

„Tackling Poverty and Inequality in Europe“

On the 11th of July 2013, a panel discussion with Dirk Heilmann, Dagmar Schulze Heuling and Raymond Maes, moderated by Detlef Fechtner, took place. The topic focused on the recently published poverty reports of the European Commission and the Federal Republic of Germany.

The Fourth Report on Poverty and Wealth published in March 2013 by the German Federal Ministry of Labour and Social Affairs and the Report on Employment and Social Developments in Europe published by the European Commission caused a controversial debate in Germany.

Dagmar Schulze Heuling, Research Associate at the Otto-Suhr-Institute of the Freie Universität Berlin, explained that poverty and inequality must be viewed separately. “Inequality is natural”, so Schulze Heuling. It describes the situation of having less than somebody else, but not having too little to support your needs. Poverty is a problem that can and has to be targeted. Therefore Schulze Heuling claims for actions of the European Union.

For Raymond Maes, Member of the Cabinet László Andor, European Commissioner for Employment, Social Affairs and Inclusion, it was in general difficult to define social exclusion, but he also acknowledged a growing inequality in the European Union. Nevertheless one

would have to distinguish between poverty in general and in comparison to other people, he mentioned.

Dirk Heilmann, Chief Economist at Handelsblatt GmbH, criticised the role of the media. Its reporting would make the people worry about their situation. If asked directly, if people feel poor, only about 5% of the population would profess so, said Heilmann.

In Schulze Heuling’s opinion the main reason for this debate is that the Report on Poverty & Wealth would be misleading. Despite all data provided in the report the concepts would not be defined, thus a clear overview of the current situation would not be possible.

“We need to look at the specific groups”, so Maes. “There are groups which are more at risk of poverty than others. The youth, young adults or single mothers are particularly exposed to the risk of poverty.” Maes argued that there would be a need to have certain indicators to decide who would be more at risk of poverty and who would be able to react and help.

Therefore Heilmann claims for improving their situation and the circumstances of their environment. Especially problems of child care and getting jobs after dropping out of school have to be solved. The impetus to change the own situation to get into the labour market will be essential. “This is the core target we are working for and

Konrad-Adenauer-Stiftung e.V.

BELGIEN

SENTA ILLING

Juli 2013

www.kas.de/bruessel

therefore we need this debate", stated Heilmann.

Furthermore he criticised the German welfare system. It would help people to pay for their needs, but it would not make them more equal or encourage them sufficiently to take care of their own lives.

In his opinion the discussion about how to best tackle poverty and inequality in Europe is necessary but society would also need to accept that this will take time. Countries need to be given time to reform their social systems. To simply put more money in these systems would be wrong, so Heilmann. It would not solve the structural problems and also not create more jobs.

Also Maes argued that more money should not be injected into the welfare system. It would be more important to develop a more effective and efficient system. Moreover, the labour market itself would have to be open to participation. Especially for poverty passed on from generation to generation, there would be the need to find a solution, so Maes.

Schulze Heuling explained that deregulations on EU-level showed good impact already.

Maes responded that, "Solidarity is the key." In his point of view solidarity in the EU and among the member states is essential to face the growing inequality.

"We cannot lose faith but must focus on free individuals", Schulze Heuling concluded. Furthermore there would be "the need to concentrate more on granting fair chances", emphasized Heilmann.

To find a strategy for tackling poverty and inequality in Europe

should be one of our most important goals, the experts agree. But to achieve this, changes of the social systems will be necessary.