

Adjust Europe to the Common Good

Common Action 2019 of Justice and Peace Europe in view of the European elections 2019

Justice and Peace Europe reads the signs of the times in the light of the Catholic Social teaching. It puts a focus on European politics and institutions with the firm intention to support all initiatives for an understanding of the common good, which promote greater social justice, fortify peace and stability in Europe and the world, protect God's creation and reinforce the universal respect for human rights. In accordance with its mission Justice and Peace Europe offers the following reflection and proposals as its annual concerted action 2019 to all Europeans - be they Christian, of another religion or non-religious - in view of the forthcoming elections to the European Parliament from 23 – 26 May 2019:

Establishing a Social Market Economy - a key task for the European Parliament

The members of the next European Parliament will co-legislate with the Council of Ministers on proposals emanating from the European Commission. Most of the lawmaking process and the most relevant rules for European citizens, whether they live in a country belonging to the European Union or in another European country, relate to the functioning of the single market. Based on the principle of free movement of goods, capital, services and people the single market - as established by the European Treaties lies at the foundation of the largest market economy in the world. It has contributed to an enormous increase in the material well being within Europe over the past decades. However, a free market economy also needs clear rules as well as an infrastructure for its governance in view of the common good of citizens and to be provided by states. Otherwise unwanted consequences multiply. This needs to be addressed through oversight and regulation by the legitimate political authorities. Therefore the Treaty of the European Union calls for the establishment of a social market economy and requests from its institutions to promote social, economic and territorial cohesion. The values promoted in article 2 of the Treaty of the European Union serve as an orientation for the members of the next European Parliament to amend and correct unwanted effects in the Single market.¹

Four issues and four priorities that the next European Parliament should take into account

Justice and Peace Europe has identified four issues, where the single market is not functioning well from the perspective of the values and principles of the European Union

¹ Article 2 of the Treaty of the European Union reads as follows: « The Union is founded on the values of respect for human dignity, freedom, democracy, equality, the rule of law and respect for human rights, including the rights of persons belonging to minorities. These values are common to the Member States in a society in which pluralism, non-discrimination, tolerance, justice, solidarity and equality between women and men prevail. »

as well as the social teaching of the Church.² The next European Parliament should address these issues vigorously. Obviously they are not the only issues but they illustrate very well our concern insofar as they constitute violations of the principles of

- social justice because the current <u>unfair distribution of opportunities and wealth</u>, <u>but also poverty and social exclusion</u> within the territory of the single market and among regions leads to negative and vital demographic, cultural and social consequences,
- 2. care for the natural environment (creation) because <u>an unacceptable high level of food waste,</u> which points to the predominance of a model of production and consumption opposed to the virtue of temperance and harmful to the environment,
- 3. global *peace* because of multiple <u>arms exports</u> to areas of war and armed conflict which are contrary to an existing agreement among member states
- 4. respect for human rights because some <u>European companies</u> and especially very big ones based within the territory of the single market operate all over the world in ways and manners that may constitute <u>human rights violations</u>.

Ad 1. Regional disparities and migration within the EU: the need for a new and comprehensive European Regional Development Policy

In 2017 average hourly labour costs in the EU ranged from 4,90€ in Bulgaria to 42,50€ in Denmark. A vigorous process of convergence, which could be observed before the financial crisis from 2008 – 2009 has slowed down in the meantime. Regional disparities are to a certain extent unavoidable in the single market but the current differential is of such an order of importance that many Europeans decide to leave their region or country of origin and migrate to places with better jobs and opportunities. Over the past 25 years Bulgaria for example has in fact lost 10% of its population and often those who leave are the most qualified and belong to the younger generation. In other countries the situation is similar and in nearly all member states one can observe an exodus from rural and underdeveloped areas. The depopulation of vast parts of the European Union and impoverishment of those who stay behind are negative side effects of the Single market, which must not be tolerated.

Instead a social market economy and the principle of territorial cohesion require the design of a new and comprehensive European regional development policy, which builds on and tries to improve existing regional policies instead of undermining them. The next European Parliament should declare this a matter of priority because the high level of distrust in European institutions, including the European Parliament, results at least partly from their perceived or real inefficiency in the face of growing social and territorial disparities within the EU.

Ad 2. Food waste – a model of production and consumption that urgently needs correction

 $^{^2}$ Because of bilateral agreements or their ongoing adhesion procedure European countries outside of the European Union are also affected by the dysfunctioning of the single market.

The enormous food waste in developed countries is a scandalous illustration of the negative side effects of the prevailing modes of production and consumption. Pope Francis has repeatedly referred to this scandal. It puts severe stress on our ecosystems and is all the more worrying since millions of people globally suffer from hunger. Target 12.3 of the UN's Sustainable Development Goals (SDGs) calls for halving food waste at the retail and consumption level. In the EU the amount of food waste is estimated at 88 million tons per year, which is more than one fifth of the production. At such levels a drastic change is necessary. It constitutes a complex challenge for the whole food system, including consumer behaviour.

In August 2016, the European Commission established an EU Platform on Food Losses and Food Waste and in 2017 it published EU guidelines to facilitate food donation. In spring 2018 the European Parliament and the Council of Ministers adopted a revised EU waste directive which calls on Member States to reduce food waste at each stage of the food supply chain and to better monitor food waste levels. More needs to be done and the next European Parliament should push the other European institutions in order to make significant progress in the reduction of food waste, e.g. by correcting its guidelines for "use-by" and "best before" dates, which account for an estimated 10% of food waste. Member states and European institutions, including the European Parliament will have to work together to establish uniform methods and classification systems to quantify food waste at each stage in the food supply chain. On the basis of a unified and agreed methodology to measure food waste the next European Parliament should ask for the introduction of an obligatory food waste reduction target at the EU level. The introduction of a Good Samaritan law at European level, which would offer a better legal protection for food donors when offering reasonable support to people in need, could also be a positive step. Nevertheless the most important issue is a change in awareness and mentality among all actors. Members of the European Parliament are public figures and role models and should therefore act accordingly. It is self evident that we also see need for improvement in the consumption patterns of the Church in general and of ourselves, as individuals and families.

Ad 3. Promoting peace in the world and curbing irregular EU arms exports

In the last years weapons produced in the European single market have been used in many wars and armed conflicts. The EU is the second largest exporter of weapons in the world. In 2017 the EU 28 countries had a share of $24\%^3$ of total weapon exports after the USA (57%) and before Russia (9,5%) according to the Stockholm International Peace Research Institute (SIPRI). Whilst the overall exports of weapons from the EU increased by 10% in the period 2013-2017 as compared to 2008-2012, the exports to the Middle East increased by 103% during this period. It is sad to acknowledge that European weapons factories have been among the most important weapon providers to the region. Preserving peace and promoting human rights, democracy and the rule of law were the most important reasons why countries in Europe started to cooperate after World War II, and these are also the most important values, which the EU is supposed to promote in its external policies according to the Treaty on European Union (Art. 21). In order to

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³ Germany, France and the United Kingdom export two thirds of all EU arms exports.

prevent conflict and to strengthen international security the EU set up already in 1998 a Code of Conduct on arms exports. In 2008 it was further developed and renamed "EU Council Common Position on arms exports". It clarifies under which circumstances EU member states shall deny companies licenses to export weapons. Thus, no weapons may be delivered to countries involved in wars and conflicts, neither to countries that commit serious human rights violations, or to countries where the risk of transferring the weapons to areas of crisis or conflict is high, neither to countries which support terrorist organizations, or to countries where the high costs of defence equipment would seriously affect the country's own development perspectives. However, in their practices of issuing export licenses to arms exporting companies EU member states have frequently violated these rules as the European Parliament recalled it in November 2018. In its resolution the European Parliament has asked for the introduction of a mechanism to sanction those Member States, which do not comply with the Common Position. In a prayer video in June 2017 and on many other occasions Pope Francis has asked for prayers for "national leaders that they may firmly commit themselves to ending the arms trade which victimizes so many innocent people."

Justice and Peace Europe expects members of the next European Parliament to fully support the Common Position of the EU on arms exports, and to actively promote adequate measures, which ensure that it is fully acknowledged and implemented by European member states. An effective system of sanctions should be established in case member states violate the rules. The next European Parliament should also support EU initiatives to promote diplomatic solutions for conflicts and to help countries to overcome development problems with fair trade rules and with well-targeted and jointly developed partnership programs.

Ad 4. Respect for Human Rights and a legally binding instrument for multinational companies

Transnational corporations have accomplished their expansion to every country in the world because of globalisation and the current concept of economic development. The GDP of some states has become smaller than the turnover of the biggest multinationals and they experience situations, where they become vulnerable to them: corruption; fear of being left out of the economic system and the global value chain; political imposition of selfish elites. Multinationals intervene at the highest levels of politics in order to gain access and exploit natural resources, to obtain special tax rulings, to take undue advantage of public infrastructures programs and to achieve impunity in cases of human rights violations.

Pope Francis as well as his predecessors has repeatedly invited multinational companies to be attentive to the respect for human rights in all their activities. Today it appears necessary to dedicate public resources to the creation of entities for controlling, monitoring and penalising the transnational corporations. These entities would periodically study the compliance of corporate obligations with respect to the United Nations Guiding Principles for Business and Human Rights and the corresponding binding due diligence rules. The next European Parliament could take an initiative to establish such an entity for the monitoring of multinational companies whose home market is the Single Market. The next European Parliament should also continue to

promote an active and constructive engagement of the European Union - on the basis of a negotiation mandate by the Council of Ministers - with the open-ended Intergovernmental Working Group on transnational corporations and other business enterprises with respect to human rights.