reform proposals in their annual ERPs.*

→ *Reporting on and compliance with social rights in line with the EPSR should be increased, applying the Social Scoreboard. By making sectoral dialogues more inclusive, the sustainability of reforms could be enhanced.*

<sup>4</sup> Ibid, p. 3.

performance of EU Member States.<sup>5</sup> It should also include detailed reporting by governments on progress made in the social realm. Countries' adherence to social rights should also feature more prominently in the yearly enlargement package. Sectoral dialogues between EU institutions and WB governments should be broadened to include a wide variety of actors (different levels of government, service providers and users, social partners, non-governmental organisations, academia, and the wider public). Involving grassroots actors more would not only facilitate participation and encourage knowledge-sharing, but also safeguard the sustainability of reforms.

- **Invest in capacities for policy-making.** Given the challenges of evidence-based policy-making that countries face, investing in social statistics and building administrative capacity should be a top priority for the next round of IPA financing. Increased strategic planning support and sectoral know-how tailored to the specific situation in each country should reinforce the ongoing alignment of national legislation with the *acquis* in all WB countries. Moreover, the participation of WB countries in various EU-level processes that foster policy learning in the social realm should be secured. Representatives of governments from candidate countries are already participating in some of them, such as the working groups as part of the European cooperation in education and training (ET 2020), but this could be extended to all WB countries and to other areas, such as employment affairs and social protection, and could include other stakeholders, such as social partners. Representatives of social partners from the region should also be invited to observe EU-level processes of tripartite social dialogue.
- **Intensify regional cooperation on common social policy targets and mutual learning.** Policy learning should also be fostered on the regional level, building upon mechanisms such as the EU-WB Ministerial meeting on employment and social affairs, the WB Platform on Education and Training or the Education Reform Initiative of South Eastern Europe. Projects such as the Economic and Social Affairs Platform, which focuses on employment, working conditions, and social dialogue, could inform initiatives in other realms, including education, healthcare, and social policy. Regional cooperation should also include setting common targets in the realms of social protection, employment, healthcare and education<sup>6</sup>, emulating a regional Open Method of Coordination (OMC) and complementing the ERP process. Regional coordination should also ex-

→ *Social statistics and administrative capacity-building should be made a priority. More opportunities for policy learning and cross-sectoral integration should be created, including for social partners.*

→ *Expanding existing mechanisms could induce more regional coordination and mutual learning. Common social policy targets could be introduced through additional open methods of coordination.*

<sup>5</sup> See, for instance, European Commission, Annexes to the Proposal for a Joint Employment Report from the Commission and the Council accompanying the Communication from the Commission on the Annual Sustainable Growth Strategy 2020, COM(2019) 653 final, Brussels, 17 December 2019.

<sup>6</sup> Future-Oriented Welfare State Policies in the Western Balkans: Open Coordination in Education, Social Protection and Social Inclusion (Belgrade: The Future of the Welfare State Initiative, 2019).

plore options for the portability of social benefits and services. Similarly, synergy could be achieved between regional and bilateral social sector IPA support. Jointly agreed-upon social targets should be included in a prospective, post-2020 strategy for the region, and regularly monitored.

For enlargement policy to contribute to social convergence, a **new paradigm** is needed, one highlighting **social rights as the fundamental pillar** upon which all sustainable changes rest. **Social issues** should accordingly be prioritised and **front-loaded in negotiations, mainstreaming the EPSR principles**. Existing instruments should be better aligned, and new tools added, including on the regional level. The ultimate objective of legislative alignment, policy learning, regional targets, and sectoral integration should be to **encourage governments to take on more ambitious, strategic social reforms**.

→ *Social rights need to be highlighted, social issues front-loaded in enlargement policy. Existing tools should be better aligned, and new tools added, including on the regional level. The ultimate objective should be to encourage WB authorities to take on strategic social reforms.*

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