

ELF Study 8

# Opportunities for All

Solutions for Liberals  
to Own the Social and  
Human Rights Agenda  
Again

Edited by  
**Dr Maria Alesina**



ELF Study 8

# **Opportunities for All**

Solutions for  
Liberals to Own  
the Social and  
Human Rights  
Agenda Again

Edited by  
**Dr Maria Alesina**



Published by the European Liberal Forum. Co-funded by the European Parliament.

The views expressed herein are those of the authors alone. These views do not necessarily reflect those of the European Parliament or the European Liberal Forum.

The European Liberal Forum (ELF) is the official political foundation of the European Liberal Party, the ALDE Party. Together with 56 member organisations, we work all over Europe to bring new ideas into the political debate, to provide a platform for discussion, and to empower citizens to make their voices heard. Our work is guided by liberal ideals and a belief in the principle of freedom. We stand for a future-oriented Europe that offers opportunities for every citizen. ELF is engaged on all political levels, from the local to the European. We bring together a diverse network of national foundations, think tanks and other experts. In this role, our forum serves as a space for an open and informed exchange of views between a wide range of different EU stakeholders.

© European Liberal Forum, 2024

Page layout: Cheshire Typesetting Ltd, Cuddington, Cheshire  
Editor: Dr Maria Alesina  
ISBN: 978-2-39067-066-7  
ISSN (print): 2791-3880  
ISSN (online): 2791-3899

ELF has no responsibility for the persistence or accuracy of URLs for external or third-party internet websites referred to in this publication and does not guarantee that any content on such websites is, or will remain, accurate or appropriate.

# Contents

## **Foreword** • iv

*MEP Brigitte van den Berg*

## SECTION 1

### **Economic Turmoil and Labour Concerns**

#### **Navigating the Nuances of Economic Inequality: Beyond Polarisation and Sensationalism** • 3

*Anna Shnaidman*

#### **How to Deal with a Cost-of-Living Crisis: Liberal Lessons from the Energy Shock of 2022–2023** • 9

*Lukas Sustala*

#### **ChatGPT and the Labour Market in the EU: Perspectives on Employability from Young Europeans** • 13

*Dejan Ravšelj and Aleksander Aristovnik*

#### **Fostering European Employee Ownership: Policy Recommendations for European Institutions** • 19

*Sven Pungartnik Rauter and David Ellerman*

## SECTION 2

### **Quality of Life: Addressing Emerging Concerns**

#### **EU Watch Your Steps: Liberal Answers to the Housing Problem** • 27

*Meta van der Starren*

#### **Filling the Gap: Why the EU Needs a Social Services Plan** • 33

*Alfonso Lara Montero*

#### **Healthcare within Social Security Systems: Preserving European Welfare States through Affordable Access to Treatment** • 39

*Benedetta Baldini*

#### **Building a Fair and Sustainable Europe: The Crucial Role of the European Parliament in the Effective Implementation of the Child Guarantee** • 45

*Enrico Tormen*

## SECTION 3

### **Human and Citizens Rights: Safeguarding and Defending**

#### **Exploring Europe's Digital Future: What Does a Safe and Private Internet Look Like?** • 53

*Ella Jakubowska*

#### **Women's Safety in Cyberspace: An EU-Level Approach to Gender-Based Exclusion and Violence** • 59

*Ilakha Hakhramanova*

#### **Russia's Forcible Transfer of Ukrainian Children: Policy Options for the EU** • 67

*Emily Prey*

#### **Human Rights Defender Visas: The EU's Key to Promoting Democracy** • 73

*Olga Nemanazhyna and Zoe Dahl*

# Foreword

---

Brigitte van den Berg

Member of the European Parliament

Renew Europe Group

In the past decade, constant change has become a defining feature of Europeans' lives. The world is changing quickly and chaotically, and it is often citizens who bear the weight of the ongoing transformations – economic, societal, political, technological, environmental. Amid global shifts, disparities and inequalities of various types – socio-economic, age- and gender-related, geographical, and other – become more complex and pronounced. Furthermore, the rise of illiberalism and authoritarian tendencies inside and around the EU put at risk the fundamentals of the European way of life: respect for human and citizens' rights.

Change brings new opportunities and development; however, it also brings uncertainties and instability. As uncertainty grows, social policy acquires renewed relevance. From a liberal point of view, it is crucial to invest in the flourishing of the individual, to ensure that personal development takes place in such a way that rapid change in a society presents opportunities for all its members. It is critical to understand citizens' perspective and to work with those who are concerned about a policy – to think not only *for* citizens, but also *with* citizens, and to walk a mile in their shoes. It is thus important to ensure that change is driven by the perspective of those affected.

One of the most significant changes that Europe is undergoing is the green transition. Many new sustainability-related policies and initiatives are being implemented throughout the EU, including my own region (Beverwijk, the Netherlands), whose economy has historically relied on a major steel mill. While a more sustainable EU is indispensable for a greener world, it is also important to note that these developments affect people's lives unequally. For instance, new industries such as offshore wind do not necessarily consider the interests of those working in the traditional steel sector, while

much-needed housing projects are facing delays related to sustainability requirements. The change also affects citizens' everyday lives, for example driving their decision to invest in heat pumps, which are necessary for the green transition yet very costly on an individual level.

This strengthens the division of citizens into two groups: the 'somewheres' – those who find comfort in the status quo – and the 'anywheres' – those who seem more comfortable with change and fluidity. As the two groups value different developments, it is important to ensure that both groups benefit from ongoing transitions. Otherwise, an ever-starker divide between these two groups of people will grow as they react to these – at times destabilising – developments differently, further increasing socio-political polarisation within our societies.

As a liberal, I believe one can approach these changing times as an opportunity by transferring control back to the individual and focusing on the development and realisation of their ideas and talents. Change is not only possible but also necessary. Diversity, change, and new developments can be of great value, and justice and equality, if seen not merely as theoretical considerations but also as a practical base on which to rely, can benefit everyone. The focus should be on positive options and affirmative actions, offering clear prospects based on common goals and well-defined liberal values.

Commitment to liberal values – individual freedom, dignity, the right to self-realisation – should be at the core of our strategies and policies. In our current turbulent times, social policy should be seen as a matter of urgency for European liberals in order to make much-needed long-term transitions both bearable and beneficial for all.

Promoting the flourishing of the individual must account for those citizens who are in need of support, either due to forces greater than themselves,

such as economic transformations or globalisation, or due to personal setbacks. Providing these citizens with the assurance that their shot at happiness does not depend on good luck is not just a liberal objective in itself, it is also essential to maintaining the societal cohesion that is needed for liberal democracy to succeed. Ensuring equal opportunities and social inclusion goes beyond providing citizens with a minimum level of financial resources. Social connections, mental and physical health, and being part of a society are all essential foundations for an individual's personal development. This is especially so for children, for whom a lack in any of these areas can cast a long shadow on their adult lives.

Effective, up-to-date, and inclusive social policies form an essential component of the liberal agenda, ensuring support to all in these changing times. The meaning of social fairness needs to be reconsidered in the light of new realities and translated into policy measures that create conditions for everyone to feel safe and have an opportunity to thrive. The new policy cycle presents an opportunity to address Europeans' practical concerns at the EU level. Our starting point should therefore be the point of view of the people concerned, and then it will be up to us, policy-makers, to translate these values into concrete action.

However, before concrete actions are taken, thorough thought is paramount, and this publication aims to allow us to reflect on this. This research and policy study by the European Liberal Forum provides insights into how pressing and long-term social issues can be addressed from a liberal perspective.

I am therefore delighted with the publication of this timely issue, which can serve as a prelude to concrete action, where the liberal principles of fairness, justice, and opportunity for all are translated into policy proposals.

This collective volume aims to outline a range of pressing and long-term challenges that have direct impact on Europeans, their well-being, and their fundamental rights. The contributions provide innovative solutions that can be transformed into tangible solutions in the course of the next EU mandate.

The study is divided into three sections. The first section covers employment and labour concerns amid economic instability. The chapters provide innovative economic perspectives and policy solutions to allow Europeans to maintain their desired standard of living despite the ongoing economic turmoil and changes in the labour market. The second section focuses on social opportunities and services for citizens of various ages and needs. Healthcare, housing, social support for those who are particularly vulnerable – what are the liberal answers to these concerns? Expert analysis introduces new perspectives on these crucial matters. Finally, the third section discusses the dangers that political and technological developments pose to fundamental human and citizens' rights in the EU and beyond. From the need to protect citizens online to the moral imperative to stand behind people who fall victim to politically motivated injustice and violence, these chapters offer practical steps that EU policy-makers can and should take in the coming years.



# Section 1

---

## **Economic Turmoil and Labour Concerns**





# Navigating the Nuances of Economic Inequality: Beyond Polarisation and Sensationalism

Anna Shnaidman

<https://doi.org/10.53121/ELFS8> • ISSN (print) 2791-3880 • ISSN (online) 2791-3899

## ABSTRACT

This article delves into the complex tapestry of economic inequality through a liberal economic lens, challenging the prevailing polarised narratives. By integrating case studies from EU Member States with the principles of free markets, deregulation, and growth, it confronts the established discourses championed by influential economists. Advocating for a nuanced comprehension of economic disparities, the article posits that solutions reside in fostering innovation, stimulating growth, and embracing a multidimensional policy-making approach. It points the way to a balanced conversation that surpasses sensationalism, concentrating on pragmatic, equitable strategies to address inequality's root causes.

## ABOUT THE AUTHOR

Anna Shnaidman holds a master's degree in Political Communication and is an expert in social psychology and political discourse analysis. She began her career in activism and leadership, notably serving as the regional director for European Students for Liberty. Her expertise led her to the role of President of the Ladies of Liberty Alliance in Israel, where she continues to advocate for liberty.

Anna is the owner of Carnelian Strategy, where she advises businesses on political and economic communication analysis, providing strategic insights to navigate complex communication landscapes. She is also an author, writing both literary fiction and political columns.

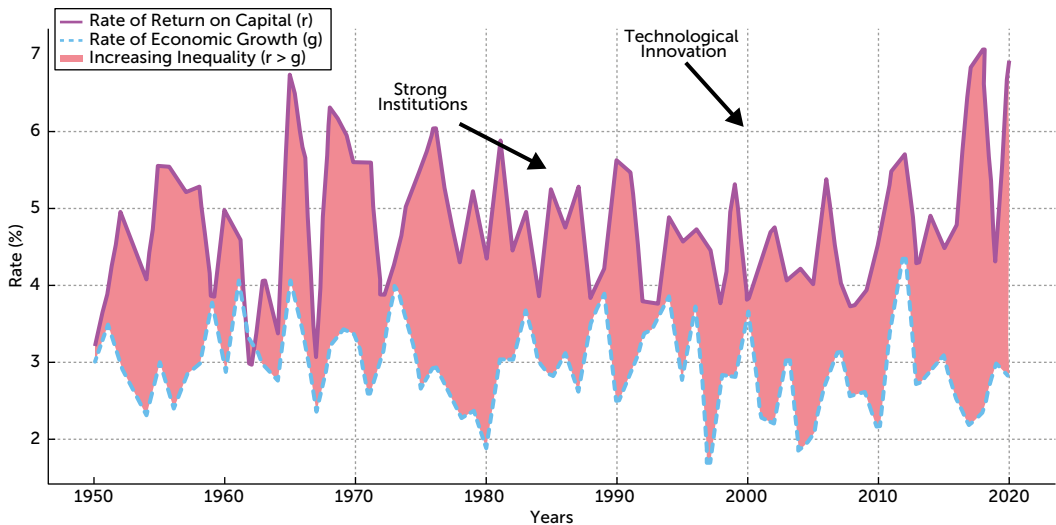
## INTRODUCTION

A persistent concern in the global discussion on socio-economic challenges is economic inequality, which is debated extensively across a variety of platforms in Europe. This debate, significantly influenced by the seminal works of economists such as Thomas Piketty, Joseph Stiglitz, Amartya Sen, and Daron Acemoglu and James Robinson, often centres around the dynamics of wealth and income disparity. Piketty is known for his analysis of wealth concentration and distribution over the past 250 years in his book *Capital in the Twenty-First Century* (2014). Stiglitz, a Nobel laureate, has written extensively on the adverse effects of economic disparities and the role of government intervention. Sen, another Nobel laureate, is recognised for his work on welfare economics and human development. Acemoglu and Robinson are renowned for their research on the role of political and economic institutions in shaping national prosperity, encapsulated in their book *Why Nations Fail* (2012). Such discussions underscore the impact of these disparities on societal cohesion and the search for equitable growth. The excessive focus on inequality as a 'holy cow' of the twenty-first century risks sidelining important discussions about economic growth, innovation, and their cultural underpinnings. This article seeks to explore liberal solutions to economic inequality, emphasising the importance of free markets, deregulation, and growth, while advocating for a shift from the current polarised and sensationalised discourse to a more nuanced and practical approach.

## INSTITUTIONS, INNOVATION, AND INEQUALITY: ACEMOGLU'S CRITIQUE OF PIKETTY'S CAPITAL THESIS

Daron Acemoglu's critique of Thomas Piketty's work, particularly of *Capital in the Twenty-First Century*,

**FIGURE 1: Graph showing the relationship between the rate of return on capital ( $r$ ) and the rate of economic growth ( $g$ ) over time. According to Piketty, when  $r$  exceeds  $g$ , inequality increases. Acemoglu's critique emphasises the mitigating role of strong institutions and innovation, even when  $r$  is greater than  $g$**



Source: ChatGPT, adapted from the economic theories of Thomas Piketty and Daron Acemoglu.

presents a foundational debate in understanding economic inequality. Piketty's central thesis – that when the rate of return on capital ( $r$ ) exceeds the rate of economic growth ( $g$ ), inequality inevitably increases – has reshaped discussions on global wealth disparities. However, Acemoglu challenges Piketty on several fronts, arguing for a more nuanced interpretation of the dynamics driving economic inequality.

Firstly, Acemoglu contends that Piketty's focus on the mechanics of capital accumulation and the resultant inequality overlooks the role of political and economic institutions. Acemoglu argues that institutions – more than the mere mechanics of capital and growth – determine the distribution of wealth and the opportunities for economic mobility. He posits that inclusive institutions, which spread economic power and foster broad participation in the economic process, can counteract the forces that lead to inequality, even when  $r$  exceeds  $g$ . This perspective suggests that the policy solutions to inequality should focus more on reforming institutions rather than solely on redistributive mechanisms.

Furthermore, Acemoglu criticises Piketty for underestimating the importance of technological change and innovation in shaping economic landscapes. He suggests that technological advancements can disrupt the patterns of wealth

accumulation that Piketty identifies by creating new industries and opportunities that can lead to a more equitable distribution of wealth. This argument implies that fostering innovation and ensuring access to education and opportunities for skill development are crucial for mitigating inequality.

Acemoglu also takes issue with Piketty's reliance on historical data to predict future trends, arguing that economic outcomes are not deterministic and can be influenced by policy choices and institutional reforms. He emphasises the capacity for societies to alter their trajectories through deliberate actions, countering Piketty's somewhat fatalistic view that certain economic laws are inexorable.

Moreover, Acemoglu criticises Piketty's policy recommendation of a global tax on capital as impractical and potentially detrimental. He argues that such a tax could stifle investment and innovation, leading to slower economic growth without necessarily addressing the underlying causes of inequality. Instead, Acemoglu advocates for policies that enhance inclusivity and promote equitable access to resources and opportunities, suggesting that these approaches are more effective in creating a more just and prosperous society.

In conclusion, Acemoglu's critique of Piketty centres on the argument that economic inequality is not merely a product of capital dynamics but is deeply influenced by the nature of political and

economic institutions, technological innovation, and policy choices. He contends that a comprehensive approach to tackling inequality requires addressing these broader factors, rather than focusing narrowly on the relationship between capital returns and economic growth. Acemoglu's critique invites a more diversified discussion on inequality, emphasising the potential for institutional reform and innovation to foster a more equitable economic landscape.

## LITERATURE REVIEW

The literature on economic inequality provides a rich foundation for this discussion. Piketty's *Capital in the Twenty-First Century* (2014) introduced the  $r > g$  hypothesis, highlighting the mechanisms through which wealth accumulation exacerbates income inequality. Meanwhile, Stiglitz's *The Price of Inequality* (2012) and Sen's *Development as Freedom* (1999) offer compelling analyses of the adverse effects of economic disparities and the importance of enhancing human capabilities. Acemoglu and Robinson's *Why Nations Fail* (2012) further enriches this narrative by framing economic disparity as a product of the nature of political and economic institutions, emphasising the necessity of inclusivity in fostering prosperity and equality. Despite these contributions, the prevailing emphasis on inequality often marginalises essential economic dialogues on growth and innovation.

## LIBERAL ECONOMIC POLICIES

To navigate the nuances of economic inequality effectively, it is crucial to embrace a theoretical framework grounded in liberal economic theories. These theories assert that free markets, deregulation, and growth are instrumental in cultivating equitable economic development. Such an approach encourages entrepreneurship, minimises regulatory barriers, and leverages technological advancements as vehicles for sustainable and inclusive growth.

## THE PARADOX OF RELATIVE DEPRIVATION

A profound understanding of the complexities of economic inequality can be achieved through the illustrative narrative of two hypothetical states: Kishkushistan and Bullshitstan. In Kishkushistan, the income disparity is modest, with the poor earning \$2,000 and the rich \$3,000. Contrastingly, Bullshitstan exhibits a wider income gap, with the poor's earnings at \$7,000 and the rich at \$19,000. Despite the larger gap, the overall economic condition of Bullshitstan's residents, including the poor, is markedly better than that of Kishkushistan's. This

paradox highlights the concept of relative deprivation, where dissatisfaction arises not from absolute economic conditions but from comparative perceptions of inequality. This scenario underlines the importance of policies that aim not only to reduce income gaps but also, and more importantly, to raise the absolute standard of living for all.

## DEEPENING THE UNDERSTANDING OF RELATIVE DEPRIVATION

The concept of relative deprivation, extensively developed by sociologist Samuel Stouffer, offers invaluable insights into the subjective dimensions of economic inequality. It posits that individuals' perceptions of their economic standing – and hence their satisfaction or dissatisfaction – are often framed by comparisons with others rather than objective measures of their conditions. This psychological framework has profound implications for understanding the societal unrest and dissatisfaction that can emerge even in contexts of overall economic improvement. It suggests that strategies to combat inequality must also address these perceptual dimensions, moving beyond mere economic metrics to consider the social and psychological well-being of individuals.

The illustrative narrative of Kishkushistan and Bullshitstan serves as a poignant exploration of relative deprivation's role in shaping perceptions of inequality. Despite Bullshitstan's larger income gap, its citizens – including the economically disadvantaged – enjoy a higher overall standard of living than those in Kishkushistan, where income disparities are narrower. This paradox underscores the complex interplay between objective economic conditions and subjective perceptions of inequality, challenging policy-makers to craft strategies that address both dimensions. It highlights the necessity of policies that aim not only to narrow income gaps but also – and perhaps more importantly – to elevate the absolute economic well-being of all societal segments.

Drawing from Acemoglu's perspective, particularly his emphasis on institutions and innovation as pivotal factors in economic development, a theoretical interpretation of the tale of Kishkushistan and Bullshitstan would likely focus on the institutional frameworks within each state. Acemoglu would argue that the disparities between the two states are not solely a function of their economic policies or capital distribution but are deeply rooted in the quality of their institutions. He might suggest that if Bullshitstan enjoys a higher standard of living despite greater inequality, it could be due to more inclusive institutions that promote innovation,

entrepreneurship, and access to opportunities for a broader segment of the population.

Furthermore, Acemoglu would likely highlight the importance of understanding the mechanisms through which institutions in Bullshitstan might be facilitating economic growth and innovation, leading to wealth creation that benefits a larger proportion of its population, even if inequality remains apparent. He would question the nature of the institutions in Kishkushistan that, despite a smaller income gap, seem to hinder overall prosperity.

In Acemoglu's view, the tale underscores the need to scrutinise the institutional underpinnings that contribute to economic outcomes. He would advocate for institutional reforms aimed at enhancing economic inclusivity and fostering an environment conducive to innovation and growth, suggesting that such reforms are crucial for improving living standards and reducing inequality in the long term.

### **LIBERAL ECONOMIC POLICIES AS CATALYSTS FOR CHANGE**

The advocacy for liberal economic policies is rooted in the conviction that such policies hold the key to unlocking economic growth, stimulating innovation, and facilitating more equitable wealth distribution. By championing free markets, encouraging deregulation, and fostering an environment conducive to entrepreneurial ventures, a liberal economic framework aims to expand the economic pie rather than merely redistributing existing slices. This approach emphasises the importance of creating wealth and opportunities that can be accessed by all members of society, leveraging the dynamism of free markets to generate solutions to economic disparities.

Innovation emerges as a pivotal theme in the liberal economic narrative on addressing economic inequality. By driving technological advancements and productivity improvements, innovation has the potential to elevate living standards across the board, mitigating disparities by opening up new avenues for economic participation and wealth creation. Equally critical is the role of education in empowering individuals with the skills and knowledge necessary to thrive in an increasingly complex and innovation-driven economy. Policies that prioritise education and skill development are thus integral to any comprehensive strategy aimed at reducing economic inequality, as they ensure that all individuals – regardless of their socio-economic background – have the opportunity to contribute to and benefit from economic growth.

### **FORGING PATHWAYS TO A MORE EQUITABLE FUTURE**

The exploration of economic inequality through the lens of liberal economic theories, enriched by an understanding of relative deprivation and the societal narratives of Kishkushistan and Bullshitstan, underscores the multifaceted nature of the challenge at hand. Economic inequality cannot be effectively addressed through simplistic solutions or policies that focus solely on redistributive measures. Instead, a more nuanced approach that encompasses the principles of liberal economics, the psychological insights of relative deprivation, and the empowerment of individuals through innovation and education is essential.

Innovation, spurred by an environment that encourages free markets and minimal regulatory interference, plays a crucial role in creating new opportunities and avenues for wealth creation. It is the engine that drives economic growth, improves living standards, and, by extension, has the potential to significantly reduce the gaps between different socio-economic groups. Moreover, the concept of relative deprivation reminds us that perceptions of inequality often have as much impact on social cohesion and individual well-being as actual economic disparities. Addressing these perceptions requires a comprehensive approach that goes beyond economic indicators to include social and psychological well-being. Policies aimed at enhancing social mobility, providing equitable access to opportunities, and fostering a sense of community and belonging can help mitigate feelings of relative deprivation and promote a more harmonious society.

The tale of Kishkushistan and Bullshitstan serves as a useful metaphor for the complex reality of economic inequality and the limitations of focusing solely on income disparities. It challenges us to look beyond the numbers and consider the broader context of individuals' lives, including their aspirations, sense of fairness, and perceptions of their own well-being. This narrative underscores the importance of a holistic approach to policy-making, one that seeks to enhance the overall quality of life for all citizens, rather than merely narrowing the income gaps.

Therefore, navigating the nuances of economic inequality demands a multidimensional strategy that combines the strengths of liberal economic policies with a deep understanding of human psychology and a commitment to innovation and education. By embracing such an approach, it is possible to forge pathways to a more equitable future, where economic disparities are not viewed through the lens

of zero-sum outcomes but as challenges that can be overcome through collective effort, creativity, and the relentless pursuit of inclusive growth. This vision for addressing economic inequality moves beyond polarisation and sensationalism, advocating for pragmatic, equitable solutions that address the root causes of disparities, ensuring prosperity and cohesion for generations to come.

### **THE CASE OF BULGARIA: A MODEL FOR SUCCESS**

To illustrate how liberal economic policies can be effectively implemented, we turn to the case of Bulgaria. The country's bold experiment with flat taxation offers a rich narrative filled with lessons and challenges that highlight the balance between economic ideals and the realities of implementation.

Before diving into the specifics of Bulgaria's tax reforms, it is crucial to outline our approach to tackling economic inequality. This approach calls for a holistic and pragmatic strategy that encompasses promoting institutional reforms to foster an environment ripe for growth and opportunity, championing innovation and entrepreneurship through supportive policies, and prioritising education to

## *Innovation plays a crucial role in creating new opportunities and avenues for wealth creation*

equip individuals for the evolving economic landscape. Together, these steps form a foundation aimed at creating a more equitable society, steering us towards solutions that embrace both economic vitality and the well-being of all citizens.

Reflecting on the journey through the landscape of economic inequality, the dialogue around flat taxation – inspired by Bulgaria's experiment – presents itself not just as policy discourse but as a narrative rich with lessons, challenges, and the quest for balance. In weaving the insights gleaned from recent research into the fabric of our discussion, a more personal, story-like exploration emerges, highlighting the nuanced dance between economic ideals and the realities of implementation.

At the heart of Bulgaria's foray into flat taxation lies an ambition that resonates with many: to simplify the tax system, enhance compliance, and ignite economic dynamism. Yet, as Fabio Ashtar Telarico (2023) reveals, the journey is fraught with unexpected twists. Telarico is a researcher and economist known for his thoughtful analyses on fiscal policies and their real-world impacts. His work often explores the nuances and complexities of tax

systems, economic growth, and revenue forecasting, providing valuable insights into how theoretical models play out in practical scenarios. Telarico's contributions have been instrumental in highlighting the gaps between economic expectations and outcomes, particularly in the context of flat tax systems and their implications for national economies. His research emphasises the importance of adaptable and resilient forecasting models to better align economic policies with the dynamic realities of the global economy.

The anticipation of a revenue boom, riding high on the waves of the Laffer curve, met the shores of reality with softer echoes than was foretold. This revelation is not merely a critique but a beacon, guiding us towards the necessity of adaptable, resilient forecasting models that capture the essence of our economic climate with greater fidelity.

Our narrative deepens as we consider the tapestry of outcomes unfurled by such a tax policy. It is a reminder that the quest for fiscal innovation – much like any journey of change – requires vigilance in observation and readiness to adapt. The Bulgarian experience, rich in ambition and lessons, underscores the importance of not just charting a course towards simplification but also navigating the fiscal waters with a keen eye on the undercurrents of economic activity, equity, and societal well-being.

Embarking on this path requires a blend of courage and caution – courage to pursue growth and efficiency through simplified tax systems, and caution to ensure these systems do not inadvertently widen the chasms of inequality they seek to bridge. It invites us to foster environments where innovation and education flourish, supported by policies that not only fuel economic growth but also ensure its fruits are shared across the spectrum of society.

Drawing from the global tapestry, with threads as diverse as Bulgaria's endeavours and the broader dialogues around taxation and equity, we are reminded that our policies are not just frameworks but stories – of aspirations, of collective well-being, of challenges met with creativity and resolve. In this narrative, the insights gleaned from Bulgaria and other nations serve not merely as chapters of caution but as verses of inspiration, offering insights into crafting economic policies that harmonise the simplicity of flat taxation with the complexity of human societies.

The concept of a flat tax system, where a single constant tax rate is applied to all taxpayers regardless of income level, has been considered and

implemented by several countries, particularly in Eastern Europe and Central Asia, over the last few decades. This move is often aimed at simplifying the tax code, encouraging economic growth, and increasing tax compliance. Below is an overview of some countries that have adopted or considered adopting a flat tax system in the last decade or so.

- Lithuania and Latvia: Following Estonia's lead, Lithuania and Latvia implemented their flat tax systems in 1994 and 1997, respectively. These Baltic countries have been highlighted in discussions on the effectiveness and impact of flat tax systems on economies in transition.
- Hungary: Hungary introduced a flat tax system in 2011, with a single personal income tax rate. The country's move to a flat tax was part of a series of economic reforms.
- Romania: Romania introduced a flat tax rate in 2005 as part of its tax reform initiatives. The flat tax rate was seen as a way to simplify the tax system and attract investment.

It is important to note that the effectiveness and impact of flat tax systems can vary widely based on a country's specific economic conditions, the rate chosen, and how the system is implemented.

Additionally, some countries that initially adopted flat tax systems have since moved away from them, reintroducing progressive elements to address issues such as income inequality and fiscal sustainability.

Thus, as we chart our course through the nuanced realms of economic inequality, let our strategies be informed by the rich mosaic of global experiences. Let us embrace the promise of innovation, the imperative of adaptability, and the vision of a future where economic policies transcend mere numbers, embodying our collective aspirations for a world marked by fairness, prosperity, and the indomitable spirit of shared progress.

---

#### REFERENCES

- Acemoglu, D., & Robinson, J.A. (2012). *Why Nations Fail: The Origins of Power, Prosperity, and Poverty*. New York: Crown Publishers.
- Piketty, T. (2014). *Capital in the Twenty-First Century*. Cambridge, MA: Harvard University Press.
- Sen, A. (1999). *Development as Freedom*. Oxford: Oxford University Press.
- Stiglitz, J.E. (2012). *The Price of Inequality: How Today's Divided Society Endangers Our Future*. New York: W. W. Norton & Company.
- Telarico, F.A. (2023). 'Simplifying and Improving: Revisiting Bulgaria's Revenue Forecasting Models'. *Economic Thought*, 20(6). DOI: 10.56497/etj2367601.

# How to Deal with a Cost-of-Living Crisis: Liberal Lessons from the Energy Shock of 2022–2023

Lukas Sustala

<https://doi.org/10.53121/ELFS8> • ISSN (print) 2791-3880 • ISSN (online) 2791-3899

## ABSTRACT

The highest inflation rate in decades has strained the finances of millions of households in the EU. The EU is still grappling with a significant cost-of-living crisis, driven by escalating inflation, rising energy costs, and pervasive housing affordability issues. This crisis has exacerbated socio-economic inequalities and placed immense pressure on households and fiscal policy across the EU. Lessons learned from the energy crisis of 2022–2023 show that governments should enact targeted measures. Liberal responses to an inflation crisis emphasise the need for policies that reduce demand and increase supply. This chapter explores the recent cost-of-living crisis and new lessons learned for fiscal policy.

## ABOUT THE AUTHOR

Lukas Sustala is Political Director of NEOS and Head of the think tank at the NEOS Lab, the party's foundation. An economist and journalist by training, he previously worked as editor and editor-in-chief for Austrian media companies and as a Deputy Director for the liberal economic think tank Agenda Austria.

## INTRODUCTION: THE SCOPE OF THE PROBLEM

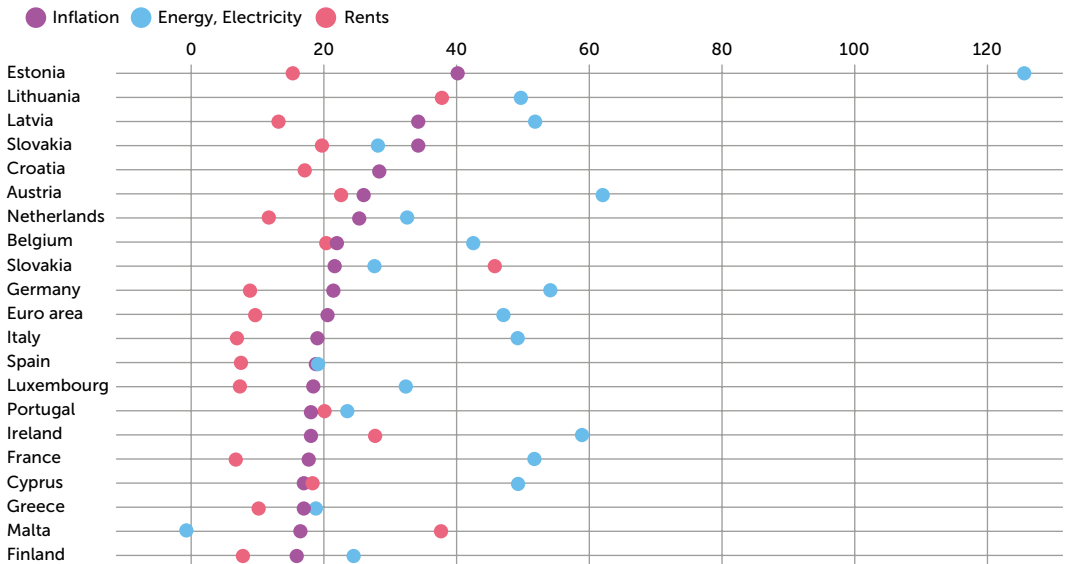
The cost-of-living crisis of 2022–2023 in the EU was a deep crisis that varied significantly across Member States. Recent spikes in inflation, driven by factors such as energy price shocks, supply chain disruptions, and geopolitical tensions, have compounded the financial strain on households, which were already struggling after the pandemic and due to housing affordability issues. Prior to the Russian war against Ukraine, gas prices had already risen due to a fall in supply, and inflation rates in the euro area soared from an average of 2.6 per cent in 2021 to 8.4 per cent in 2022, with some countries experiencing even higher levels.

Even the largest EU economies experienced differing outcomes: in Germany, consumer price inflation peaked at 8.7 per cent in 2022, largely driven by soaring energy costs and housing. France managed to keep inflation relatively low at 5.9 per cent, which is often attributed to government interventions such as targeted subsidies but was also due to less exposure to Russian gas as an energy source. Spain experienced significant inflation at 8.3 per cent, fuelled by high energy prices and supply chain bottlenecks, compounded by high unemployment rates. Italy's inflation rate reached 8.7 per cent, with the cost of essential goods and services escalating rapidly, and the country continues to struggle with structural economic issues that limit wage growth and employment opportunities.

The disparity in inflation rates and the cost of living across the EU highlights the need for tailored policy responses that address the unique economic conditions of each Member State. While some countries have managed to cushion the impact through fiscal measures, others continue to struggle with high inflation and socio-economic inequalities.



**FIGURE 1: Inflation rates varied greatly across the EU. Cumulative inflation 2019–2024, overall, for rents and energy, electricity, in per cent**



Sources: Eurostat, IHS, own calculations.

**HIGH INFLATION LEADS TO GOVERNMENT INTERVENTIONS**

Economic policy clearly advocates a combination of monetary and fiscal policies to address any cost-of-living crisis. The European Central Bank (ECB) should focus on controlling inflation. This includes enhanced cooperation between the ECB and national central banks to ensure coordinated actions across the eurozone when it comes to excessive credit growth that contributes to fluctuation in housing prices.

Fiscal policy, meanwhile, normally has a much smaller role to play in managing inflation. Rather, economic theory suggests that fiscal policy should refrain from intervening in prices but support especially low and middle-income households in a targeted fashion during a cost-of-living crisis. This includes temporary tax relief, direct cash transfers, and subsidies for essential goods and services. Investment in public infrastructure, particularly in affordable housing and renewable energy, can stimulate economic growth and reduce living costs in the long term. Governments have opted for vastly different approaches in this energy crisis.

In response to rising energy prices, European governments have implemented various measures to shield consumers from their economic impact. These measures include electricity price caps, gas price caps, lowering VAT taxes, and increasing

subsidies aimed at directly reducing energy costs for households. For example, the Belgian government extended the social energy tariff introduced during the pandemic and implemented VAT reductions. Additionally, many countries, such as Germany and France, introduced compensation schemes for high energy prices and subsidies to companies. According to Bruegel, these schemes overall added up to very significant programmes in some countries of more than 5 per cent of GDP (Malta, Bulgaria, Austria), and to less than 1 per cent of GDP in others (Cyprus, Finland, Denmark) (Sgaravatti, Tagliapietra, & Zachmann, 2023).

**GOVERNMENT FINANCES UNDER STRAIN**

The surge in inflation has placed significant strain on government finances across the EU. Traditionally, an inflation shock is often perceived as positive for government finances as it erodes the value of debt, and tax revenues increase due to higher prices. This time around, the additional fiscal burden from subsidies, tax reductions, and direct transfers has strained public finances, limiting governments’ ability to invest in long-term growth initiatives. Moreover, the need to finance these measures has often led to increased borrowing, thereby raising public debt levels. The inflation shock also sharply raised interest rates, increasing borrowing costs for governments.

The strain on government finances due to inflation is also driven by the nature of the inflation shock (Motyovszki, 2023). The inflation of 2022–2023 was driven by a terms-of-trade shock for many EU countries, meaning that imported goods became more expensive much more quickly than exported and produced goods. This was especially true for countries that have been significant importers of energy goods. This combination means that an adverse terms-of-trade shock leads to a rising public debt-to-GDP ratio due to slower real growth, declining primary budget balances, and higher interest rates. The impact of monetary, fiscal, and debt management policies is significant, highlighting the need for coordinated policy and monetary tightening.

In conclusion, the inflation-driven strain on government finances poses a significant challenge for the EU. Addressing this requires coordinated efforts to balance short-term relief with long-term fiscal sustainability, ensuring that governments can support their populations without compromising economic stability. The euro area especially needs to address the effectiveness of fiscal measures in alleviating the burden of high energy prices, as the common monetary policy by the ECB needs more coordination (Panetta, 2023). Strengthening the role of independent fiscal institutions and enhancing public investment in green and digital sectors are essential for maintaining fiscal sustainability and economic growth.

### **SOCIAL REFORMS TO ALLEVIATE THE COST-OF-LIVING CRISIS**

Many policy-makers across the EU continue to provide relief to those affected by rising prices. This includes targeted and efficient fiscal measures, as well as broad subsidies. In contrast to the Belgian approach, Austria, for instance, introduced an *Anti-Teuerungs-Bonus* (anti-inflation bonus) as a lump sum payment to every citizen.

Economists agree that targeted measures are to be preferred for three main reasons. Firstly, targeted measures have less impact on demand and thus do not raise the inflation rate further. Secondly, they cost less and thus can be sustained for longer or be accompanied by policies that can alleviate the cost-of-living crisis in the medium term (e.g. investment in public housing, energy infrastructure). Thirdly, given the nature of the crisis, untargeted support measures also increase energy consumption and CO<sub>2</sub> emissions. Thus, the conclusion is that targeted income support is the most society- and climate-friendly measure for mitigating the impact of high energy prices (Varga et al., 2022).

However, there also exist reasons why governments have chosen untargeted measures instead: targeted measures require data and execution. This can prolong the time from announcing a measure to actually alleviating the economic costs for households. These kinds of data-driven economic policies thus require a fast-moving and effective administration.

However, there is another way to support individuals, and that is by strengthening basic social safety nets in times of rapidly rising prices. This involves increasing funding for unemployment benefits, healthcare, and pension schemes, introducing one-off payments, or introducing new means-tested benefits for rents or other costs. However, due to the nature of the inflation shock of 2022–2023, households suffered very differently. For instance, data on European capital cities shows that even for the same heating source (gas), prices for households in December 2022 ranged from 2.5 cents to 30 cents per kWh. A year later, the range narrowed to 2.6 to 16 cents per kWh.<sup>1</sup>

The distributional impact of consumer inflation in the euro area is also different (Amores et al., 2023). Findings on different euro area economies from Germany to Italy show that high inflation disproportionately affected lower-income households due to their higher consumption share of income and reliance on basic goods and services. Government fiscal measures, including income support and price containment policies, significantly mitigated the welfare loss and rise in inequality caused by the inflation surge. However, income measures were more effective in reducing inequality compared with price measures, as they were better targeted at vulnerable households. Some countries did significantly better at mitigating the inflationary effect than others.

### **EXPLAINING DIFFERENT IMPACTS OF THE ENERGY SHOCK**

One reason for the vastly different household energy prices in Europe is the different regulatory frameworks. This can occur due to limitations on flexible pricing models, government interventions in contracts, or differences in competition policy. The EU should enhance cooperation to build resilient frameworks to ensure fair pricing in the energy sector. This includes measures to prevent price profiteering and promote competition among energy providers. Investments in renewable energy sources and energy networks can also help to reduce dependency on fossil fuels and lower household energy costs. Building a more resilient energy system for the future also requires a common approach to energy infrastructure.

Regulatory reforms in the housing and labour markets might also help to address cost-of-living issues. This includes a lag in wage negotiations during a period of high inflation. According to new data from the OECD, real wages have not yet regained the level of 2019 in many EU economies (Finland, Sweden, Italy) (OECD, 2024). However, in 2024 real wages grew in all OECD economies, thus narrowing the real income losses observed during the period of high inflation. Rising wages are a very important prerequisite to alleviate the cost-of-living crisis over the medium term.

Countries with significant housing affordability issues underpinning the cost-of-living crisis need to address the supply of affordable housing, improve building capacities and pace, and, as a measure of last resort, look at regulation of rental markets. The OECD finds that roughly 7 per cent of the EU population live are overburdened with housing costs. That share is more than 35 per cent in the bottom quintile of the income distribution in rental markets.

## LESSONS LEARNED FOR FUTURE CRISES

- **Target fiscal support to avoid worsening demand-driven inflation:** The cost-of-living crisis in the EU of 2022–2023 was a significant challenge for economic and social policies. Liberal policy solutions emphasised the importance of short-term and targeted measures on the one hand, and medium-term investments and strategies to lower prices on the other. Robust social safety nets and effective regulatory frameworks were important to cushion the impact of rising energy costs on households and businesses.
- **Coordinate EU-wide efforts to increase supply, lower prices, and protect public finances:** Going forward, the EU can step up its role in coordinating and supporting Member States' efforts to be more effective and alleviate the cost-of-living crisis. Investments in a single market for energy will improve the resilience of energy markets in the EU to reduce the volatility of prices. In any future crisis, the EU Commission should pressure EU governments more effectively to refrain from a race to the top in terms of national subsidies in an acute

crisis. These might increase inflation burdens on the EU as a whole and strain public finances.

- **Use EU resources swiftly to lower prices:** The EU's budget and recovery funds should prioritise projects that address the cost-of-living crisis. This includes funding for housing investment, energy infrastructure, or renewable energy. The InvestEU programme can be used to attract private investments in sectors that contribute to reducing living costs by increasing housing or energy supply.
- **Learn from the best:** By adopting more targeted policies to reduce the impact of inflation, EU governments can foster economic stability, promote social equity, and ensure a higher quality of life for all its citizens without jeopardising long-term fiscal space. The EU Commission should leverage the European Semester process to monitor and guide Member States' efforts in addressing cost-of-living issues and learning from each other.

## NOTE

1. Data compiled via the Household Energy Price Index.

## REFERENCES

- Amores, A.F., Basso, H.S., Bischl, J.S., De Agostini, P., De Poli, S., Dicarlo, E., Flevotomou, M., Freier, M., Maier, S., Garcia-Mirallas, E., Pidkuyko, M., Ricci, M., & Riscado, S. (2023). 'Inflation, Fiscal Policy and Inequality'. ECB Occasional Paper No. 2023/330, October, <http://dx.doi.org/10.2139/ssrn.4604418>.
- Motyovszki, G. (2023). 'The Fiscal Effects of Terms-of-Trade-Driven Inflation'. *European Economy Discussion Papers*, 190. European Commission, [https://economy-finance.ec.europa.eu/system/files/2023-07/dp190\\_en.pdf](https://economy-finance.ec.europa.eu/system/files/2023-07/dp190_en.pdf).
- OECD (2024). 'Employment Outlook 2024'. [https://www.oecd.org/en/publications/oecd-employment-outlook-2024\\_ac8b3538-en.html](https://www.oecd.org/en/publications/oecd-employment-outlook-2024_ac8b3538-en.html).
- Panetta, F. (2023). 'Investing in Tomorrow: Future-Proofing Fiscal Policies and Governance in Europe'. Speech, Frankfurt am Main, ECB.
- Sgaravatti, G., Tagliapietra, S., & Zachmann, G. (2023). 'National Policies to Shield Consumers from Rising Energy Prices'. Bruegel dataset, <https://www.bruegel.org/dataset/national-policies-shield-consumers-rising-energy-prices>.
- Varga, J., Kasdorp, R., Johannesson Lindén, Á., Döhring, B., Cima, A., & Bethuyne, G. (2022). 'Targeted Income Support Is the Most Social and Climate-Friendly Measure for Mitigating the Impact of High Energy Prices'. Centre for European Policy Research, 6 June, <https://cepr.org/voxeu/columns/targeted-income-support-most-social-and-climate-friendly-measure-mitigating-impact-0>.

# ChatGPT and the Labour Market in the EU: Perspectives on Employability from Young Europeans

Dejan Ravšelj and Aleksander Aristovnik

<https://doi.org/10.53121/ELFS8> • ISSN (print) 2791-3880 • ISSN (online) 2791-3899

## ABSTRACT

This chapter explores ChatGPT's implications for the labour market in the EU, offering insights into how young Europeans with liberal perspectives perceive its role in employability. Students generally view ChatGPT as a valuable tool for skills development and as relevant to the transition from higher education to the labour market. The chapter advocates for integrating artificial intelligence (AI) tools such as ChatGPT into higher education to better prepare students for the future EU labour market, emphasising the need for equitable access to these technologies.

## ABOUT THE AUTHORS

Dejan Ravšelj is an assistant professor and postdoctoral researcher in the Department of Economics and Public Sector Management at the Faculty of Public Administration, University of Ljubljana, Slovenia. His research and teaching focus on public sector economics, public sector management, and performance measurement.

Aleksander Aristovnik is the executive director of Zavod 14 and a full professor in the Department of Economics and Public Sector Management at the Faculty of Public Administration, University of Ljubljana, Slovenia. His research and teaching focus on public sector economics, public sector management, higher education, and macroeconomics.

## INTRODUCTION

The introduction of ChatGPT in November 2022 marked a significant milestone in the use of artificial intelligence (AI) in higher education. Developed by OpenAI, this conversational chatbot quickly gained popularity among students for its natural language processing capabilities, enabling seamless interaction (Aristovnik et al., 2024; Mohmad, 2023). Although designed primarily to imitate human speech, ChatGPT excels in various tasks, offering numerous possibilities (Boubker, 2024; Das & Madhusudan, 2024). As one of the most advanced and rapidly growing consumer AI applications, it has drawn global attention from educators, evoking both excitement and scepticism in academic settings (Tlili et al., 2023). With its advanced capabilities, ChatGPT is poised to shape the future workforce and labour market by potentially rendering some jobs obsolete, creating new ones, and necessitating further training for existing workers to maintain competitiveness (Zarifhonarvar, 2024). Moreover, it serves as a versatile educational tool with the potential to complement traditional teaching methods and enhance employability through skills development crucial for career success (Al Shloul et al., 2024; Römgens, Scoupe, & Beausaert, 2020; Cheng et al., 2022).

Accordingly, this chapter explores the implications of ChatGPT for the EU labour market through the perspectives of higher education students. It presents survey data collected in 16 EU Member States between October 2023 and February 2024, capturing young Europeans' early perceptions of ChatGPT one year after its introduction. As higher education students are more likely to advocate for liberal values than their less educated peers (Scott, 2022),

this chapter contributes to liberal perspectives on ChatGPT’s impact on the labour market. The chapter begins by discussing the relevance of these early perspectives, examines ChatGPT’s effects on skills development and the labour market, addresses skills mismatches, and concludes with key points and liberal policy implications.

### THE IMPORTANCE OF YOUNG EUROPEANS’ PERSPECTIVES

The perspectives of young Europeans are particularly important in the discussion about ChatGPT and the labour market. Young people are often at the forefront of adopting new technologies, making their views particularly important for understanding the evolving labour market. Additionally, young people are quick to adapt, and their feedback can guide the development of educational programmes that better prepare the future workforce for AI-related changes in the labour market (OECD, 2023). Finally, young people, especially those who are in higher education, are more inclined to advocate for liberal values than their less educated counterparts (Scott, 2022), thus presenting liberal perspectives on the implications of ChatGPT for the labour market.

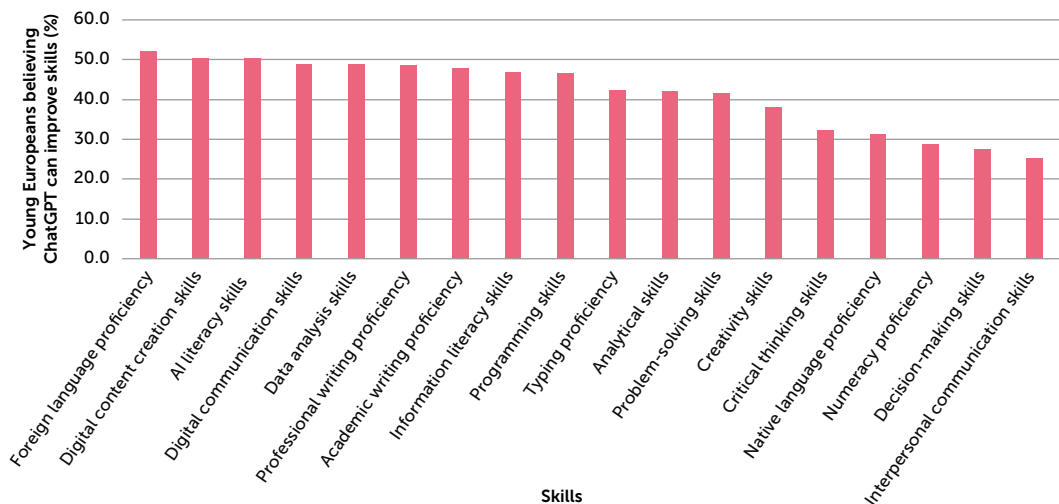
The findings of this chapter are based on a sample of 7,442 student responses from 16 EU Member States collected between October 2023 and February 2024. Comparisons were made between Baltic countries (Estonia and Latvia) with 658 students, Central and Eastern European countries (Bulgaria,

Croatia, Hungary, Poland, Romania, Slovakia, and Slovenia) with 2,890 students, Mediterranean countries (Cyprus, Greece, Italy, Portugal, and Spain) with 3,413 students, and Western European countries (Austria and Luxembourg) with 481 students. The structure of the sample is consistent across EU regions, ensuring comparability, thus suggesting that regional differences in student perceptions of ChatGPT are likely influenced by geographical location rather than sociodemographic factors (Abdaljaleel et al., 2024).

### CHATGPT AND SKILLS DEVELOPMENT

ChatGPT has emerged as an innovative conversational chatbot capable of engaging in natural language conversations with users. Despite its primary function of replicating human speech, ChatGPT offers numerous possibilities for performing both basic and advanced tasks (Boubker, 2024; Das & Madhusudan, 2024). There is an extensive list of opportunities for using ChatGPT in tasks related to writing support, study assistance, language assistance, idea generation, research support, and personal assistance (Boubker, 2024). Given the extensive capabilities of ChatGPT, it is believed that it can assist students in developing a variety of skills, including hard, soft, and digital skills, which are pertinent to students who will be entering the labour market in the near future (Ravšelj & Žabkar, 2024). Generally speaking, about half of the young Europeans who participated in the survey perceive ChatGPT as a valuable tool for skills development (see Figure 1).

FIGURE 1: Young Europeans’ perception of ChatGPT’s ability to facilitate skills development



Source: Authors’ elaboration based on the survey data.

More specifically, students recognise the potential of ChatGPT as an effective tool for developing foreign language proficiency as well as digital and writing skills but see it as less effective for critical thinking skills, native language proficiency, numeracy proficiency, decision-making skills, and interpersonal communication skills. This suggests that while ChatGPT can be valuable for certain skills, its effectiveness may be limited in areas that require deeper human interaction. Accordingly, ChatGPT can be perceived as a tool for facilitating student integration into the EU labour market. While foreign language proficiency is a fundamental skill for EU citizens to access employment opportunities in a multilingual EU context, strong digital skills are crucial for securing jobs in the increasingly digital EU labour market. Labour mobility and digitalisation rank high on the EU policy agenda, and reducing the mismatch between available skills and those required for the digital and green transformation of the economy is a key EU priority (European Parliament, 2016). Additionally, EU policy-makers emphasise the need for a comprehensive skill set that includes not just technical skills but also soft skills, which are crucial for green and digital transitions (Koundouri et al., 2023). This highlights the importance of a broader educational strategy that encourages the use of ChatGPT to develop the comprehensive skill set that students will need in the future EU labour market.

### **CHATGPT AND THE LABOUR MARKET**

The introduction and rapid development of AI tools such as ChatGPT are expected to affect the labour market. However, it is not yet clearly established what these changes will be: it is believed that ChatGPT may shape the future labour market from different angles, such as skills requirements, productivity and innovation, and labour market dynamics (Komp-Leukkunen, 2024). The perceptions of young Europeans regarding these aspects vary across different EU regions (see Figure 2).

Firstly, ChatGPT's growing use in the workplace is reshaping skill demands in the labour market. Recent evidence indicates a notable rise in the demand for AI-related skills, with employers increasingly seeking proficiency in AI and related technologies. As ChatGPT automates routine tasks, employees can focus on more complex activities requiring a human touch. However, this shift calls for continuous development of cognitive and interpersonal skills and workforce adaptation to new labour market demands (Giordano et al., 2024). There is a strong belief that ChatGPT will boost

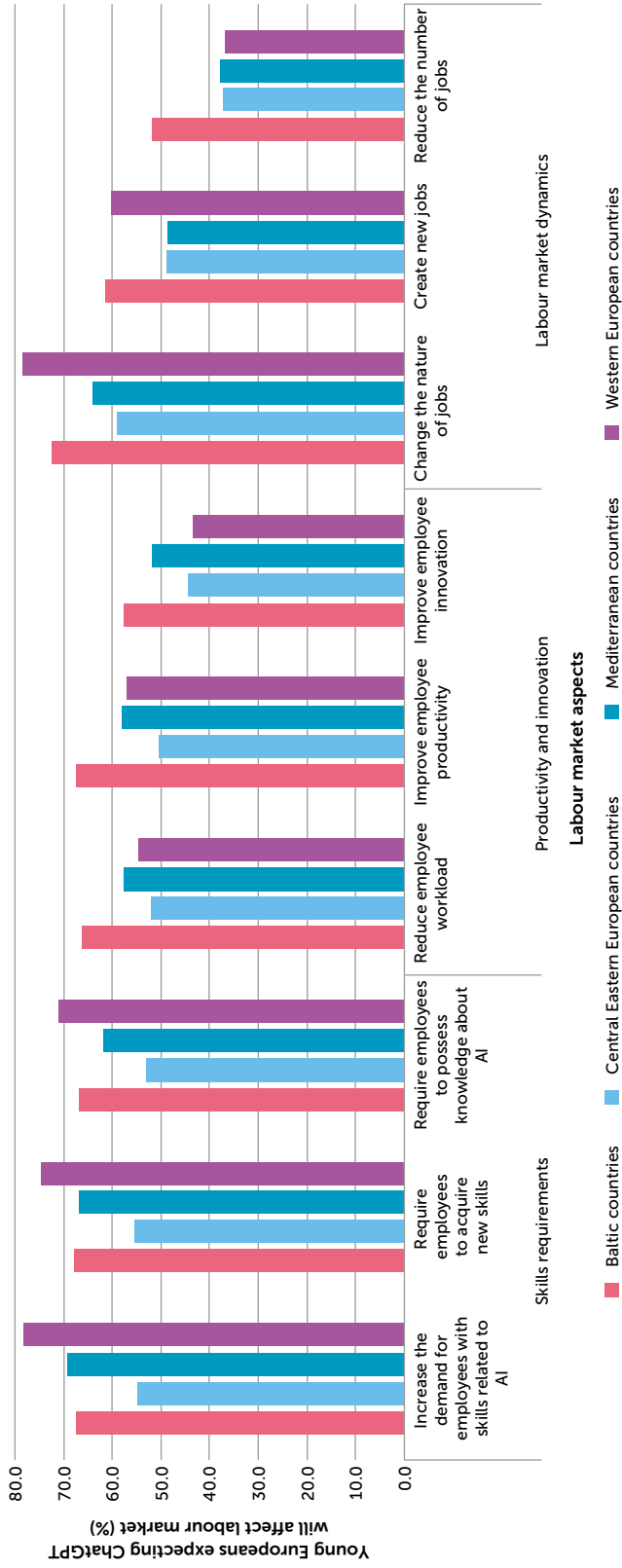
demand for AI-related skills, especially in Western Europe, followed by Mediterranean countries. Expectations also indicate a need for employees to acquire new skills, particularly in Western Europe and the Baltic countries. Conversely, these expectations are lowest in Central and Eastern European countries.

Moreover, ChatGPT has been shown to reduce workload and enhance productivity, especially by automating repetitive tasks. Recent evidence indicates that users of ChatGPT are more productive and efficient, and that they enjoy their tasks more. It not only reduces task time for employees of all ability levels but also improves the output quality of lower-ability employees (Noy & Zhang, 2023). Additionally, by aiding in idea generation, ChatGPT fosters creative thinking, leading to innovative solutions and advancements in various fields (Henry, 2023). There is a strong expectation that ChatGPT will reduce employee workload, particularly in the Baltic countries, followed by the Mediterranean countries. The highest expectations for productivity improvements are also found in the Baltic region. Although belief in ChatGPT's potential to enhance innovation is generally weaker, the highest expectations are still seen in the Baltic countries, with the lowest expectations in Central, Eastern, and Western European countries.

Finally, ChatGPT is expected to change the nature of jobs, primarily due to shifts in skill requirements and increased automation. While some evidence suggests that automation can create new job opportunities, particularly in high-skilled roles, other evidence points to potential job displacement, especially for workers in routine tasks (Zarifhonarvar, 2024). The expectation that ChatGPT will alter the nature of jobs is particularly strong in Western European countries, followed by the Baltic countries. The belief that ChatGPT will create new jobs is highest in the Baltic and Western European countries, while it is lowest in Mediterranean and Central and Eastern European countries. However, concerns that ChatGPT will reduce the number of jobs are strongest in the Baltic countries and significantly weaker in Western European countries.

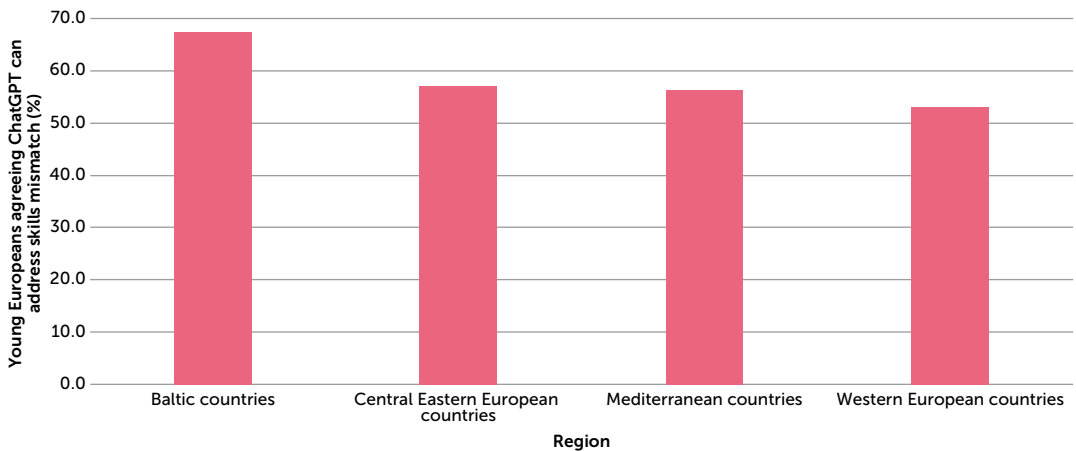
From the perspective of young Europeans, it is believed that ChatGPT holds the promise of transforming the EU labour market by enhancing productivity, driving innovation, and creating new job opportunities. However, it also presents challenges related to skill development, job displacement, and economic disparities. Navigating these changes will require strategic planning, investment in education and training, and inclusive policy-making to ensure that the benefits of ChatGPT are widely shared.

FIGURE 2: Young Europeans' perception of ChatGPT's implications for the labour market



Source: Authors' elaboration based on the survey data.

FIGURE 3: Young Europeans' perception of ChatGPT's ability to address skills mismatch



Source: Authors' elaboration based on the survey data.

### CHATGPT AND SKILLS MISMATCH

Skills mismatch occurs when workers' skills do not align with those required by employers. While various factors contribute to this issue, the disconnect between higher education and the labour market is often significant. ChatGPT can help bridge this gap, potentially addressing skills shortages in the EU labour market by facilitating personal development in knowledge, skills, and competences (Ravšelj & Žabkar, 2024). ChatGPT benefits young European students by offering real-time feedback, accessible guidance across various platforms, and personalised support tailored to their goals. It also enhances flexible learning and the use of open educational resources (Firat, 2023; Michalon & Camacho-Zuñiga, 2023). Thus, it is believed that ChatGPT may have significant implications not only for skills development but also for reducing skills mismatch in the EU labour market (Ravšelj & Žabkar, 2024).

In general, there is significant agreement (57.5 per cent) among young Europeans that ChatGPT can address skills mismatches (skills shortages, under-skilling, skills obsolescence, skills gaps). However, perceptions differ across EU regions (see Figure 3). The highest percentage of students who believe that ChatGPT can effectively address skills mismatches is observed in the Baltic countries. This positive perception is followed by young Europeans in Central Eastern European, Mediterranean, and Western European countries, where the agreement levels are similar but slightly lower than in the Baltic region.

### CONCLUSION

Early reactions from young European students suggest that ChatGPT has considerable implications for the future EU labour market. Despite some scepticism in academic settings, ChatGPT is believed to have the potential to revitalise liberal higher education. However, it is important to be aware that the technology itself will not solve all human problems. Instead, the ubiquitous adoption of AI in higher education brings considerable concerns and challenges, which could include issues such as privacy, dependency on technology, the digital divide, and the potential loss of cognitive and interpersonal skills. Nevertheless, ChatGPT can be seen as an opportunity not only to better connect the labour market and higher education but also to bring higher education back to its core mission, namely personal development. In recent decades, higher education has increasingly prioritised employment over employability, which includes a broader range of skills that are essential for long-term career success and personal growth (Trepanier, 2023). In this context, ChatGPT can be viewed as a tool that facilitates this shift by providing real-time personalised support tailored to students' preferences, helping them engage more deeply in their personal development. Accordingly, several liberal policy implications can be suggested:

- Promote the integration of AI tools such as ChatGPT in higher education to enhance personalised learning and shift the focus from mere employment to overall employability and personal growth.
- Fund programmes that support AI adoption in education, ensuring a balance between AI



interactions and human social interactions to improve adaptability and long-term employability in a rapidly evolving job market.

- Ensure equitable access to AI tools and digital infrastructure for all students, regardless of socio-economic background, to foster inclusive education.
- Prioritise investments in digital infrastructure, financial aid for technology, and training programmes for students and educators to reduce skills gaps and boost overall productivity.
- Develop tailored educational programmes to address regional disparities in AI literacy and skills expectations within the EU, ensuring balanced skills development.
- Encourage regional collaborations in curriculum design to create a cohesive workforce, support economic growth, and enhance competitiveness across EU Member States.

The conversational chatbot ChatGPT clearly has the potential to transform higher education and the labour market in the EU by promoting a broader range of skills and aligning workforce capabilities with market demands. However, careful implementation and policy support are essential to take advantage of these opportunities, address the associated challenges, and ensure that young Europeans, as students, benefit from these advancements in the EU labour market in the future.

---

## REFERENCES

- Abdaljaleel, M., Barakat, M., Alsanafi, M., Salim, N.A., Abazid, H., Malaeb, D., Mohammed, A.H., Hassan, B.A.R., Wayyes, A.M., Farhan, S.S., El Khatib, S., Rahal, M., Sahban, A., Abdelaziz, D.H., Mansour, N.O., AlZayer, R., Khalil, R., Fekih-Romdhane, F., Hallit, R., Hallit, S., & Sallam, M. (2024). 'A Multinational Study on the Factors Influencing University Students' Attitudes and Usage of ChatGPT'. *Scientific Reports*, 14(1), 1983.
- Al Shloul, T., Mazhar, T., Abbas, Q., Iqbal, M., Ghadi, Y. Y., Shahzad, T., Mallek, F., & Hamam, H. (2024). 'Role of Activity-Based Learning and ChatGPT on Students' Performance in Education'. *Computers and Education: Artificial Intelligence*, 6, 100219.
- Aristovnik, A., Umek, L., Brezovar, N., Keržič, D., & Ravšelj, D. (2024). 'The Role of ChatGPT in Higher Education: Some Reflections from Public Administration Students'. In: S.K.S. Cheung, F.L. Wang, N. Paoprasert, P. Charnsethikul, K.C. Li, & K. Phusavat (eds.), *Technology in Education. Innovative Practices for the New Normal*. ICTE 2023. Communications in Computer and Information Science, vol 1974. Singapore: Springer. [https://doi.org/10.1007/978-981-99-8255-4\\_22](https://doi.org/10.1007/978-981-99-8255-4_22).
- Boubker, O. (2024). 'From Chatting to Self-Educating: Can AI Tools Boost Student Learning Outcomes?'. *Expert Systems with Applications*, 238, 121820.
- Cheng, M., Adekola, O., Albia, J., & Cai, S. (2022). 'Employability in Higher Education: A Review of Key Stakeholders' Perspectives'. *Higher Education Evaluation and Development*, 16(1), 16–31.
- Das, S.R., & Madhusudan, J.V. (2024). 'Perceptions of Higher Education Students towards ChatGPT Usage'. *International Journal of Technology in Education*, 7(1), 86–106.
- European Parliament. (2016). 'Digital Skills in the EU Labour Market: In-Depth Analysis'. <https://data.europa.eu/doi/10.2861/451320>.
- Firat, M. (2023). 'How Chat GPT Can Transform Autodidactic Experiences and Open Education?'. *OSF Preprints*, 1–5, <https://doi.org/10.31219/osf.io/9ge8m>.
- Giordano, V., Spada, I., Chiarello, F., & Fantoni, G. (2024). 'The Impact of ChatGPT on Human Skills: A Quantitative Study on Twitter Data'. *Technological Forecasting and Social Change*, 203, 123389.
- Henry, B. (2023). 'The Rise of ChatGPT and Its Impacts on Innovation'. Wellspring Blog, <https://www.wellspring.com/blog/the-rise-of-chatgpt-and-its-impacts-on-innovation>.
- Komp-Leukkunen, K. (2024). 'How ChatGPT Shapes the Future Labour Market Situation of Software Engineers: A Finnish Delphi Study'. *Futures*, 160, 103382.
- Koundouri, P., Landis, C., Toli, E., Papanikolaou, K., Slamari, M., Epicoco, G., Hui C., Arnold, R., & Moccia, S. (2023). 'Twin Skills for the Twin Transition: Defining Green & Digital Skills and Jobs'. AE4RIA, ATHENA Research Centre, Sustainable Development Unit, 23 December.
- Michalon, B., & Camacho-Zuñiga, C. (2023). 'ChatGPT, a Brand-New Tool to Strengthen Timeless Competencies'. *Frontiers in Education*, 8, 1251163.
- Mohmad, P. (2023). 'How Does ChatGPT Become Popular So Quickly and How Is It Growing'. *Analytics Insight*, 19 January, <https://www.analyticsinsight.net/how-does-chatgpt-become-popular-so-quickly-and-how-is-it-growing/>.
- Noy, S., & Zhang, W. (2023). 'Experimental Evidence on the Productivity Effects of Generative Artificial Intelligence'. *Science*, 381(6654), 187–192.
- OECD. (2023). *OECD Employment Outlook 2023: Artificial Intelligence and the Labour Market*. Paris: OECD Publishing.
- Ravšelj, D., & Žabkar, J. (2024). 'The Potential of ChatGPT in Developing Employability Skills of Public Administration Students: Empirical Evidence from Slovenia'. Paper presented at the IIAS Conference 2024, 26–29 February, Mombasa, Kenya.
- Römgens, I., Scoupe, R., & Beusaert, S. (2020). 'Unraveling the Concept of Employability, Bringing Together Research on Employability in Higher Education and the Workplace'. *Studies in Higher Education*, 45(12), 2588–2603.
- Scott, R. (2022). 'Does University Make You More Liberal? Estimating the Within-Individual Effects of Higher Education on Political Values'. *Electoral Studies*, 77, 102471.
- Tlili, A., Shehata, B., Adarkwah, M.A., Bozkurt, A., Hickey, D.T., Huang, R., & Agyemang, B. (2023). 'What If the Devil Is My Guardian Angel: ChatGPT as a Case Study of Using Chatbots in Education'. *Smart Learning Environments*, 10(1), 15.
- Trepanier, L. (2023). 'How AI Could Save Liberal Education'. *Law & Liberty*, 17 March, <https://lawliberty.org/how-ai-could-save-liberal-education/>.
- Zarifhonarvar, A. (2024). 'Economics of ChatGPT: A Labor Market View on the Occupational Impact of Artificial Intelligence'. *Journal of Electronic Business & Digital Economics*, 3(2), 100–116.

# Fostering European Employee Ownership: Policy Recommendations for European Institutions

Sven Pungartnik Rauter and David Ellerman

<https://doi.org/10.53121/ELFS8> • ISSN (print) 2791-3880 • ISSN (online) 2791-3899

## ABSTRACT

Institutions play a key role in the development of employee ownership because of the market disadvantage such businesses face. The challenge of building up employee-owned firms usually comes down to the problem of capital, which institutions can help solve through appropriate tax discrimination in favour of employee-owned businesses, by f(ou)nding institutional investors that are tasked with investing in employee-owned businesses and supporting the employee stock ownership plan (ESOP) as a time-tested model of employee ownership. Such methods have proved effective in the past and could help Europe attain its goal of building a social economy, which includes employee-owned businesses.

## ABOUT THE AUTHORS

Sven Pungartnik Rauter is a student at the Faculty of Law, University of Ljubljana, and an intern at the Institute for Economic Democracy, Slovenia.

David Ellerman has written about and consulted with democratic forms of employee ownership for half a century. He is now retired, living in Ljubljana, and co-founder and President of the Institute for Economic Democracy, Slovenia.

## INTRODUCTION

Employee ownership is a way of running a business that fosters liberal values – it is democratic, fair, and efficient. Tasked with a difficult decade of aligning with climate goals and dealing with the silver tsunami of successions in small and medium-sized enterprises (SMEs) as well as facing uneven regional development, the EU needs solutions that address these problems directly. Employee ownership, specifically employee stock ownership plans (ESOPs), especially our European version (EurESOP), can help in dealing with these problems. However, to get started, this solution requires institutional support in the form of legal recognition, tax support, and fund provision. In the context of the EU, fostering employee ownership can contribute significantly to the Union's goals of social cohesion, economic stability, and inclusive growth.

## HOW EMPLOYEE OWNERSHIP RELATES TO EUROPE

In 2021 the European Commission set forth an action plan to support and promote the development of the social economy.<sup>1</sup> Employee-owned enterprises fall directly under this type of economy as they represent a business model that promotes equality and fairness,<sup>2</sup> two important European values, within as well as outside the enterprise. The best example of outside effects is the *secondary cooperative*, a cooperative group whose members are cooperative enterprises that organise together, share their profits, and cover each other's losses to improve their market viability. The most famous example of this is the Mondragon Corporation, located in the Basque region and employing over 70,000 people worldwide.<sup>3</sup>

The model of employee ownership (EO) promotes social cohesion, reduces inequality, and fosters sustainable economic growth. It is a time-tested method of improving the current economic system. As Louis Kelso, the inventor of ESOPs, a very popular and effective form of EO in the United States, put it, 'the only problem with capitalism is not enough capitalists'. First created in the mid-1970s, there are now about 6,500 ESOPs in the US, covering 10 per cent of the private workforce. Almost all of them arose from SME successions.

So, how would EO help improve the EU's economy, and how can the EU help build EO?

## THE PROBLEMS OF SUCCESSION AND UNEVEN REGIONAL UNDERDEVELOPMENT

### The succession crisis in small and medium-sized enterprises

SMEs form the backbone of our economy – they represent 99 per cent of all businesses in the EU and employ around 100 million people. However, this sector faces a serious succession crisis as the baby boomer generation of owners approaches retirement age, often called the *silver tsunami*.

## The model of employee ownership promotes social cohesion, reduces inequality, and fosters sustainable economic growth

In contrast to the US with its ESOPs, the EU has no standard model for business succession. The problem is exacerbated in the eastern part of the EU due to a lack of experience in business succession planning.

### Uneven regional development

It is no secret that the EU is characterised by differences among its regions and Member States. On a smaller scale, this problem can be seen when comparing urban and rural areas, as the trend has been for more and more people to flock to the big cities. Underdeveloped areas face higher rates of poverty, unemployment, and a generally lower quality of life.

This turns into a vicious cycle when young people see the 'bright lights' in the expanding cities and are dissuaded from staying in rural areas due to lack of employment (*brain drain*), and subsequently businesses decline due to lack of workers and reduced demand.

## HOW EMPLOYEE OWNERSHIP ADDRESSES THESE PROBLEMS

### Efficient plan of succession

The ESOP serves as an efficient way to plan for a company's future. The plan helps establish internal ownership of the company by retaining it in the hands of the employees. The US version does this by using the legal entity of a trust, whose beneficiaries are the employees. Once an employee retires, they are paid out by the capital they have accumulated during their work at the company. Meanwhile, new employees are added, when they fulfil the requirements, to the trust, creating a circular and automatic mechanism of internal ownership of the company.

What we can observe is that ownership becomes tied to employment in the company, and since the company will always have new workers, there will also be new owners as time passes. The important part is how to make this transition as smooth as possible and fair. EurESOP, the suggested European version, uses what is called the *rollover system*, in which the longest-tenured employees are gradually paid out and their shares are then allocated to

current employees (including newly joined ones) – and the circle goes on *ad infinitum*. This is a win-win situation, as the old owners are guaranteed to be bought out (without selling to outsiders), while the new owners are guaranteed to own capital and build on it with their work and effort.

Additionally, we would like to point out how, in conjoining the role of employee and employer in one person, the worker-owner, we solve the *agency problem* inherent to every conventional type of business. The conflict of interest between the company and the employee disappears as the two start functioning as one. As Pete Stavros of KKR, one of the largest private equity firms in the US, put it, 'give rank-and-file workers a stake in their company on top of salary – plus a voice in how the business is run day-to-day. With skin in the game, they'll be motivated to work harder and smarter' (Wertheim, 2024).

This approach to organising a company ensures that the owners do not need to sell to their competitors or to private equity firms whose aim it is to later sell the company, or to close up shop. Competitors do not want to run two companies, so typically the customer lists, top employees, and production are slowly shifted to their main business, and the purchased business is gradually shut down within a few years. Private equity typically capitalises the

accumulated fixed assets of a company (e.g., through a sale/lease-back transaction) to pay off the acquisition debt and then sells the gutted company within a few years for profit. In contrast, the employee ownership option is a way of preserving the founder's legacy by keeping the company and its spirit intact, while also rewarding those employees who helped build it along the way. This is also shown by the higher employee retention rates in ESOPs than in non-ESOPs (National Center for Employee Ownership, 2022). This helps ensure that the best employees stick with the company, thus retaining firm-specific knowledge and expertise.

### **Anchoring ownership in the community**

The employees are usually local residents and are the first to feel its direct effect on the environment – the natural as well as the social. They are also very interested in keeping the company up and running for as long as possible, for its closure would mean the loss of their livelihoods. With this in mind, we can see that when the owners of a company are local residents of the region where the company is located, it is in everyone's best interest to maintain a viable and sustainable business.

This is a very powerful incentive and motivator to keep rural areas vibrant and well supplied with job opportunities, as employee-owned businesses tend to be locally focused. They can also act as a bulwark against hostile takeovers, since the company's ownership is preserved with the employees and safeguarded, further retaining businesses in rural and less urban areas.

Furthermore, an employee-owned business is more likely to survive an economic crisis if it happens – and it (probably) will. This was demonstrated in studies performed by the National Center for Employee Ownership (2021) analysing the results of ownership structure and crisis resilience during the COVID-19 pandemic. The study cites a 2021 John Zogby Strategies survey in which employees at conventional, non-ESOP companies, and employees at ESOP companies, were asked about their financial stability (ESCA, 2021). The survey found that employees at conventional companies reported job losses or downsizing at six times the rate of employee owners, financial insecurity at more than three times the rate of employee owners, and inability to pay down debt at more than twice the rate of employee owners.

## **FOSTERING EMPLOYEE OWNERSHIP: POLICY PROPOSALS**

What types of institutional support can help foster EO in the European economy, based on the

obstacles that currently hinder its development? EO represents a promising path for the future of the SME sector of the European economy as well as the furtherment of democratic values in the general population. The succession problem in the European SME sector is a slow-motion train wreck since there is no institutional framework for a healthy and stable succession. The owner's offspring are typically unwilling or unable to take over the business, and the alternative option of selling to a competitor or to private equity will likely lead to the business's demise, with the resulting negative effect on the local community.

### **One type of employee buyout**

There is only so much that can be done solely through educating and motivating employees and employers to pursue this business model. At the end of the day, worker buyouts – a means of achieving an employee-owned company – require funding, and this is where the crux of the problem lies.

Employees usually do not possess the amount of capital needed to independently finance a worker buyout of their company. Some countries, for example Italy, have addressed this problem in an ingenious way by allowing the workers of a company that is soon to be bankrupt to use the unemployment benefits they would have received had the company gone bankrupt to finance the buying or leasing of the company's assets to save the business in a new form without the debts of the bankrupt company. This option was introduced with the Marcora Law, named after its first signatory.<sup>4</sup> What is important to note as well is that these benefits are paid out in a lump sum so as to better finance the buyout. This means that the funds that would have been paid out either way were put to use to keep the new company afloat and the employment intact, rather than simply paying out unemployment benefits – reducing the state's expenditure and helping the workers retain their livelihoods and their company. Furthermore, the law introduced two institutional funds to help develop and foster the growth of cooperatives, another form of social economy pursuant to the Social Economy Action Plan, namely FONCOOPER and CFI (Compagnia Finanziaria Industriale).

### **Positive tax discrimination**

*Money talks*, and institutions talk through their funding – just as the numbers suggest. As mentioned before, a common problem in building EO is lack of capital. Countries usually solve this by providing tax exemptions or benefits to forms of enterprise they wish to support. And the effects of this

are palpable in practice. Taking the example of the US, its first major legislation on ESOPs as a form of EO, the Employee Retirement Income Security Act (ERISA), adopted in 1974, officially formalised ESOPs as part of retirement plan law. However, significant tax benefits were given only a decade later, in the Tax Reform Act of 1984. As problematised before, due to lack of capital (or due to lack of excess capital) ESOPs may not offer as much payment for the sale of shares as some private equity firms might, so to counteract this it is important that the tax system recognises the problem and supports EO.

This is also emphasised in a decisive case by the Court of Justice of the EU.<sup>5</sup> The court ruled that cooperatives are a type of enterprise that is disadvantaged on the current market, stating that cooperatives are less profitable since they are not run in the interest of outside investors and moreover lack access to capital from equity markets and in general as their shares are not listed on the stock market, further reducing their own independent financing options. The court therefore ruled that tax benefits and exemptions given to cooperatives do not represent state aid as they boost a type of enterprise that is not in a comparable position in the market to conventional enterprises – for the aforementioned reasons.

A policy to encourage the growth of EO would mitigate the disadvantages of ESOPs on the market with tax benefits and exemptions to improve their odds.

### Funding institutional investors

Lastly, we would like to mention the role institutions play in fostering EO with funding. As seen in the case of Italy, the Marcora Law introduced two institutional investors, tasked with supporting the growth of cooperatives. This should be a standard to follow, given that cooperatives and employee-owned businesses have lower access to capital in general.

A state-funded investor helps overcome this market barrier by providing cooperatives with the capital they need without forcing them to compromise on their cooperative values for increased viability. Such is the case in Italy with FONCOOPER and CFI, but also in the Basque region of Spain with Laboral Kutxa.<sup>6</sup>

To put it into context, in the early days of the cooperative movement in the Basque country (the 1950s), cooperatives were unable to obtain funding from regular banks and so needed an investor of their own. Laboral Kutxa (then named Caja Laboral Popular), a cooperative bank focused on financing cooperatives, was thus founded in 1959. It might be of use to mention that it now performs as one of

the top banks in Spain yet remains true to its goal of fostering EO.

Policy such as that foreseen in the Marcora Law regarding the foundation of institutional investors would help foster the growth of EO by allowing the various forms to not compromise on their values to achieve the necessary funding.

### Supporting the ESOP model

As the last policy proposal, we would like to single out the previously mentioned model of EO, the ESOP model. This model has been shown through decades of real-life examples to help bring EO to life in a successful and efficient way. With institutional support, such a model could help transform Europe's SME sector and make the transformation sustainable.

By making the employees beneficiaries of a fund and by making the fund the owner of the enterprise, the ESOP allows for a continuous cycle of employee-owners with minimum costs of upkeep since the system maintains itself – once an employee leaves the company, their membership in the fund ends, and once an employee enters the company, so too their membership begins.

Such a model would be a great choice for institutions who want to support EO; however, the model must be adopted to fit the legal system of each individual country. The model was first used in the US, but there have been attempts to introduce it to the European context.<sup>7</sup>

With institutional support in the form of legal recognition, tax support, funding provision, and support for time-tested models of EO such as ESOPs, EO can help transform the economy into a more social and more efficient one.

---

#### NOTES

1. See <https://ec.europa.eu/social/main.jsp?catId=1537&langId=en>.
2. Based on cooperative principles as laid down in Council Regulation 1435/2003 for the European Cooperative (SCE).
3. See <https://www.mondragon-corporation.com/en/>.
4. Italian Law 49/85.
5. Joined cases from C-78/08 to C-80/08.
6. See <https://www.laboralkutxa.com/es/>.
7. European ESOP or EurESOP is our Institute's attempt to learn from the US ESOP and adapt it to the European environment. A brief description can be found at <https://ekonomskademokracija.si/eng/sloesop/>.

#### REFERENCES

- ESCA. (2021). 'John Zogby Survey Finds that S ESOP Employees Fared Better in the COVID-19 Pandemic than Non-ESOP Employees', <https://esca.us/studies-and-surveys/2021-john-zogby-survey-finds-that-s-esop-employees-fared-better-in-the-covid-19-pandemic-than-non-esop-employees/>.
- National Center for Employee Ownership (2021). 'Measuring the Impact of Ownership Structure on Resiliency in Crisis'.

<https://www.nceo.org/article/measuring-impact-ownership-structure-resiliency-crisis>.  
National Center for Employee Ownership. (2022). 'Employee Ownership in the U.S. Food System During COVID-19: New Evidence on Outcomes for Firms and Workers', <https://www.nceo.org/sites/default/files/2022-05/NCEO%20research%20report%20-%20Employee%20Ownership%20in%20the%20U.S.%20Food%20System%20During%20COVID-19.pdf>.

Wertheim, J. (2024). 'Private Equity Unlikely Champion for Giving Workers a Leg Up with Employee Ownership'. CBS News, 11 August, <https://www.cbsnews.com/news/private-equity-unlikely-champion-for-giving-workers-a-leg-up-with-employee-ownership-60-minutes-transcript/>.



## Section 2

---

# **Quality of Life: Addressing Emerging Concerns**





# EU Watch Your Steps: Liberal Answers to the Housing Problem

Meta van der Starren

<https://doi.org/10.53121/ELFS8> • ISSN (print) 2791-3880 • ISSN (online) 2791-3899

## ABSTRACT

The housing market is stagnant, and more and more people cannot find or afford a home. To provide effective liberal solutions that genuinely create affordable and adequate housing, it is essential to understand the unique characteristics of the housing market. This chapter examines the complexities of the Dutch housing market, illustrating how various regulations hinder the supply side's ability to meet demand. Based on this analysis, the chapter suggests that the EU should simplify regulations and align its policies with fundamental values to enhance housing affordability and availability.

## ABOUT THE AUTHOR

Meta van der Starren studied constitutional and administrative law with a focus on political philosophy. She is currently employed at the TeldersStichting, the Netherlands-based liberal think tank that conducts research on policy issues, and aims to tackle societal challenges from a liberal standpoint. Last year, Meta collaborated with various experts in the field of housing to develop a liberal vision for the housing market. The research focused on identifying the specific characteristics of 'housing' and determining where the free market is sufficient in creating suitable and affordable housing, and where governmental intervention is required due to market failures.

## INTRODUCTION

In Europe, households are paying an average of €765 per month in total housing-related costs. For renters, housing costs take up 40 per cent of their income, for mortgagees 35 per cent of their income, and for outright owners 20 per cent (Kouvavas & Rusinova, 2024). With the shortage of housing and the lack of affordability, more and more governments across Europe are searching for ways to make housing more affordable. Institutions advocate that the shortage of decent and affordable housing in the EU requires a European action plan on housing, including a comprehensive set of measures to boost the supply of social and affordable housing (Hencks & Edelényi, 2020: 3).

Frequently, people assert that market mechanisms fail to function, thereby justifying the implementation of policy interventions within the market. To provide a liberal answer to the housing shortage and lack of affordability, one must not only investigate the underlying causes of the stagnated housing market, but also look at the different characteristics of the product 'house', to discover the proper way to structure the market for that product (Wijbenga-Van Nieuwenhuizen et al., 2024: 33–35).

When considering the product of housing, one must consider five characteristics: the scarcity of land and therefore the need for spatial planning by the national government; the durability of real estate; the value of a home; the existence of multiple submarkets such as the owner, rental, and social rental markets; and the complexity of the product due to the interaction of various policy domains (Wijbenga-Van Nieuwenhuizen et al., 2024: 33–35). The combination of these characteristics makes housing a unique and intricate product. Therefore, it is the responsibility of governments to ensure that appropriate foundations are established and to act as regulators to maintain order and oversee the functioning of the market, so that various options

for housing preferences can indeed emerge. This does not imply that it is the government's task to construct houses themselves.

How can we, with these characteristics in mind, create affordable and suitable housing for everyone? To answer this question, I will first give an overview of the regulations governing housing in the EU, followed by an outline of the issues present in the Dutch housing market. Finally, I will present my conclusions.

## THE EU AND HOUSING

The right to housing can be found in numerous EU treaties, but the policy field of housing still belongs to the competences of the Member States.

The right to housing is articulated in multiple provisions within EU treaties. For example, in order to combat social exclusion and poverty, the Charter of Fundamental Rights of the EU (the 'Charter') states in article 34.3 that the Union recognises and respects the right to social and housing assistance so as to ensure a decent existence for all of those who lack sufficient resources, in accordance with the rules laid down by Union law and national laws and practices.

Similarly, the revised European Social Charter article 31 outlines the right to adequate housing. To ensure the exercise of this right, parties undertake measures designed to: 1) promote access to housing of an adequate standard, 2) prevent and reduce homelessness with a view to its gradual elimination, and 3) make the price of housing accessible to those without adequate resources. This article cannot be interpreted as imposing on states an obligation of 'results'; however, it notably obliges them to adopt the necessary legal, financial, and operational means of ensuring steady progress, measurable and within reasonable time, in the realisation of this right. Despite the absence of an obligation to deliver results, article 31 in its entirety is only accepted by ten states, while four states have accepted it partially (European Committee of Social Rights, n.d.).

Furthermore, the right to housing is increasingly reflected in judicial decisions and decisions of the European Committee of Social Rights (Uhry, 2016). The European Court of Human Rights has ruled that states should evaluate risks represented by industry activity in close proximity to residential areas (Uhry, 2016: 4).<sup>1</sup> The European Committee of Social Rights concluded that, with the shaping of public policy and its evaluation, the state should evaluate the effectiveness of policy, which entails that the state must run a regular overview of the effectiveness of strategies adopted (Uhry, 2016: 3). The state must be alert to the impact its policy choices have on all

groups of people concerned and more specifically the most vulnerable (Uhry, 2016: 3).<sup>2</sup>

Although the EU may lack specific policy in the area of housing, there are indirect and spillover effects from other EU regulations in neighbouring policy fields which influence housing affordability, such as competition law and sustainability. EU regulations on state aid have had an especially big impact in the Netherlands in comparison with other Member States, but areas such as sustainability also influence the housing market (Krapp et al., 2022: 171). For example, the Energy Efficiency Directive (2012/27/EU), which established a set of binding measures to help the EU achieve its energy reduction target of 20 per cent by 2020, has a significant influence on housing in the Member States (Hegedüs, Elsinga, & Horváth, 2016: 10).

According to critics, while setting ambitious energy efficiency targets for housing construction may be a preferable, adequate, and beneficial goal in some regions of the EU, for the less developed parts of Europe it might make good-quality or newly constructed housing even less affordable. This impact may affect not only low-income groups but also the majority of the population, thereby contributing to inequalities (Caturianas et al., 2020: 44; Hegedüs, Elsinga, & Horváth, 2016: 12). In conclusion, the affordability of housing can be influenced by policies aimed at objectives other than housing (Frayne et al., 2022: 33).

## PROBLEMS ON THE DUTCH HOUSING MARKET: CASE STUDY

Housing is an extremely complex topic influenced by a multitude of diverse policy fields. To illustrate this complexity and the intertwinement of policies, the main constraints of the Dutch housing market will be highlighted.

### Change in demographics

The demand for housing is directly influenced by the size of the population and the demographics of those seeking homes. Over the past ten years, the growth of the Dutch population has been driven more by migration than by natural population increase.<sup>3</sup> The choices made regarding migration – whether it concerns asylum, labour, or study migration, and whether it involves long-term or short-term stays – have a direct impact on the housing market.

In addition to population growth, the composition of the population and people's housing preferences are also changing (Staatscommissie Demografische Ontwikkelingen 2050, 2024: 137). The number of elderly individuals is increasing in the Netherlands,

and the prevalence of single-person households is rising. These demographic shifts, along with the policy choices made in response, impact the structure of the housing market. Changes in demographics – due to age, income, and regional preferences of buyers – can significantly impact house prices (Nguyen, Stapleton, & Rohrs Schmitt, 2023).

Between 2008 and 2018, the growth of the housing stock was unable to keep pace with the growth of the number of households (ABF Research, 2021: 17). Since 2018, the growth of the housing stock has significantly increased, but this growth did not continue in 2020 (ABF Research, 2021: 15). The housing shortage rose to 4.8 per cent of the housing stock in 2023, equivalent to 390,000 homes (ABF Research, 2023). Projections indicate that by 2030, a total of 981,000 additional homes will be needed.

However, these figures on the actual housing shortage require some qualification. They do not take into account actual housing needs. The growth of the population and changes in household composition mean that the housing stock increasingly fails to align well with demand (Rijksoverheid, 2020: 19). There are households, such as students or migrant workers, who prefer to keep their housing costs low and therefore choose to share accommodation rather than occupy a home of their own. Additionally, housing needs vary not only in terms

of household preferences but also across different regions in the country (Stec Groep, 2023: 19).

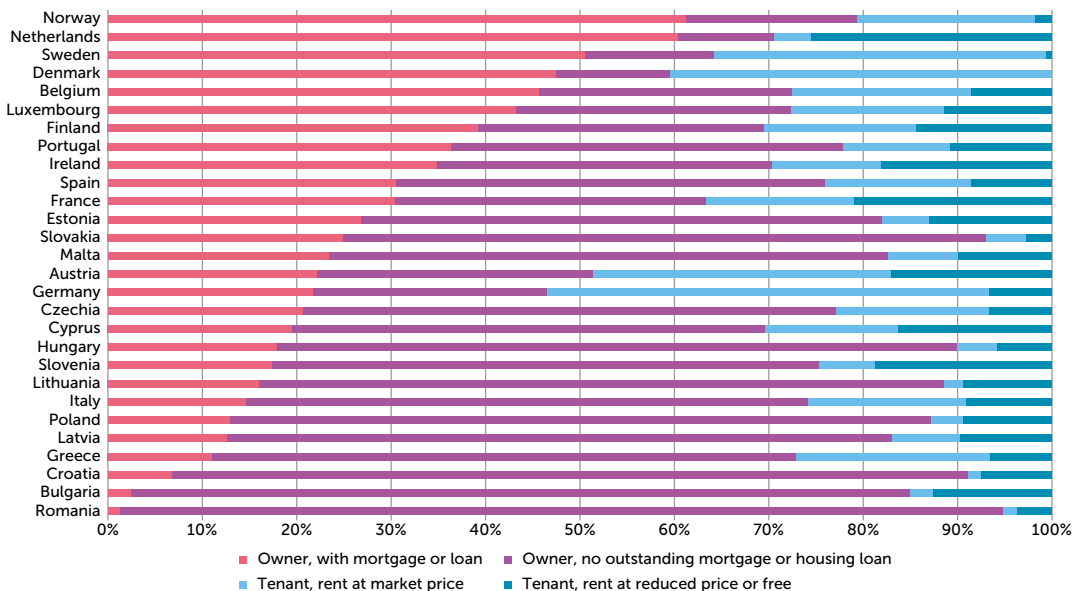
### Demand-stimulating measures

In addition to population growth and shifting demographic composition, government policies also influence the demand for and supply of housing. As illustrated in Figure 1, unlike many other markets, the majority of households in the Netherlands receive government support to cover their housing costs. This support comes in the form of fiscal measures, such as mortgage interest deduction for homeownership or housing allowance for social welfare recipients. Consequently, these policies significantly bolster the demand side of the housing market (Hilbers & Eijking, 2022: 30). However, instead of making housing more affordable, these purchase subsidies have passed through into property prices and therefore not necessarily benefited buyers (Dolls et al., 2022: 65).

### Supply-side constraints

In contrast, there are numerous government measures that hinder the supply of new housing. These include limited land allocation, stringent regulations, and procedures (Centraal Planbureau, 2020: 12). In the Netherlands, the availability of suitable land for construction is limited, leading to rising land prices, particularly in areas with

FIGURE 1: Tenure status



Source: Eurostat 2023.

population growth (Centraal Planbureau, 2020: 12). Spatial planning policies and other institutional barriers further exacerbate this price increase (Centraal Planbureau, 2020: 12). Due to the combination of procedures and spatial planning regulations, housing construction in the country has become a lengthy and arduous process (Centraal Planbureau, 2020: 12). Municipalities' requirements imposed on construction projects make it financially unfeasible for developers to create new homes (Centraal Planbureau, 2020: 12; Frayne et al., 2022: 33). Research indicates that stricter land-use regulations are associated with sharper increases in house prices but less urban sprawl (von Ehrlich, 2022). Additionally, municipalities and provinces often have their own priorities that contribute to rising housing costs (Centraal Planbureau, 2019: 2).

### **Inelastic housing supply**

As a consequence of demand-stimulating measures and supply-restrictive regulations, the Netherlands has an inelastic housing supply (Caldera Sánchez & Johansson, 2011: 6). While in other markets, supply typically increases in response to rising prices driven by increasing demand, this response is very limited in the Dutch housing market (Centraal Planbureau, 2017: 3). As a result, the price of Dutch homes is primarily determined by the demand side rather than the supply side of the market. Due to the limited ability of the supply side to grow and adjust, developments that drive demand, such as mortgage interest deduction, declining mortgage rates, and increasing population growth, can exert upward pressure on prices, while supply remains constrained (OECD, 2022: 16–18).

### **Attempts to bring back affordability**

In the Netherlands, as well as in other countries, measures have been implemented to improve the availability and affordability of housing. An example of this includes rent regulations or owner-occupancy requirements, which are often proven to be not only ineffective but also counterproductive, ultimately failing to provide solutions for the housing shortage (Smallenbroek, 2023a). Research conducted by institutions including Erasmus University has shown that the regulation initially appears to be effective (NRC, 2023; Francke et al., 2023). Houses were sold 23 per cent less frequently to investors and 14 per cent more often to young first-time buyers. However, following the implementation of the regulation, fewer houses have become available on the rental market. According to researchers, this will primarily have a negative impact on low- and middle-income groups, who are more likely to depend on renting in the private sector. For those

who do not earn enough to buy a house or cannot find housing in the social rental sector, the decline in the private rental market is bad news. Similar findings have emerged from international research on housing markets in Germany, Spain, Sweden, and Austria (Smallenbroek, 2023b). Therefore, rent controls appear to have a significant destabilising impact on the aggregate housing market (Cuerpo, Kalantaryan, & Pontuch, 2014: 17).

Next to rent regulations, the demand for social housing grows. Although sufficient support for vulnerable groups is justified, a large social housing system is not always the answer. In comparison with other European countries, the Netherlands has a relatively large social housing sector. Nevertheless, as we have seen, the Netherlands also faces a significant housing shortage.

The decrease in housing prices does not necessarily correspond to an increase in housing construction, which is essential in addressing housing shortages and unaffordability. However, if houses are not required to be built at cost-recovery rates and there are no additional housing additions, housing prices will continue to rise. Mandatory social housing further contributes to the increase in prices for other housing units being built, as they must cover the costs of social housing. This implies that improving accessibility for one group will come at the expense of others (Centraal Planbureau, 2023).

In addition, the singular focus on creating affordable housing through rent regulations or social housing is too restrictive. Research shows that new homes, even if they are built in more expensive segments of the market, free up housing in other segments. This, in turn, can lead to a chain of relocations through all segments of a housing market, ultimately freeing up more houses (Centraal Bureau voor de Statistiek, 2023). As a result, when houses are built in a more expensive segment, this frees up housing in less expensive segments. Therefore, increasing the supply by adding homes, including more expensive ones, has a price-pressing effect on lower residential segments (Bratu, Harjunen, & Saarimaa, 2021: 3). Adding homes, even in the more expensive segment of the market, will ultimately improve housing affordability (Asquith, Mast, & Reed, 2020: 1).

## **RECOMMENDATIONS FOR THE EU**

Affordability and the lack of sufficient housing are growing problems across EU Member States, and countries and institutions are exploring different ways to address them. Housing markets are complex and are influenced by various policies. To arrive at satisfying, long-term solutions for organising the

housing market, one must consider the different characteristics of the housing market, including the scarcity of land, the durability of real estate, the value of a home, the existence of multiple submarkets, and the interaction of various policy domains. The availability of sufficient housing and housing affordability are influenced by demographics, fiscal measures, and regulations regarding spatial planning. We have observed that strict regulations on spatial planning make it more challenging for the market to adjust and supply housing to meet demands. Regulations stem not only from national authorities but also from the EU in policy fields with objectives other than housing, such as sustainability. While these objectives may be desirable, they can have a negative impact on housing affordability.

1. Do not seek housing solutions solely within the housing sector. To establish a well-functioning housing market, attention should be directed not only towards house construction but also towards other policy domains such as spatial planning and taxation.
2. Reduce regulatory complexity. Whether pertaining to social housing or sustainability regulations, excessive regulation of home construction inherently hinders the growth of new residences. Caution should be exercised to prevent excessive layering of regulations.
3. Policies in fields with objectives unrelated to housing, such as the EU's Energy Efficiency Directive, can influence the possibility of housing construction. While these objectives may be desirable, they can have a negative impact on housing affordability.
4. The EU should prioritise fundamental values. Rules governing competition and state aid are crucial for ensuring the proper functioning of markets within and between different Member States.

## NOTES

1. ECHR *López Ostra v. Spain*, no. 16798/90, 9 December 1994.
2. ECSR *Feantsa v. France* (Complains No. 39/2006).
3. Centraal Bureau voor de Statistiek, 'Bevolkingsgroei', <https://www.cbs.nl/nl-nl/visualisaties/dashboard-bevolking/bevolkingsgroei/groei>.

## REFERENCES

ABF Research. (2021). *Vooruitzichten bevolking, huishoudens en woningmarkt: Prognose en Scenario's 2021–2035*. 29 June, Delft.

ABF Research. (2023). 'Primos prognose 2023: Prognose van bevolking, huishoudens en woningbehoefte'. 12 July 2023, <https://www.abfresearch.nl/2023/07/12/rapportage-primos-prognose-2023/>.

Asquith, B.J., Mast, E., & Reed, D. (2020). 'Supply Shock versus Demand Shock: The Local Effects of New Housing in

Low-Income Areas'. Federal Reserve Bank of Philadelphia Working Paper no. 20-7, <https://ssrn.com/abstract=3587381>.

Bratu, C., Harjunen, O., & Saariama, T. (2021). 'City-Wide Effects of New Housing Supply: Evidence from Moving Chains'. Working Papers 146, VATT Institute for Economic Research, Helsinki.

Caldera Sánchez, A., & Johansson, Å. (2011). 'The Price Responsiveness of Housing Supply in OECD Countries'. OECD Economics Department Working Papers No. 837.

Caturianas, D., Lewandowski, P., J Sokolowski, J., Kowalik, Z., & Barcevičius, E. (2020). *Policies to Ensure Access to Affordable Housing*, Publication for the committee on Employment and Social Affairs, Policy Department for Economic, Scientific and Quality of Life Policies, European Parliament, Luxembourg.

Centraal Bureau voor de Statistiek. (2023). 'Door ruim 50 duizend nieuwbouwwoningen doorstroom in 120 duizend woningen'. 4 July 2023, <https://www.cbs.nl/nl-nl/nieuws/2023/27/door-ruim-50-duizend-nieuwbouwwoningen-doorstroom-in-120-duizend-woningen#:~:text=Een%20verhuisketen%20als%20gevolg%20van,dan%20het%20aantal%20bewoonde%20nieuwbouwwoningen>.

Centraal Planbureau. (2017). *Prijselasticiteit van het woningaanbod*. <https://www.cpb.nl/sites/default/files/omnidownload/CPB-Notitie-15aug2017-Prijselasticiteit-van-het-woningaanbod.pdf>.

Centraal Planbureau. (2019). *Het bouwproces van nieuwe woningen*. <https://www.cpb.nl/sites/default/files/omnidownload/cpb%20boek%20woningmarkt%20-%20boek%2033.pdf>.

Centraal Planbureau. (2020). *Beweging op de woningmarkt: Prijzen en volumes*. <https://www.cpb.nl/sites/default/files/omnidownload/CPB-Notitie-mrt2020-Beweging-op-de-woningmarkt-prijzen-en-volumes.pdf>.

Centraal Planbureau. (2023). *De verdeling van schaarse woningen in de corporatiesector*. [https://www.cpb.nl/sites/default/files/omnidownload/CPB-PUBLICATIE-De-verdeling-van-woningen-in-de-corporatiesector\\_0.pdf](https://www.cpb.nl/sites/default/files/omnidownload/CPB-PUBLICATIE-De-verdeling-van-woningen-in-de-corporatiesector_0.pdf).

Cuerdo, C., Kalantaryan, S., & Pontuch, P. (2014). 'Rental Market Regulation in the European Union'. *Economic Papers* 515, April, *Economic and Financial Affairs*.

Dolls, M., Gstrein, D., Krolage, C., & Neumeier, F. (2022). 'How Do Taxation and Regulation Affect the Real Estate Market?'. *EconPol Forum*, 5(23), 65–69.

European Committee of Social Rights. (n.d.). 'The Right to Housing under the European Social Charter'. [https://www.google.com/url?sa=t&source=web&rct=j&opi=89978449&url=https://www.ohchr.org/sites/default/files/Documents/Issues/Housing/COVD19/UN\\_Entities/Council\\_of\\_Europe\\_Right2Housing.docx&ved=2ahUKEwiM6-WztpyGAXVn\\_rslHVEnBxEQFnoEAcQAQA&usq=A0vVaw3EuLopBZV0BoGfXMFEmmA](https://www.google.com/url?sa=t&source=web&rct=j&opi=89978449&url=https://www.ohchr.org/sites/default/files/Documents/Issues/Housing/COVD19/UN_Entities/Council_of_Europe_Right2Housing.docx&ved=2ahUKEwiM6-WztpyGAXVn_rslHVEnBxEQFnoEAcQAQA&usq=A0vVaw3EuLopBZV0BoGfXMFEmmA).

Eurostat. (2023). 'Distribution of Population by Tenure Status, Type of Household and Income Group'. Last updated 1 October 2024, [https://doi.org/10.2908/ILC\\_LVHO02](https://doi.org/10.2908/ILC_LVHO02).

Francke, M., Hans, L., Korevaar, M., & van Bekkum, S. (2023). 'Buy-to-Live vs. Buy-to-Let: The Impact of Real Estate Investors on Housing Costs and Neighborhoods'. 15 June, <https://ssrn.com/abstract=4480261>.

Frayne, C., Szczypińska, A., Vašiček, B., & Zeugner, S. (2022). 'Housing Market Developments in the Euro Area: Focus on Housing Affordability'. Discussion Paper 171, September, *Financial and Economic Affairs*.

Hegedüs, J., Elsinga, M., & Horváth, V. (2016). *Policy Discussion Brief for the European Commission on Housing in EU Member States*. Habitat for Humanity International: Europe, Middle East and Africa.

Hencks, R., & Edelényi, A. (2020). 'EESC Opinion: Universal Access to Housing that Is Decent, Sustainable and Affordable over the Long Term'. European Economic and Social Committee, <https://www.eesc.europa.eu/en/our-work/opinions-information-reports/opinions/universal-access-housing-decent-sustainable-and-affordable-over-long-term>.

- Hilbers, P., & Eijking, C. (2022). 'Star aanbod en stimulering van vraag stuwen huizenprijzen in Nederland op'. *ESB* 107(4809S), 8 May, 30–34.
- Kouvavas, O., & Rusinova, D. (2024). 'How Big Is the Household Housing Burden? Evidence from the ECB Consumer Expectations Survey'. European Central Bank, [https://www.ecb.europa.eu/press/economic-bulletin/focus/2024/html/ecb.ebbox202403\\_03~5527657e02.en.html#:~:text=In%20January%202024%20households%20were,and%20rent%20or%20mortgage%20costs](https://www.ecb.europa.eu/press/economic-bulletin/focus/2024/html/ecb.ebbox202403_03~5527657e02.en.html#:~:text=In%20January%202024%20households%20were,and%20rent%20or%20mortgage%20costs).
- Krapp, M., Vaché, M., Egner, B., Schulze, K., & Thomas, S. (2022). *Housing Policies in the EU*. Federal Institute for Research on Building, Urban Affairs and Spatial Development.
- Nguyen, J., Stapleton, C., & Rohrs Schmitt, K. (2023). '4 Key Factors that Drive the Real Estate Market'. *Investopedia*, 12 June, <https://www.investopedia.com/articles/mortgages-real-estate/11/factors-affecting-real-estate-market.asp>.
- NRC. (2023). 'Het weren van woningbeleggers helpt koopstarters maar benadeeld huurder'. 19 June, <https://www.nrc.nl/nieuws/2023/06/19/het-weren-van-woningbeleggers-helpt-koopstarters-maar-benadeelt-huurders-a4167589>.
- OECD (Organisation for Economic Co-operation and Development). (2022). *Housing Taxation in OECD Countries*. OECD Tax Policy Studies No. 29. Paris: OECD Publishing. <https://doi.org/10.1787/03dfe007-en>.
- Rijksoverheid. (2020). *Ruimte voor wonen: Brede maatschappelijke heroverweging*. 20 April. <https://www.rijksfinancien.nl/bmh/bmh-7-ruimte-voor-wonen.pdf>.
- Smallenbroek, M. (2023a). 'Regulering desastreuus voor investeringen huurwoningen: Internationaal onderzoek naar effecten huurregulering'. *jll.nl*, 3 October, <https://www.jll.nl/nl/nieuws/regulering-desastreuus-voor-investeringen-huurwoningen->.
- Smallenbroek, M. (2023b). 'Uncertainty in Times of Changing Rent Regulation: What Can We Learn from European Examples?'. *jll.nl*, 3 October, <https://www.jll.nl/nl/trends-inzichten/onderzoek/uncertainty-in-times-of-changing-rent-regulation->.
- Staatscommissie Demografische Ontwikkelingen 2050. (2024). *Gematigde groei: Rapport van de Staatscommissie Demografische Ontwikkelingen 2050*. The Hague.
- Stec Groep. (2023). *De potentie van splitsen en optoppen*. 20 March. <https://open.overheid.nl/documenten/ronl-ec7ca4104f328d35d1e83b450f931d0772260857/pdf>.
- Uhry, M. (2016). 'Housing-Related Binding Obligations on States: From European and International Case Law'. Foundation Abbé Pierre and European Federation of National Organisations Working with the Homeless (FEANTSA), <https://www.feantsa.org/download/2016-06-housing-related-binding-obligations6411857525167192995.pdf>.
- von Ehrlich, M. (2022). 'Quantifying Land-Use Regulation and Its Determinants'. 6 April, <https://www.ifo.de/veranstaltung/2022-04-04/quantifying-land-use-regulation-and-its-determinants>.
- Wijbenga-Van Nieuwenhuizen, B., Brounen, D., Hoes, O., Hossain, R., Klep, E., Kurvers, B., van der Linde, R., van Rooy, P., van Schie, P., van der Starren, M., & Zwierstra, A. (2024). *WoningMarktMeester: Een liberale, effectieve visie op de woningmarkt*. Antwerp: Gompel&Svacina.

# Filling the Gap: Why the EU Needs a Social Services Plan

Alfonso Lara Montero

<https://doi.org/10.53121/ELFS8> • ISSN (print) 2791-3880 • ISSN (online) 2791-3899

## ABSTRACT

Despite growing social and demographic challenges, the social services sector, including long-term social care, is understaffed, undervalued, and underfinanced. One of the most pressing social and political challenges for social care services in the next ten years will be to put them on an equal footing with healthcare to ensure they remain attractive for prospective employees. For this to happen, the EU needs to put in place a plan that supports national governments to transform social services into an effectively and publicly managed and funded system that delivers quality services, and for its workforce to be well supported, trained, and fit for the future.

## ABOUT THE AUTHOR

Alfonso Lara Montero is CEO of the European Social Network (ESN). Before joining ESN in 2010, Alfonso worked in project management and consultancy in public policy evaluation. He holds an MA in modern languages from the University of Granada, an MA in European Governance from the College of Europe, an MSc in Public Policy from University College London, and a Masters in Executive Management of International Associations at Solvay Brussels School for Economics and Management.

## INTRODUCTION: WHY SOCIAL SERVICES MATTER AND WHY THE EU NEEDS A SOCIAL SERVICES PLAN

Social services are responsible for the provision of care, help with daily life activities of some of the most vulnerable people in our societies, and community and relationship-based programmes. Health and social care account for around 1 per cent of GDP, and within social services, social care for adults with long-term needs employs over six million people within the EU, highlighting that it is a key sector with a significant employment impact (CEDEFOP, 2023).

Ageing populations, increased demand for services, and pressure on budgets are major issues for social services across Europe. For instance, the increase in the numbers of older people across Europe means that long-term care needs in the EU are on the rise. By 2070, the number of individuals requiring long-term care in the population over 50 years old is foreseen to be 21 per cent higher than in 2020 (Belmonte et al., 2023). Investment in community and home-based social care and social services is crucial to ensure the sustainability of our healthcare and social protection systems. Multidisciplinary teams of health and social care professionals in home care can reduce admissions to care homes by 20 per cent (Contel Segura et al., 2021).

This evidence underscores the crucial role that social services play in addressing demographic changes, particularly in ensuring that ageing populations receive adequate care and support, which in turn impacts overall societal well-being and economic stability. However, despite growing social and demographic challenges, the sector is understaffed, undervalued, and underfinanced (ESN, 2024a).

Therefore, one of the most pressing social and political challenges for social services in the next ten years will be to put them on an equal footing



with healthcare to ensure they remain attractive for prospective employees. For this to happen, the EU needs to put in place a plan that supports national governments to transform their social services into an effectively and publicly managed and funded system, and for its workforce to be well supported, developed, and fit for the future.

This plan should be aligned with a series of changes in our model of social care and support. As kindergartens, schools, daycare centres, and residential services closed during the COVID-19 pandemic, we realised the importance of social care and social services in our lives. The unspeakable tragedy that we experienced during COVID-19 in older people's care homes, where on average the number of excess deaths in residential care accounted for almost 50 per cent of all COVID-related deaths in many European countries (WHO, 2020), has underscored even more how important it is to change the current model of care. For more than 40 years, people who need some form of care have been speaking out about where and how they want to live and be supported. Children who may not be able to remain with their families, or adults with disability or care needs, wish to live in a family environment in their neighbourhoods, as if they were at home. They do not wish to live separated from their peers or their communities but as close as possible to where their connections are.

Yet UNICEF has estimated that almost half a million children in Europe and Central Asia are living in residential care, including large-scale institutions (UNICEF, 2024), while there is no data on the estimated millions of older people who spend the last years of their lives in residential facilities that bear little resemblance to a home.

During the pandemic, European Social Network (ESN) members highlighted a range of challenges, including increasing levels of poverty due to unemployment caused by the health and social crisis, serious difficulties in ensuring access to social services for those most in need, and the challenges in the provision of good quality residential and home care for older people. Yet the crisis affected all populations, particularly children and young people. Once restrictions started to be lifted, ESN members reported a steady rise in the number of child protection cases, surpassing those of 2019. The primary reasons highlighted for this were the effects of restrictions on children's and young people's mental health, increased prevalence of domestic violence or children subject to abuse, and a loss in family income.

As a response to the damage caused by the COVID-19 pandemic, some governments, for example in Croatia and Spain, have put in place new

legislation and policies to reinforce child protection. Others have commissioned independent reviews into adult social care or have started to rethink and propose new models of care for people with long-term support needs (RCN, 2021) and made proposals. The European Commission's launch of the Child Guarantee and the Care Strategy could be an incentive for national authorities to promote new models of care and support that are more suited to current and future needs. The Child Guarantee calls on EU Member States to tackle child poverty by investing in early childcare, education, nutrition, healthcare, and housing. A significant number of these services are provided at regional and local levels by public social services who have a pivotal role in protecting children, as highlighted by the European Commission in its 2024 recommendation on developing and strengthening integrated child protection systems in the best interests of the child. In addition to considering the particular needs of different categories of vulnerable children, including those in precarious family situations or placed in alternative care, regional and local social services also have a better understanding of the risks and challenges these children encounter within their specific region and community.

The European Care Strategy was accompanied by Council Recommendations on the revision of European targets on early childhood education and care (ECEC) and on long-term care (LTC). However, the Council Recommendation on ECEC targets misses the key point that children from disadvantaged backgrounds are disproportionately likely to miss out on formal early childcare. A focus purely on targets does not address the key issue of supporting the most vulnerable children to develop in the best possible way.

In its LTC Recommendation to the Council, the Commission emphasises the need to improve the affordability of older adult care services since a third of households with LTC needs do not use home care services because they cannot afford them. But the question is, can they choose home care services in the first place? In the best-case scenario, coverage is at 30 per cent in those countries that can provide most home care services (Lara Montero, 2022). The Commission does well in underlining the trend of a shrinking and greying EU, which is resulting in a lower tax base as well as increased demand for long-term care. However, it seems to focus only on cost efficiency without recognising that the percentage of GDP invested in care and social services has decreased over the years. This is reflected in millions of people now waiting for an adult social care assessment or

a direct payment to begin their care, or for their care to be assessed or reviewed. When it comes to the workforce, the Care Strategy focuses on improving wages supported by strong social dialogue. While this is an important element, there are others which are key to ensure the workforce is well supported, such as the improvement of staff to population ratios, new and alternative ways of recruiting, and in particular accreditation and registration of social care workers, as well as Europe-wide work on the harmonisation of qualifications in the sector. All in all, the lack of detail regarding implementation may hamper the fulfilment of the Strategy's objectives.

The European Commission has acknowledged in several documents that social services are the cornerstone of social welfare systems. However, they have been undervalued, understaffed, and underfunded for far too long. Therefore, an EU plan for social services is essential and very much needed to address the challenges described in this chapter, including those of an ageing population, economic disparities, and social exclusion across European countries.

The EU needs a social services plan to ensure that all citizens have access to social protection services that promote equality and inclusion. Additionally, a coordinated approach at European level would help strengthen the EU's social cohesion, ensuring long-term stability and economic growth. MEPs can play a crucial role in shaping and advocating for an EU-wide social services plan by proposing and voting on proposals that ensure equitable access to social inclusion services across Europe. They can also work to secure funding and resources for social programmes, particularly in regions facing economic hardship or significant demographic challenges. Additionally, MEPs can engage with their constituents to better understand local needs and bring those perspectives to the EU, ensuring that European social services policies are responsive and inclusive.

A future EU social services plan is essential to fill these gaps and should include a focus on the sector's workforce, the development of quality standards, and a feasible and affordable model aided by technology.

### **WORKFORCE DEVELOPMENT, SUPPORT, REGISTRATION, AND ACCREDITATION**

The Care Strategy, and more broadly the various EU initiatives put forward by the European Commission, have been focusing solely on improving wages supported by strong social dialogue. While this is an important element, there are others which are key

to ensure the workforce is well supported, such as the improvement of staff to population ratios, new and alternative ways of recruiting into the profession, the provision of support in areas like mental health, and registration and accreditation of social care workers.

Such a registration process, which previous ESN reports (ESN, 2017) have highlighted is now being implemented in several EU countries, can be linked to training and career development opportunities and recognises the practical skills and experience acquired in an informal context. This in turn would improve quality of care and therefore benefit care workers, their employers, and service users.

The Commission can play a much stronger role in this area by supporting countries to work towards the harmonisation of qualifications in social work and social care in a similar vein to the work done in the area of healthcare.

Professional development and workforce standards should be an integral component of the EU's social services plan by setting guidelines for the training and education of social care services professionals, ensuring a competent and skilled workforce. Likewise, this component should foster professional mobility of social care service workers within Europe by standardising qualifications and competencies.

### **QUALITY STANDARDS**

An EU social services plan should help to harmonise social services across Europe, striving towards ensuring that all citizens have access to similar levels of care and support, regardless of their country.

By setting common standards, the framework would encourage the adoption of best practice in service delivery, leading to overall improvements in service quality. An important part of this process is the evaluation and monitoring of social services, ensuring accountability and transparency in service provision.

In this context, the EU social services plan should include a review of the 2010 European Social Services Quality Framework (ESN, 2024b) to ensure its principles, standards, and indicators are up to date with current best practice and revolve around improving the life outcomes of people using social services in relation to the right to self-determination, promoting equity and a model of care based on the community. For this to happen, the EU should support national governments to encourage the involvement of people using social services in the evaluation and improvement of services, ensuring that their needs and perspectives are considered in this process.

## THE RIGHT TO SELF-DETERMINATION

The increasing number and diversity of requirements and expectations of people with long-term care needs involves a focus on the provision of person-centred care. This involves giving people effective choice and control over their lives and real alternatives when it comes to their care and support, taking into account not only their needs but also their values, assets, and wishes. This is an area in which professionals should be supported through specific training to improve their delivery of care in a person-centred manner.

## EQUITY

Equity implies building a service where each person receives the care they need when they need it based on fair contribution throughout their lives according to their financial means. But it also entails a system that encourages self-care, prevention, rehabilitation, and mutual support.

## *People who have long-term care and support needs should continue to live in and actively contribute to their communities*

The challenge is being able to present the social care service as fair and reliable, because if national governments manage to do so, citizens will feel confident that public services respond to their needs and will be assured that they will be able to receive a social return on their investments.

## COMMUNITY CARE

People who have long-term care and support needs should continue to live in and actively contribute to their communities. For more than 40 years, people who need some form of care have been speaking out about where and how they want to live and be supported.

The change should be an integral part of the wider transformation of social services, for which European policies and national recovery and resilience funds can be a crucial driver and resource (Ministerio de Derechos Sociales, Consumo y Agenda 2030, 2024). This transformation includes strengthening and supporting services to generate ecosystems of care, in which support is designed alongside a continuum which includes home care, technology improvements at home, daycare, emergency care, residential facilities, and respite care.

## TECHNOLOGICAL SUPPORT AND IMPROVED INTEROPERABILITY

The ways in which care is organised can improve more quickly and systematically through the integration of new technologies that help people receive more effective, versatile, safe, and supportive care. While the initial investment may be significant, technology can help bring costs down in the long run and help professionals across the sector to better cooperate with each other.

People with long-term care and support needs may need to interact with both health and social care services, hence it is key that both systems are as closely aligned as possible and can speak to each other. This involves not only information exchange but also the ability to use that information. Therefore, public authorities should invest in safe and reliable interoperable systems that allow for the exchange and sharing of data along the pathway of a person's care.

## CONCLUSION

The European Commission has acknowledged in several documents that social services are the cornerstone of social welfare systems. However, they have been undervalued, understaffed, and underfunded for far too long. This is why an EU plan for social services is essential to ensure that social services across Europe are high-quality, equitable, and responsive to the needs of all citizens.

This plan should provide a foundation for cooperation, innovation, and continuous improvement in social services planning, delivery, and evaluation for public authorities across Europe, and it should particularly focus on its workforce, quality, and financing mechanisms. There are several arguments in favour of the European Commission launching a plan that includes a social services workforce strategy in the light of evolving needs and developing the workforce to meet future demand, enhancing technology skills, and improving professionals' outreach, development, and well-being.

Funding of social services is a key concern for public authorities with statutory social services responsibilities across Europe. However, the focus is often too narrowly based on cost efficiency without recognising that the percentage of GDP invested in care and social services has decreased over the years. A needs-based, locally delivered, and publicly funded social care service for people with long-term needs is possible on par with the national health service receiving centralised funding from national government. This shift should involve the right to

quality care for all those who may need care and support at a certain time in their lives, promoting a care economy that contributes to the overall social well-being and cohesion of European communities.

---

## REFERENCES

- Belmonte, M., Grubanov-Boskovic, S., Natale, F., Conte, A., Belanger, A., & Sabourin, P. (2023). 'Demographic Microsimulation of Long-Term Care Needs in the European Union'. Publications Office of the European Union, Luxembourg. [https://doi.org/10.2760/373981\\_JRC135303](https://doi.org/10.2760/373981_JRC135303).
- CEDEFOP. (2023). 'Care Workers: Skills Opportunities and Challenges (2023 Update)'. <https://www.cedefop.europa.eu/en/data-insights/care-workers-skills-opportunities-and-challenges-2023-update>.
- Contel Segura, J.C., Vila, A., Amblas, J., Santaeugenia, S., Hilarion, P., Vela, E., & Plaza, A. (2021). 'Impact of Integrated Home Care in Catalonia'. *International Journal of Integrated Care*, 22(S2), 70, <https://doi.org/10.5334/ijic.ICIC21233>.
- ESN (European Social Network). (2017). 'Investing in the Social Services Workforce'. [https://www.esn-eu.org/sites/default/files/publications/Investing\\_in\\_the\\_social\\_service\\_workforce\\_WEB.pdf](https://www.esn-eu.org/sites/default/files/publications/Investing_in_the_social_service_workforce_WEB.pdf).
- ESN (European Social Network). (2024a). 'Building a Resilient Social Services Workforce'. [https://www.esn-eu.org/sites/default/files/2024-03/EP%20Roundtable%20Online%20Publication\\_v4.pdf](https://www.esn-eu.org/sites/default/files/2024-03/EP%20Roundtable%20Online%20Publication_v4.pdf).
- ESN (European Social Network). (2024b). 'Stronger Social Services, A Better Europe'. <https://www.esn-eu.org/sites/default/files/2024-02/EP%20Elections%20Briefing.pdf>.
- Lara Montero, Alfonso. (2022). 'Right Diagnosis, but Will the Prescription Tackle the Care Crisis?'. European Social Network, 7 September, <https://www.esn-eu.org/news/right-diagnosis-will-prescription-tackle-care-crisis>.
- Ministerio de Derechos Sociales, Consumo y Agenda 2030. (2024). 'El Gobierno aprueba la estrategia con la que Bustinduy impulsará los cuidados a domicilio para personas dependientes'. <https://www.mdsocialesa2030.gob.es/comunicacion/noticias/derechos-sociales/20240611-estrategia-cuidados-domicilios.htm>.
- RCN (Royal College of Nursing). (2021). 'RCN Independent Review of Guidelines for the Prevention and Control of COVID-19 in Health Care Settings in the UK'. <https://www.rcn.org.uk/Professional-Development/publications/rcn-independent-review-control-of-covid-19-in-health-care-settings-uk-pub-009-627>.
- UNICEF (United Nations International Children's Emergency Fund). (2024). 'Pathways to Better Protection: Taking Stock of the Situation of Children in Alternative Care in Europe and Central Asia'. <https://www.unicef.org/eca/media/33251/file/Pathways%20to%20better%20protection.pdf>.
- WHO (World Health Organization). (2020). 'Risk Factors of Ill Health among Older People'. <https://www.euro.who.int/en/health-topics/Life-stages/healthy-ageing/data-and-statistics/risk-factors-of-ill-health-among-older-people>.



# Healthcare within Social Security Systems: Preserving European Welfare States through Affordable Access to Treatment

Benedetta Baldini

<https://doi.org/10.53121/ELFS8> • ISSN (print) 2791-3880 • ISSN (online) 2791-3899

## ABSTRACT

The welfare state is a concept of government in which the economic and social well-being of citizens comes first. This is the backbone of the European way of life. This article highlights the role of social security institutions as a fundamental feature of the welfare state in respect of providing access to social protection and healthcare services. In the midst of concurrent crises this article explores the necessary contribution of European policies to preserve the sustainability of social security and healthcare systems. The article focuses on health and pharmaceutical policies, where prioritising affordable and equitable access to healthcare and pharmaceuticals, and research targeting public health needs, is a necessary precondition for a thriving society, and by consequence a competitive and productive economy.

## ABOUT THE AUTHOR

As Senior Health Policy Advisor for the European Social Insurance Platform (ESIP), **Benedetta Baldini** leads ESIP work on several EU policy files, such as the general pharmaceutical package, with a strong advocacy-oriented focus. She connects EU decision-makers and national healthcare payers and represents the latter's interest in the context of EU health policies.

## INTRODUCTION: WELFARE SYSTEMS IN PERMA-CRISES

The welfare state is a concept of government in which the state or a network of social institutions commits to protect the economic and social well-being of citizens. Social insurance is a fundamental feature of the welfare state, intended to provide benefits to citizens across the life span in the form of economic support or access to services. These include access to healthcare; family, sickness, and unemployment benefits; pensions; and rehabilitation services, to name but a few. Usually financed through citizens' contributions or taxes, the welfare state is the backbone of our European way of life and is considerably more extensive in European countries than in other (Western) world regions, for instance with a view to comprehensive health coverage.

Statutory social security institutions, also known as social and health insurances, are responsible for the provision of social protection and healthcare services to citizens, within and across the EU borders. The development of the European single market and in particular the free movement of citizens across the EU called for greater cooperation between national social insurance systems. To this end, the European Social Insurance Platform (ESIP) was created in 1996. Today, ESIP gathers national social security institutions in 18 Member States and Switzerland, acting as a transnational, strategic alliance of social and health insurances, and a consultation forum for the European institutions. Led by the principle of solidarity, the core mission of ESIP and its member organisations is to preserve high-quality social security for all European citizens, hence safeguarding our European welfare state.

Yet social security institutions are confronted with concurrent crises on multiple levels: ageing populations, inflation, and cross-border health threats are putting the sustainability of social security and healthcare systems at risk. Demographic change especially has significant consequences for both our pension systems – in connection with the changing dynamics of the European labour market and shrinking working age population – and, importantly, our healthcare systems. The rise of chronic diseases, for instance neurodegenerative diseases, in combination with increasing health spending, threatens the sustainability of already shrinking healthcare budgets. In parallel, new trends such as the digital and green transitions, as well as the emergence of new forms of labour, urgently require adaptation of social security systems. This is crucial to ensure that the way services are provided and accessed is future-proof and user-friendly.

Social and health insurers are committed to adjusting their systems to new and existing trends and challenges. While a large portion of social and health policies remain a national competence, the value of European intervention must not be overlooked nor underestimated.

This article explores how EU policies should contribute to the sustainability of national healthcare and social security systems in a context of perma-crises, with a specific focus on health and pharmaceutical policies.

## **HEALTHCARE AT STAKE: A SUSTAINABILITY CHALLENGE**

Health, both physical and mental, is a necessary precondition for a thriving society, and consequently for a competitive economy. Access to effective medicines is crucial for ensuring public health. Public health was identified as a core priority for citizens within the Conference on the Future of Europe,<sup>1</sup> with a focus on the response to future pandemics and a comprehensive approach to mental health. This reflects the expectations of citizens in terms of access to healthcare, a core pillar of our European welfare states.

In order to meet these expectations, social and health insurances pursue a solidarity mission, providing equitable access to social protection and healthcare. More specifically, health insurances strive to ensure the best access to healthcare for all using the available, yet limited, resources.

This is particularly true and concerning in the pharmaceutical sector, where health insurers, also known as payers, are faced with a conundrum: novel medicines often come to the market with high prices and little evidence of therapeutic benefit for

patients. This raises the ethical dilemma of whether to authorise access to new therapies – in terms of reimbursement, and on what grounds – despite the lack of information and with stretched budgets. This power imbalance is a serious concern for health insurers. Attempts have been made to resolve asymmetry of information, requesting pharmaceutical developers to produce additional evidence of therapeutic benefit once the product is administered to patients. This is the very principle of early access schemes, an often sub-optimal solution for payers, yet the only option to provide timely access.

Another concern is pharmaceutical research mostly concentrating on areas of higher expected gains, leaving less profitable therapeutic domains largely uncovered. This supply-driven research ecosystem is not adapted to truly respond to public health goals and unmet medical needs. The existing EU legislation provides incentives to stimulate research in less economically appealing areas, such as rare diseases,<sup>2</sup> where smaller patient populations – and hence lower turnovers – would not justify investment in research. Despite generous incentives based on exclusivities, new products come to the market with high price tags, often not justified with robust evidence. This results in a generalised trend of increasing pharmaceutical expenditure (ESIP, 2023b), with projections of continuous growth. This trend is confirmed by the latest OECD (2024) data: overall health spending from public sources is projected to reach 20.6 per cent of government revenues across OECD countries by 2040, an increase of 4.7 percentage points from 2018.

While public health spending should be seen as an investment, healthcare systems are at risk of collapse without proper financing and adequate payment models. This would have severe effects on patient access to treatment, deteriorating our welfare states and eventually resulting in polarisation of access, further inequalities, and productivity loss.

## **HEALTH POLICIES: WHAT IS THE EU'S ROLE IN PROMOTING AFFORDABLE ACCESS TO TREATMENT?**

There have been claims that health, as well as social policies, is a purely Member State competence. Nevertheless, and in full respect of the subsidiarity principle included in the Treaty on the Functioning of the European Union, EU health policies have a role to play in promoting equitable access to healthcare and supporting the provision of healthcare services at national level.

In the 2020 Pharmaceutical Strategy for Europe,<sup>3</sup> the European Commission proposed an approach based on three 'As': availability, affordability,

and access. Supply of affordable medicines also appeared as a flagship priority in the mission letter of Health Commissioner Stella Kyriakides (European Commission, 2019). This approach, mindful of affordability in connection with the sustainability challenge healthcare systems face, was highly appreciated and welcomed by the ESIP constituency. Access is not possible, nor equitable, unless it is affordable access. It is therefore crucial to maintain this focus in the health programme of the next legislative term.

Instead, in the current geopolitical context, political attention is shifting towards cutting dependencies from third countries, for example in terms of pharmaceutical development and production. The narrative of strategic autonomy is reflected in recent policy initiatives towards preventing and addressing medicine shortages,<sup>4</sup> and towards creating an agile regulatory framework for novel health technologies.<sup>5</sup> While promoting the global competitiveness of the European industry together with strategic autonomy is key, the consequences in terms of increasing development costs and effects on national budgets should not be overlooked.

## *Preserving the European welfare states is a key factor for a competitive European labour market*

This requires designing financing models that preserve the sustainability of healthcare systems in the long run and prioritise pharmaceutical competition beyond competitiveness. The new paradigm of industrial policies for health should be carefully assessed, being mindful that preserving the European welfare states is a key factor for a competitive European labour market.

### **DIVING INTO THE REVISION OF EU PHARMACEUTICAL LEGISLATION**

In April 2023, the European Commission published its long-due reform of the European general pharmaceutical legislation,<sup>6</sup> incorporating the revision of the legal framework on medicines for the treatment of rare diseases (orphan medicinal products – OMPs) and paediatric medicines.

This milestone revision will regulate how medicines are authorised in the EU, aiming to find a balance between affordable access and industrial competitiveness. It is therefore welcome insofar as it builds a pharmaceutical ecosystem that preserves the sustainability of healthcare systems, emphasises the corporate social responsibility of

pharmaceutical companies, and prioritises societal needs.

While the European Parliament finalised its first reading of the text in the previous legislative term,<sup>7</sup> much remains to be discussed in view of trilogue negotiations with Member States. The revision is a once-in-a-generation opportunity to create an adequate incentive framework for pharmaceutical developers while supporting informed decision-making across the lifecycle of (novel) medicines. First and foremost, incentives are granted as exclusivities, meaning periods of time following drug approval during which developers can market their products without direct competition. A recent study led by the European Parliament Research Service – Scientific Foresight Unit (STOA) maintains that incentives 'are still insufficient to stimulate R&D [research and development] in some areas, while in other cases R&D investments are overpaid' (EPRS – STOA, 2023). Accordingly, it explores the impact of different incentive mechanisms and frameworks which could foster pharmaceutical innovation and public health. The proposed policy options include voluntary centralised procurement, adjusted protection periods to limit excessive profits, and an EU infrastructure for pharmaceutical R&D to better match public health needs with R&D investment. This latter proposal, though far-fetched, could help fix the partial misalignment between industry's R&D priorities and public health goals.

Unmet medical needs is a timely, though ambitious, goal. The societal perspective of public health authorities, including payers, is necessary to elaborate a balanced definition. Unmet needs have also been a flagship priority of the previous Belgian Presidency of the Council of the European Union (until June 2024): the Belgian Health Care Knowledge Centre (KCE) is leading a project called NEED,<sup>8</sup> aiming to identify and measure unmet health-related needs and consequently steer more needs-driven innovation and healthcare policies.

Adjusting exclusivity periods, and better targeting research and investment towards unmet needs, are measures that support the sustainability of healthcare systems in connection with affordable access. While prices are defined at national level, there is high potential for pharmaceutical legislation to promote affordability through reinforced competition. Shorter protection times, as well as the possibility for generic and biosimilar developers to be exempted from the protection of intellectual property rights,



have the potential to facilitate earlier market entry of more affordable generic and biosimilar products (MfE, 2024).

Affordability, together with robust evidence generation for informed decisions, are the two core priorities of healthcare payers within this revision, as detailed in the position paper co-signed by ESIP and the Medicine Evaluation Committee (MEDEV), the informal network of authorities responsible for the assessment, pricing, and reimbursement of pharmaceuticals in the EU (ESIP & MEDEV, 2023).

## KEY TAKEAWAYS FOR THE NEXT LEGISLATIVE TERM

This article aims to raise awareness on the necessary connections between healthcare systems and the welfare state: affordable and equitable access to healthcare and pharmaceuticals is crucial to promote social inclusion, improve productivity, and preserve the sustainability of healthcare systems in a context of perma-crises. With a view to European policies, this means maintaining an ambitious programme for health, building on the momentum created in the previous legislative term and on the EU Health Union project.

The following policy recommendations are addressed to European decision-makers for the next legislative term:

- Health and social policies should be key priorities in the next EU agenda, aimed at preserving European welfare states and hence promoting our European way of life.
- Affordable access to healthcare should remain the guiding principle of European health policies, within and beyond the revision of the general pharmaceutical legislation, and towards rewarding real innovation that brings added value for patients at a reasonable cost.
- In a context of global turmoil, securing strategic autonomy and promoting the competitiveness of the European industrial sector are important goals. It is equally important to perform a sustainability check on all policy measures and incentives aimed at boosting competitiveness, to grant adequate and suitable rewards given the available resources. Sustainability should therefore remain at the centre of all initiatives to diversify and strengthen supply chain resilience.
- The combination of demographic and cross-border health challenges, together with stretched healthcare budgets, makes it urgent to reflect on new payment and financing models. It is crucial to prioritise public health, both at national and European level, with adequate budget envelopes.

In this way, legislators will contribute to ensuring that our welfare systems remain agile and fit for the future. Health is a human right, and the costs of inaction at European level will widen inequalities and deteriorate our national welfare states. A fine balance should be found between promoting industrial growth and competitiveness on the one hand, and sustainable access to healthcare as an integral component of social security systems on the other.

For further reference, please consult the ESIP Memorandum for the new European legislative term (ESIP, 2023a).

---

## NOTES

1. The Conference on the Future of Europe (CoFE) ([https://commission.europa.eu/strategy-and-policy/priorities-2019-2024/new-push-european-democracy/conference-future-europe\\_en](https://commission.europa.eu/strategy-and-policy/priorities-2019-2024/new-push-european-democracy/conference-future-europe_en)) concluded its work in May 2022 with the submission of 49 proposals to the European institutions. The European Commission (2022) drew up the first lines of action on proposals falling into its competencies just one year ago in its communication 'Putting Vision into Concrete Action': four out of five new initiatives announced in the Commission work programme for 2023 ([https://commission.europa.eu/strategy-and-policy/strategy-documents/commission-work-programme/commission-work-programme-2023\\_en](https://commission.europa.eu/strategy-and-policy/strategy-documents/commission-work-programme/commission-work-programme-2023_en)) are part of the Commission's follow-up to the conference.
2. Regulation (EC) No 141/2000 on orphan medicinal products (the Orphan Regulation), <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32000R0141&from=EN>.
3. [COM(2020) 761] Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions on a Pharmaceutical Strategy for Europe, <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52020DC0761>.
4. [COM(2023) 672] Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions on Addressing medicine shortages in the EU, <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=COM%3A2023%3A672%3AREV1>.
5. [COM(2024) 137] Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions on Building the future with nature: Boosting Biotechnology and Biomanufacturing in the EU, <https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=COM%3A2024%3A137%3AREV1>.
6. [COM(2023) 193] Proposal for a regulation of the European Parliament and of the Council laying down Union procedures for the authorisation and supervision of medicinal products for human use and establishing rules governing the European Medicines Agency, amending Regulation (EC) No 1394/2007 and Regulation (EU) No 536/2014 and repealing Regulation (EC) No 726/2004, Regulation (EC) No 141/2000 and Regulation (EC) No 1901/2006, <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52023PC0193>; and [COM(2023) 192] Proposal for a directive of the European Parliament and of the Council on the Union code relating to medicinal products for human use, and repealing Directive 2001/83/EC and Directive 2009/35/EC, <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52023PC0192>.
7. European Parliament legislative resolution of 10 April 2024 on the proposal for a regulation of the European Parliament and of the Council laying down Union procedures for the authorisation and supervision of medicinal products for human use and

establishing rules governing the European Medicines Agency, [https://www.europarl.europa.eu/doceo/document/TA-9-2024-0221\\_EN.html](https://www.europarl.europa.eu/doceo/document/TA-9-2024-0221_EN.html); and European Parliament legislative resolution of 10 April 2024 on the proposal for a directive of the European Parliament and of the Council on the Union code relating to medicinal products for human use, [https://www.europarl.europa.eu/doceo/document/TA-9-2024-0220\\_EN.html](https://www.europarl.europa.eu/doceo/document/TA-9-2024-0220_EN.html).

**8** Needs Examination, Evaluation and Dissemination (NEED) Project, <https://health-needs.eu/index.php/en/>.

## REFERENCES

- EPRS – STOA (European Parliamentary Research Service – Scientific Foresight Unit) (2023). 'Improving Access to Medicines and Promoting Pharmaceutical Innovation', [https://www.europarl.europa.eu/stoa/en/document/EPRS\\_STU\(2023\)753166](https://www.europarl.europa.eu/stoa/en/document/EPRS_STU(2023)753166).
- ESIP (European Social Insurance Platform) (2023a). 'Memorandum for the European Legislature 2024–2028', <https://esip.eu/new/details/2/130-ESIP%20Memorandum%20for%20the%20new%20European%20Legislature>.
- ESIP (European Social Insurance Platform) (2023b). 'Pharmaceutical Expenditure Survey'. <https://esip.eu/publications-intranet?idf=709>.
- ESIP & MEDEV (European Social Insurance Platform & Medicine Evaluation Committee) (2023). 'Joint ESIP–MEDEV Position Paper on the Revision of the EU Pharmaceutical Legislation', [https://esip.eu/new/details/2/134-ESIP%20MEDEV\\_position\\_on\\_the\\_EU\\_pharma\\_revision=](https://esip.eu/new/details/2/134-ESIP%20MEDEV_position_on_the_EU_pharma_revision=).
- European Commission (2019). Mission letter of the President of the European Commission Ursula von der Leyen to Stella Kyriakides, Commissioner for Health and Food Safety, [https://commissioners.ec.europa.eu/system/files/2022-11/mission-letter-stella-kyriakides\\_en.pdf](https://commissioners.ec.europa.eu/system/files/2022-11/mission-letter-stella-kyriakides_en.pdf).
- European Commission (2022). 'Putting Vision into Concrete Action'. 17 June, <https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:52022DC0404>.
- MfE (Medicines for Europe) (2024). 'Bolar – Time for an EU Action on Equal Access: No More Delays for Patients', [https://www.medicinesforeurope.com/wp-content/uploads/2024/01/BOLAR\\_-\\_Benefits-Myths-to-be-dispelled.pdf](https://www.medicinesforeurope.com/wp-content/uploads/2024/01/BOLAR_-_Benefits-Myths-to-be-dispelled.pdf).
- OECD (Organisation for Economic Co-operation and Development) (2024). 'Fiscal Sustainability of Health Systems: How to Finance More Resilient Health Systems When Money Is Tight?'. Paris: OECD Publishing, <https://doi.org/10.1787/880f3195-en>.



# Building a Fair and Sustainable Europe: The Crucial Role of the European Parliament in the Effective Implementation of the Child Guarantee

Enrico Tormen

<https://doi.org/10.53121/ELFS8> • ISSN (print) 2791-3880 • ISSN (online) 2791-3899

## ABSTRACT

Child poverty remains a pressing issue across Europe, with alarming statistics and significant risks, particularly for children from migrant and minority backgrounds. The pervasive impact of poverty extends to children's well-being, education, and future prospects. Despite EU initiatives, such as the European Child Guarantee and the European Social Fund Plus (ESF+), challenges in implementation, varying ambitions among Member States, and recent crises such as the COVID-19 pandemic, inflation, and climate change have exacerbated the situation. This chapter examines these challenges, emphasising the need for stronger political commitment, adequate funding, and robust monitoring. It concludes by outlining strategies for translating EU commitments into effective actions to protect vulnerable children and build a more equitable Europe.

## ABOUT THE AUTHOR

Enrico Tormen is an experienced advocacy professional with over five years of expertise in shaping EU policies on social and human rights. Currently, as Advocacy Advisor at Save the Children Europe, he leads strategic initiatives to combat child poverty and social exclusion, co-chairing the EU Alliance for Investing in Children and focusing on key intersecting issues such as migration and just transition.

## CHILD POVERTY: EU CONTEXT

One in four children in the EU are at risk of poverty or social exclusion (Eurostat Data Browser, 2024). No European country, no matter how rich, is free of child poverty. While being one of the world's wealthiest regions, Europe is facing increasing numbers of children and families experiencing or being at risk of poverty and social exclusion.

Poverty deprives approximately 20 million children of the possibility to thrive and reach their full potential in adulthood, affecting every facet of their lives: their well-being, education, family relationships, and personal and professional development. Even a brief period of deprivation can have long-lasting repercussions for a child, potentially affecting future generations (De Schutter et al., 2023).

*Well, sometimes I notice that mum doesn't buy certain things. I hear her saying she got a letter about unpaid bills, and that we need to use less water. So, I try to shower less, and I don't really dare drink water when I'm at home. (Child from Finland, in Save the Children Finland, 2022)*

Child poverty is not only a denial of fundamental rights, but it also has a tangible societal cost threatening the whole European project. Developing effective strategies is therefore crucial to fight child poverty and to break the vicious cycle of poverty and social exclusion. As de Schutter et al. (2023, 135–136) argue, 'ending inter-generational perpetuation of poverty will greatly increase our

ability to build a more inclusive, sustainable and peaceful world. ... this is not only because of the damage it does to children, and it is not only because it can be seen as a violation of human rights. It is also because of the damage it does to society and the dangers it creates for all our futures.'

The COVID-19 pandemic worsened inequalities and vulnerabilities while straining social services. Children could not go to school, socialise, or access essential services. Meanwhile, parents faced job losses or reduced hours. Skyrocketing costs pushed financially stable families into poverty and vulnerable families into deeper poverty (Save the Children Europe, 2022). Children's mental health issues are on the rise, while they are also confronted with food insecurity, poor housing conditions, unaffordable recreational activities, and inaccessible or overcrowded schools (Save the Children, 2023). At the same time, the climate crisis is not only a threat to the future of children in Europe, but also a current, tangible emergency that is jeopardising their rights and impeding their access to services (Save the Children, 2023).

## *A well-designed and comprehensive social security system is a fundamental tool in the fight against child poverty*

Gathering information from the different European countries where it operates, Save the Children has highlighted five main trends (Save the Children, 2024):

- 1. Persistent inflation crisis:** The inflation crisis continues to weigh heavily on families and children, exacerbating poverty levels and putting essential goods and services out of reach. As a result, eating or heating is no longer a choice for many families in Europe; they are unable to afford either.
- 2. Children with a migrant background face a higher risk:** In some countries, migrant households have child poverty rates up to three times higher than the general population, while a substantial proportion of children at risk of long-term poverty come from non-European backgrounds. Despite this, they also often encounter exclusion from national social support systems, even those that are specifically designed to target them.<sup>1</sup>
- 3. Other groups at greater risk:** One-parent families and households with more than two children remain highly vulnerable to poverty. Other categories of children in vulnerable situations may include children with disabilities, Roma and other minority children, and children living in poor communities.

**4. Mental health implications:** Needs for mental health support are surging among children experiencing poverty. Save the Children Spain estimates that poor children are four times more likely to suffer from mental disorders than children from high-income households.

**5. Positive impact of social benefits:** Effective child benefit systems in countries such as Denmark and Norway have helped reduce child poverty rates (Arbejderbevægelsens Erhvervsråd, 2023). A well-designed and comprehensive social security system is a fundamental tool in the fight against child poverty. By addressing economic disparities, providing essential resources, and promoting social inclusion, social security benefits contribute to breaking the cycle of poverty and creating a more equitable and sustainable future for children and families (Save the Children, 2024).

*I feel anxious about everything, and most of all about not being able to be the person I want to be. (Save the Children Finland, 2022)*

### **WHAT THE EU HAS ALREADY ACHIEVED**

Over the past term, EU institutions have led significant initiatives to combat child poverty. After years of intense advocacy, in

2021 we celebrated the adoption of the European Child Guarantee Council Recommendation,<sup>2</sup> a once-in-a-generation instrument to fight child poverty (EU Alliance for Investing in Children, 2021). The framework urges EU Member States to use EU and national funds to guarantee access to basic rights and services for children in vulnerable situations. This includes free early childhood education and care, free education (including at least one healthy meal each school day), free healthcare, healthy nutrition, and adequate housing. It requires Member States to draft and implement national action plans and nominate a national coordinator responsible of their implementation. It also creates new opportunities for authorities, non-governmental organisations, and children to assess the state of child poverty at local, national, and regional levels, and it supports exchange of experiences across Member States.

On top of that, for the first time in the EU's history, as part of the European Pillar of Social Rights Action Plan, the European Commission has set a target to lift at least five million children out of poverty by 2030. However, data shows that we are nowhere near achieving this target. The target also needs to be reassessed to align with the UN poverty

reduction target, which aims to end extreme poverty and halve poverty in all its forms by 2030.

Finally, the adoption of the European Social Fund Plus (ESF+) also showcased the EU's commitment to addressing child poverty.<sup>3</sup> For the first time, 11 EU Member States are requested to allocate at least 5 per cent of their ESF+ resources for this cause and for implementing the Child Guarantee.

EU action is also essential to tackle poverty in pre-accession countries throughout the accession negotiation processes. This means promoting instruments such as the European Child Guarantee as fundamental frameworks for tackling child poverty and strengthening their social agenda.

*I would give anything to live in better conditions, to have everything other children possess. I'm like any other girl; I enjoy everything that intrigues young individuals. However, I feel alienated because I am Roma. I can't understand what the issue is. We, Roma, are humans, too; we can love, cry, and laugh like anyone else. (Child from Bosnia and Herzegovina)*

## HOW TO MOVE FROM COMMITMENT TO REALITY

Experiencing poverty in childhood goes beyond insufficient income or material deprivation; it also involves restricted access to vital services such as healthcare, nutrition, education, housing, or culture. The stress of poverty, diminishing aspirations, self-assurance, and hope interact and strengthen each other and perpetuate the cycle of poverty (De Schutter et al., 2023). Access to such important services is recognised by the Child Guarantee, which is of crucial importance to improve children's living conditions.

All EU Member States have submitted their national action plans to the European Commission, detailing how they intend to translate this framework into concrete measures to support children. However, the level of ambition varies across these plans. EU Member States are also required to submit a report every two years assessing the implementation of the framework. Although the European Commission set the deadline for March 2024, several Member States have not yet submitted their reports. To ensure the success of this urgently needed framework, we must ensure the following:

- Member States must live up to their political commitment by funding and implementing their national action plans. As living documents that will remain in force at least until 2030, these plans should be regularly reviewed and updated, ensuring a rights-based, integrated, and

multidimensional approach and a deep interconnection with the changing scenarios to which they relate.

- EU institutions and Member States should capitalise on the Child Guarantee to reach and support the **most vulnerable children**, ensuring that all identified categories of children in need have guaranteed access to high-quality key services, where and when they need them.
- EU institutions and Member States should ensure that measures to curb child poverty are **adequately funded by EU and national funds** and support the European Parliament's pledge to increase funding for the Child Guarantee as part of the upcoming Multiannual Financial Framework (MFF) revision (European Parliament, 2023).
- EU institutions and Member States should ensure proper **monitoring and evaluation** of the Child Guarantee at both EU and national levels by setting clear, multi-sectoral, and comparable metrics, investing in efficient and effective data collection, and defining more specific targets.
- The Child Guarantee also offers an opportunity to establish meaningful frameworks for child participation. EU institutions and Member States should ensure meaningful, continuous, safe, inclusive, and transparent **participation processes with multi-sectoral stakeholders** – such as children, civil society organisations (CSOs), support services, parents, and carers – in implementing, assessing, and evaluating the Child Guarantee. Specific outreach practices are needed to ensure children listed as the Child Guarantee target groups and their families are involved.
- We need to ensure a successful and integrated interplay between the Child Guarantee, **national frameworks and strategies, and the EU social and equality agenda**. This includes the European Semester, the upcoming revision of the European Pillar of Social Rights Action Plan, and a rights-based plan to secure a fair and socially just transition (EU Alliance for Investing in Children, 2023).

European countries must show they can rapidly turn child poverty commitments and plans into action. The Child Guarantee is a once-in-a-generation opportunity and governments must fully harness its potential, using national action plans to correctly implement it. They must make extra efforts to fill important gaps, such as defining clear targets and indicators and making sure there is adequate funding. EU institutions must engage with this process, ensuring a proper monitoring and evaluation system, providing adequate funding, and supporting the meaningful participation of children and CSOs.

*My dream is to have a house, to have my own room and ... that's about it. (Child from Romania)*

## WHAT IS EXPECTED OF MEPS IN THIS MANDATE?

As the world faces a convergence of social crises, the most vulnerable children are bearing the brunt of the impact. Child poverty is not only a threat to the future of Europe. It is a pan-European emergency at this very moment. It is time to make their protection and well-being the top priority. Only in this way can we aim to build a fairer and greener Europe, for and with children.

Over the past term, the European Parliament has led significant initiatives towards this goal. Looking at the new legislative term, the chamber's work to protect and empower children will be more urgent than ever. MEPs must maintain and reinforce the important results achieved so far and work so that there is no regression, only new, tangible, and effective strategies. To this end:

- The **fight against child poverty must remain a political priority** for all the EU institutions, including the European Parliament and its Committee on Employment and Social Affairs (EMPL).
- The European Parliament must support the **proper funding, implementation, and evaluation** of EU and national child poverty policies, particularly the European Child Guarantee. In particular:
  - Re-establishing the **EMPL Working Group on the Child Guarantee** in the European Parliament is vital. The group provided a unique forum for all stakeholders, particularly CSOs, to discuss the framework's implementation, monitoring, and evaluation. It also brought significant visibility to this key instrument, ensured that information reached decision-makers from all political groups and EU institutions, and held Member States accountable.
  - The Parliament should reiterate its calls (European Parliament, 2023) to the European Commission to carry out an **impact assessment** on establishing a **European authority for children** that has robust capabilities for evaluating the Child Guarantee.
  - The Parliament should ensure **meaningful participation of children and CSOs** and support CSOs' request (EU Alliance for Investing in Children, 2024) for an open consultation on the implementation, monitoring, and evaluation of the Child Guarantee in 2025 to inform the European Commission's report on the framework, which is expected to be launched in 2026.
  - The European Parliament should ensure that the **fight against child poverty is prioritised in**

the **EU social agenda**, particularly in the 2025 revision of the European Pillar of Social Rights Action Plan and connected proposal for an anti-poverty strategy, the European Semester, and the EU target on child poverty.

- The European Parliament should encourage and support **candidate and potential candidate countries** to implement Child Guarantee measures to advance their social inclusion policies and support their integration in the EU.
- As concerns the MFF, the current level of funding should be expanded so that it sufficiently delivers on the EU's social policy goals, particularly for vulnerable children. In particular, support should continue for the implementation of the European Child Guarantee, and earmarked ESF+ funding for child poverty reduction should be expanded to all EU Member States and beyond its current level of 5 per cent.
- The European Parliament must secure a **socially just transition** that tackles climate change, child poverty, and inequality: a just transition cannot be achieved without climate justice and child rights.

*Politicians think about our needs only when they want to win an election. (Child from Kosovo)*

## NOTES

1. In Finland, children born abroad face a 44% higher risk of poverty, with those from Africa and the Middle East at even higher risk (60%). In Spain, migrant households experience child poverty rates up to three times higher than the general population. In the Netherlands, almost 70% of children facing long-term poverty risk come from non-European backgrounds.
2. European Commission, 'European Child Guarantee', <https://ec.europa.eu/social/main.jsp?catId=1428&langId=en>.
3. Eur-lex, 'European Social Fund Plus – ESF+ (2021–2027)', <https://eur-lex.europa.eu/EN/legal-content/summary/european-social-fund-plus-esf-2021-2027.html>.

## REFERENCES

- Arbejderbevægelsens Erhvervsråd. (2023). 'Stort fald i antallet af fattige børn – men stadig store kommunale forskelle'. <https://www.ae.dk/analyse/2023-11-stort-fald-i-antallet-af-fattige-boern-men-stadig-store-kommunale-forskelle>.
- De Schutter, O., Frazer, H., Guio, A.-C., and Marlier, E. (2023). *The Escape from Poverty: Breaking the Vicious Cycles Perpetuating Disadvantage*. Bristol: Policy Press.
- EU Alliance for Investing in Children. (2021). 'EU Alliance for Investing in Children Welcomes the EPSCO Council Adoption of the Council Recommendation Establishing the European Child Guarantee'. <https://alliance4investinginchildren.eu/eu-alliance-for-investing-in-children-welcomes-the-epsco-council-adoption-of-the-council-recommendation-establishing-the-european-child-guarantee/>.
- EU Alliance for Investing in Children. (2023). 'No Child Should Experience Poverty and Social Exclusion in a Social Europe'. <https://alliance4investinginchildren.eu/no-child-should-experience-poverty-and-social-exclusion-in-a-social-europe/>.

- EU Alliance for Investing in Children. (2024). 'From Commitment to Reality: Recommendations for Advancing the Implementation of the Child Guarantee'. <https://alliance4investinginchildren.eu/from-commitment-to-reality/>.
- European Parliament. (2023) Resolution: 'Children First – Strengthening the Child Guarantee, Two Years On from Its Adoption'. [https://www.europarl.europa.eu/doceo/document/TA-9-2023-0409\\_EN.pdf](https://www.europarl.europa.eu/doceo/document/TA-9-2023-0409_EN.pdf).
- Eurostat Data Browser. (2024). 'Persons at Risk of Poverty or Social Exclusion by Age and Sex'. [https://ec.europa.eu/eurostat/databrowser/view/ILC\\_PEPS01N\\_\\_custom\\_7379164/default/table?lang=en](https://ec.europa.eu/eurostat/databrowser/view/ILC_PEPS01N__custom_7379164/default/table?lang=en).
- Save the Children. (2023). 'Guaranteeing Children's Future: How COVID-19, Cost-of-Living and Climate Crises Affect Children in Poverty and What Governments in Europe Need to Do'. Save the Children's Resource Centre. <https://resourcecentre.savethechildren.net/document/guaranteeing-childrens-future-how-covid-19-cost-of-living-and-climate-crises-affect-children-in-poverty-and-what-governments-in-europe-need-to-do/>.
- Save the Children. (2024). 'Investing in Childhood: Charting a Path to End Child Poverty across Europe'. <https://resourcecentre.savethechildren.net/pdf/2024-Poverty-Paper-FIN-web.pdf>.
- Save the Children Europe. (2022) 'Cost-of-Living Crisis: How It Affects Children in Europe and What Governments Need to Do'. Save the Children's Resource Centre. <https://resourcecentre.savethechildren.net/document/cost-of-living-crisis-how-it-affects-children-in-europe-and-what-governments-need-to-do/>.
- Save the Children Finland. (2022). 'Children's Voice 2022'. [https://pelastakaalapset.s3.eu-west-1.amazonaws.com/main/2022/10/27091332/childrensvoice2022\\_report\\_en.pdf](https://pelastakaalapset.s3.eu-west-1.amazonaws.com/main/2022/10/27091332/childrensvoice2022_report_en.pdf).





## Section 3

---

# **Human and Citizen Rights: Safeguarding and Defending**



# Exploring Europe's Digital Future: What Does a Safe and Private Internet Look Like?

Ella Jakubowska

<https://doi.org/10.53121/ELFS8> • ISSN (print) 2791-3880 • ISSN (online) 2791-3899

## ABSTRACT

With many major EU digital policies secured in the last decade, the new 2024–2029 term of the European Parliament offers lawmakers a prime opportunity to consolidate these wins. Landmark laws such as the EU General Data Protection Regulation (GDPR) and Digital Services Act (DSA) must be robustly enforced to protect people's online privacy and to rein in abusive snooping by companies and governments. In addition, to meet the goal of keeping everyone safe online, EU lawmakers should pursue additional regulation in specific cases where clear gaps remain. However, proposed technological 'quick fixes' should be subject to scientific and legal scrutiny to ensure that they do not end up causing more harm than good. By investing in privacy and data protection, a safe and secure internet for everyone is possible.

## ABOUT THE AUTHOR

Ella Jakubowska is Head of Policy at European Digital Rights (EDRi), Europe's biggest network of civil society organisations defending human rights in the digital environment. She holds a master's degree in Human Rights from the London School of Economics and was previously named one of Politico's top 28 most influential people in the EU tech policy space.

## INTRODUCTION: YOUR SAFETY OR YOUR PRIVACY? YOU SHOULD NOT HAVE TO CHOOSE!

We all want to be safe online. We want to be in control of our social media presence without being controlled by Big Tech's dark patterns. We want to be able to shop online without being subconsciously manipulated into spending more than we can afford; to communicate with our friends without being bombarded with violent and hateful content; to look up health questions without malicious companies using it to profile us. We want to use the internet without fear of abuse, exploitation, or discrimination.

However, once you go deeper into this topic, it becomes very difficult to define exactly what being safe online means. There are many complex dynamics at play, from the massive power of Big Tech companies to control what we can see or do online, to threats to cybersecurity and encryption which risk exposing our private information, issues created when parents over-share about their children online, and risks when governments amass huge amounts of sensitive data about all our digital habits.

As we enter this new term of the European Parliament, lawmakers have a golden opportunity to cement the digital policy successes of the last ten years. Through the robust enforcement of landmark laws such as the EU General Data Protection Regulation (GDPR) and Digital Services Act (DSA), they can ensure that the internet can be a place for adults and children alike to learn, communicate, and engage safely and confidently. At the same time, there is also increasing pressure on online service providers to weaken digital security or implement mass facial analysis systems. While these measures are intended to make the internet safer, research shows that they can in fact put everybody at risk of hacks, unlawful profiling, digital exclusion, and other harms.

In the next five years, it is vital that lawmakers ensure citizens' protection and freedom by prioritising the enforcement of existing digital laws. They should complement this with specific proposals for new regulations to put a stop to the spread of hyper-targeted online adverts and toxic recommender algorithms, two phenomena which exacerbate disinformation and other harms. They should make sure that the internet remains secure by upholding protections for encryption, and that everyone can access the internet equitably by adopting policies for digital inclusion. And they should question tech-focused interventions (such as age verification) that seem too good to be true and consider online safety as a holistic set of design measures. In this way, lawmakers will not have to choose between privacy and safety but can foster an internet which strikes the right balance of both.

### **THE RISKS OF 'QUICK FIXES' TO ONLINE SAFETY ISSUES**

Public debates on the topic of online safety have tended to be framed around a misleading dichotomy: the idea that you have to choose either your safety or your privacy. Regrettably, some lawmakers have argued that everyone should sacrifice their personal online privacy in order to keep children safe.<sup>1</sup> This is not only an unrealistic binary which does not accurately reflect what is at stake, but it has also pushed lawmakers around the world towards proposing 'solutions' which in fact can create far more problems than they solve.

For example, the recent push in France and Denmark to stop under-16s from being able to use social media may be intended to protect those children (Pollet, 2024; Hummel, 2024), but it is a very blunt approach. It does nothing to equip young people (and their parents or caregivers) with the skills and knowledge to navigate an increasingly digital world safely and confidently. It also presupposes that from the age of 16, the risks posed by the digital world just disappear – which of course we all know is not true. Rather than shutting young people out of the internet, we instead need structural and systemic changes that will protect everyone – children and adults alike.

Another equally blunt example is the widespread push for government ID checks or biometric 'age assurance' checks before people can access various online platforms and services. In recent years, more and more companies have claimed that if we make everyone disclose their identity online, then we will be able to keep safe. But research from 20 civil society groups including European Digital Rights

(EDRi, 2023) has shown that these systems are often invasive, harmful, and ineffective.

Again, while usually well meaning, this approach of getting everyone to declare their identity in order to be online is deeply problematic. Firstly, many of the harms of today's current internet are structural, not individual, including toxic algorithmic recommender systems which promote and exacerbate extreme and hateful content (Ryan, 2023), business models that put profit over privacy and aid the proliferation of disinformation, a lack of investment in child protection, rising social division and discrimination, and so forth. Stopping people from being anonymous online does not solve any of those problems.

Secondly, this approach fails to consider all the benefits that come from online anonymity. Of course, such a right is not unlimited, and there is a legitimate reason for law enforcement agencies to investigate and identify those who abuse their anonymity to commit crimes. But the principle of anonymity is one of the foundations of democracy and political rights because it is widely acknowledged as being a vital prerequisite for people to build their self-identity and autonomy. It is the reason we vote anonymously.

Many of the people who rely on anonymity online do so for important reasons: survivors of abuse looking for solidarity, whistle-blowers exposing corruption, journalists investigating fraud, lawyers and doctors respecting patient/client confidentiality, patients seeking health information, and teenagers seeking educational material.

Any solution to online harms needs to take seriously the rights and safety of all these people, too. In the case of journalists and whistle-blowers, for example, we are not just talking about their ability to do their work: their physical safety would be put at risk. Yet the dominant discourse often suggests that these people, their lives, and their safety are less deserving of protection. But if we can shift structures and power, we might be able to find a way to keep everyone safe online without sacrificing rights or eroding key democratic principles that ensure a healthy, vibrant, just society.

### **THE PATH FOR PROTECTION IS THROUGH PRIVACY AND DATA PROTECTION**

Based on more than two decades of research, advocacy, litigation, and mobilisation, the EDRi network has seen time and again that 'solutions' based on surveillance or control are not sustainable, effective, or proportionate (a key requirement of human rights law). They are also the 'solutions' that are most ripe to be co-opted by malicious actors: when

you create the ability for parents, companies, or governments to oversee our online lives, you open the door to all sorts of snooping, exploitation, and harm.

This warning against surveillance-based responses to online safety concerns is backed up by expert analysis and research. The UK's Royal College of Psychiatrists has explained that online surveillance can be harmful for young people's well-being and development (CRIN, n.d.). The United Nations and UNICEF have also confirmed that parents or guardians should not be able to generally monitor their children's internet usage (UNICEF, 2018; United Nations, 2021). Despite this, parental control apps are booming, some of which allow parents to (sometimes covertly) have intimate knowledge of their teenagers' digital lives, a particular risk to the young person's autonomy, privacy, and dignity. There is also growing evidence that such features and apps can exacerbate controlling behaviours of parents towards their children, as well as domestic violence, in particular enabling men to stalk and control their female partners (Ali et al., 2020). The risks for LGBTQI+ young people – especially if they do not have a safe or supportive home environment – are even greater.

Instead, we urge lawmakers to recognise that the most important and urgent changes that are needed are structural. Some of the present issues can be fixed by technological means, such as app features that allow parents/guardians and young people to work together to agree limits on access, but this does not change the core issues. Such issues require huge amounts of political will, investment, and societal commitment.

It is, of course, a difficult balance given just how many rights are at stake. It is important, therefore, that lawmakers recognise that there are no magic solutions to these complex problems. Anyone claiming that their technological solution will solve online harms should be treated with scepticism. Artificial intelligence (AI) is a great tool to automate routine work, for example – but it is not going to save us from online harm.

To find the right path between protection and empowerment, we need lawmakers to do the difficult work of finding nuanced, sustainable solutions, even if they are more expensive, more time-consuming, and less straightforward. They must also prioritise investment in social provisions at EU and national level.

Simply telling young people that the internet is too dangerous for them is a patronising and disempowering approach, which also eclipses all the wonderful benefits of the internet when done right.

Young people and adults alike can benefit from having all the world's knowledge at their fingertips, seek community and build solidarity, get involved in politics, seek advice, tutorials and how-tos, access reliable sexual and reproductive health advice and many more valuable, beautiful, and even life-saving things.

## **WHAT DOES THIS MEAN FOR THE NEW EUROPEAN PARLIAMENT?**

In the last decade, canonical digital rights issues of privacy and data protection have gone from a relatively niche position to suddenly being a key component of almost every other policy area. The last European Commission's workplan was dominated by all things digital. Our prediction is that this trend will continue for the next five years.

A better approach to the internet must recognise that privacy and data protection are not pedantic or less important rights. To the contrary, they are enablers for practically every other human right: we benefit from our right to privacy when we go to the doctor, when we have a chat with our parents, or when we have a confidential meeting at work.

In this section, we outline four key guiding principles for lawmakers that will help ensure that the internet will genuinely be safer – rather than papering over the cracks with flimsy tech tools. This approach must be underpinned by a commitment to creating conditions for care and solidarity online, rather than shutting out young people or forcing everyone to identify themselves constantly.

### **Put an end to surveillance advertising and toxic recommender algorithms**

Two of the biggest drivers of manipulative and malicious content online are surveillance advertising and recommender algorithms. Together, these key features of today's Big Tech ecosystem mean that violent, extreme, and harmful content which provokes a strong reaction will be actively promoted to people. Content and design that gets people – especially young people – hooked are deliberately pushed by social media giants (EDRI, 2024c). Coupled with this, the surveillance advertising industry, which profiles people across the internet in order to hyper-target adverts, has been proven to sow division, disinformation, and discrimination (EDRI, 2021).

Research has shown how these surveillance adverts have prevented women from seeing job adverts in the science and technology sector, perpetuated racially segregated housing, and far more (EDRI, 2021). The providers of these surveillance adverts, known broadly as the 'Ad-tech industry',

are a rag-tag collection of Big Tech giants looking to profit from people's sensitive data, small data brokers looking to insert themselves into the equation to make some quick money, and malicious actors wanting to place disinformation.

The need for EU action against surveillance advertising is critical. While the DSA, adopted in the last mandate, takes many steps in the right direction, it does not go far enough on the question of surveillance adverts. Lawmakers must take a bold approach to put a stop to this extremely invasive practice and instead must promote the use of contextual advertising.

### **Uphold the rights to anonymity online and to encryption**

As discussed already, the right to anonymity online is a vital part of preserving democracy. Similarly, end-to-end encryption – the technical tool that keeps everything from our bank transactions to our private chats to our national security systems safe – is another important way that we can keep people and information safe online. As outlined by the Child Rights International Network (CRIN, 2023), encryption also contributes to keeping children safe online.

## ***The right to anonymity online is a vital part of preserving democracy***

In a recent case at the European Court of Human Rights, judges confirmed that encryption is a prerequisite for the right to privacy in the digital age (Schmon, 2024). This was a landmark judgment because it confirmed what digital rights groups have been saying for decades: none of us will be safer if our digital lives, transactions, and conversations are opened up to malicious actors (EDRi, 2021).

However, the new Parliament will have to grapple with the draft CSA Regulation, which will be carried over from the previous mandate and will need to be negotiated by new parliamentarians. New Members of the European Parliament (MEPs) will also have to deal with the recommendations of the 'High Level Expert Group on Going Dark', which are expected to lead to new legislative proposals which could also undermine encryption (EDRi, 2024a).

### **Ensure evidence-based policy-making**

As pointed out by the French data protection authority in 2022, and confirmed in more recent research, there are not currently any age verification systems which would meet basic privacy and

data protection requirements (CNIL, 2022). This means that rather than keeping us safe, forcing online platforms and services to use these dodgy systems will open the door to huge violations of our privacy and our data. This could include data leakage of sensitive data such as name, address, and date of birth to criminals but also give repressive governments and other malicious actors a blueprint of everywhere we have been and everything we have done online.

Despite this and other concerns being raised by digital rights groups, many debates about and calls for widespread age verification have been entirely focused on professed benefits, with no attention whatsoever to the many risks being created. A good example of this is the draft Irish Online Safety Code in 2024, which shockingly proposed the mass profiling of children's biometric data by companies based in Ireland (such as Facebook/Meta) with no suggestions for safeguards, nor any analysis of the general human rights risks or the children's rights risks specifically (EDRi, 2024b).

It is also vital to recognise the economic interests that drive many of the dominant narratives around safety online. The global age assurance business is set to reach a value of €4 billion during this mandate – and many of those promoting age verification are commercial entities with a stake in this business (EDRi, 2023). We urge lawmakers to be alert to these motivations, and potentially even conflicts of interest.

Furthermore, it is important to remember that outsourcing the safety of children to Big Tech companies is not a solution. Under the international Convention on the Rights of the Child, parents or guardians must have responsibility for their child's safety. Allowing Big Tech companies to have *even more* control over what our kids do and see online is clearly not the way to empower or protect them.

Platforms and services must of course do their part and have clear responsibilities under two of the most important laws to protect human rights online in the last decade: GDPR and the DSA. Growing evidence suggests that good platform design, which incorporates privacy and safety by design, can make a huge impact on online safety. Relatively small measures such as preventing adult users from being able to browse child accounts can have a positive impact. This is where platforms and services should focus their efforts, as well as investing in their systems and responses for when they become aware of illegal content on their platform or service. But we cannot expect systemic shifts to come from the platforms and services themselves, unless we

see political weight put behind genuine systemic change.

### Foster an inclusive digital environment

Some of the key arguments that have underpinned the call for age estimation, a method of age verification, are that thanks to technological developments in the last five years, AI systems are now very robust. Huge improvements have been made to counter early challenges in facial recognition, for example, whereby the accuracy of these systems for people of colour has dramatically improved in recent years.

But this argument is a red herring. These systems can never be perfect, and it is not a sustainable solution to be perpetually chasing after the next group for whom the tools do not work. We already know that the people for whom these systems do not work are the same groups that already face the highest levels of discrimination: first it was women of colour, as revealed in the landmark Gender Shades study.<sup>2</sup> Now it is people with facial disabilities and intellectual disabilities such as Down's syndrome (Rathgeb et al., 2024). Next, it will no doubt be another community. These are not technical bugs, but societal bugs: the reproductions of the bias and discrimination that historically marginalised communities face. We cannot innovate our way out of these serious issues.

A similar problem arises for people without formal identity documents, or with low levels of digital literacy, including older people, and people facing structural exclusion, such as Roma and Sinti communities. If we all suddenly need to use an eID to be able to use WhatsApp or Signal, what happens to those who do not have the right documents or the right app? They will be locked out of not only social media and other platforms, but also other essential services that are increasingly 'going digital'. This is a critical issue with the eIDAS Regulation adopted in the last mandate, which did not offer a satisfactory answer for what will happen to the 20 per cent of the eligible population that are predicted not to use, or be able to use, the EU's digital identity wallet (Epicenter.works, 2022).

We must be clear: if a solution does not work for 100 per cent of people, we need to try harder. In a Union of over 500 million people, even an age verification or digital ID system that works for 99.9 per cent of people (a generous estimate) would still exclude 500,000 people. At the time of writing, we are not aware of any 'solutions' to age verification or identity verification system that would account for these already marginalised communities. But we cannot accept their exclusion from digital life in the name of 'online safety'.

## CONCLUSION: A SAFE INTERNET FOR ALL IS POSSIBLE, BUT ONLY IF WE UPHOLD DIGITAL RIGHTS

The question of how to find the right balance between online protection and empowerment is set to be a key challenge of the 2024–2029 mandate, but there is plenty of room for MEPs who are willing to put in the hard work to make a positive difference.

We need champions of civil liberties who will make sure that privacy, data protection, and free expression online are upheld, while working with a wide range of civil society organisations and academics to find solutions that are sustainable, effective, and non-discriminatory. Putting people, democracy, and planet at the heart of an increasingly digitalised world will require strong enforcement of the DSA and GDPR, new initiatives to tackle online platforms' toxic recommender systems and creepy surveillance adverts, and measures to promote digital inclusion for everyone and to protect the fundamentals of digital security (EDRi, n.d.).

Only by accepting that there are no easy solutions to tough challenges can we move to the next stage of finding meaningful, sustainable solutions to online harms. Only then can we truly say that Europe is making the internet safe for everyone.

---

### NOTES

1. Eurobarometer, Protection of Children against Online Sexual Abuse, <https://europa.eu/eurobarometer/surveys/detail/2656>.
2. Gender Shades, <http://gendershades.org/>.

### REFERENCES

- Ali, S., Elgharabawy, M., Duchaussoy, Q., Mannan, M., & Youssef, A. (2020). 'Betrayed by the Guardian: Security and Privacy Risks of Parental Control Solutions'. ACSAC Conference, Austin TX, 7–11 December, [https://www.ftc.gov/system/files/documents/public\\_events/1582978/betrayed\\_by\\_the\\_guardian\\_-\\_security\\_and\\_privacy\\_risk\\_of\\_parental\\_control\\_solutions.pdf](https://www.ftc.gov/system/files/documents/public_events/1582978/betrayed_by_the_guardian_-_security_and_privacy_risk_of_parental_control_solutions.pdf).
- CNIL. (2022). 'Online Age Verification: Balancing Privacy and the Protection of Minors'. 22 September, <https://www.cnil.fr/en/online-age-verification-balancing-privacy-and-protection-minors>; <https://edri.org/wp-content/uploads/2023/10/Online-age-verification-and-childrens-rights-EDRi-position-paper.pdf>.
- CRIN (Children's Rights International Network). (n.d.). 'Briefing: Children's Rights in the Digital Age'. <https://home.crin.org/issues/digital-rights/childrens-right-digital-age?rq=digital%20age>.
- CRIN (Children's Rights International Network). (2023). 'Privacy and Protection: A Children's Rights Approach to Encryption'. 19 January, <https://home.crin.org/readlistenwatch/stories/privacy-and-protection>.
- EDRi. (n.d.). 'EDRi Visions for Digital Futures'. <https://edri.org/edri-visions-for-digital-futures/>.
- EDRi (European Digital Rights). (2021). 'Surveillance-Based Advertising: An Industry Broken by Design and by Default'. 9 March, <https://edri.org/our-work/surveillance-based-advertising-an-industry-broken-by-design-and-by-default/>.
- EDRi (European Digital Rights). (2023). 'Online Age Verification and Children's Rights'. Position paper, 4 October, <https://edri.org/>.



- org/wp-content/uploads/2023/10/Online-age-verification-and-childrens-rights-EDRI-position-paper.pdf.
- EDRI (European Digital Rights). (2024a). 'High-Level Group "Going Dark" Outcome: A Mission Failure'. 13 June, <https://edri.org/our-work/high-level-group-going-dark-outcome-a-mission-failure/>.
- EDRI (European Digital Rights). (2024b). 'Irish Media Regulator Must Address Dangerous Age Verification in Its New Online Safety Code'. 31 January, <https://edri.org/our-work/irish-media-regulator-must-address-dangerous-age-verification-in-its-new-online-safety-code/>.
- EDRI (European Digital Rights). (2024c). 'Tech Platforms Must Drop Addictive Features that Harm Young People'. 17 April, <https://edri.org/our-work/exploitative-designs-how-tech-platforms-harm-young-people/>.
- Epicenter.works. (2022). 'eIDAS Policy Analysis'. 31 January, <https://epicenter.works/content/eidas-policy-analysis-english>.
- Hummel, T. (2024). 'France Must Curb Child, Teen Use of Smartphones, Social Media, Says Panel'. Reuters, 30 April, <https://www.reuters.com/world/europe/france-must-curb-child-teen-use-smartphones-social-media-says-panel-2024-04-30/>.
- Pollet, M. (2024). 'Danish PM Calls for 15+ Age Limit for Social Media in EU'. Politico, 27 May, <https://www.politico.eu/article/danish-pm-calls-for-15-age-limit-for-social-media-in-eu/>.
- Rathgeb, C., Ibsen, M., Hartmann, D., Hradetzky, S., & Ólafsdóttir, B. (2024). 'Testing the Performance of Face Recognition for People with Down Syndrome'. arXiv.org, 18 May, <https://arxiv.org/html/2405.11240v1>.
- Ryan, J. (2023). 'A Binding Code against Toxic Algorithms'. Submission to the Media Commission of Ireland, Irish Council for Civil Liberties, 4 September, <https://www.iccl.ie/digital-data/media-commission-urged-to-switch-off-big-techs-toxic-algorithms/>.
- Schmon, C. (2024). 'European Court of Human Rights Confirms: Weakening Encryption Violates Fundamental Rights'. Electronic Frontier Foundation, 5 March, <https://www.eff.org/deeplinks/2024/03/european-court-human-rights-confirms-undermining-encryption-violates-fundamental>.
- UNICEF (United Nations International Children's Emergency Fund). (2018). 'Children's Online Privacy and Freedom of Expression'. Industry Toolkit, May, [https://sites.unicef.org/csr/files/UNICEF\\_Childrens\\_Online\\_Privacy\\_and\\_Freedom\\_of\\_Expression\(1\).pdf](https://sites.unicef.org/csr/files/UNICEF_Childrens_Online_Privacy_and_Freedom_of_Expression(1).pdf).
- United Nations. (2021). 'General Comment no. 25 on Children's Rights in Relation to the Digital Environment'. UN Digital Library, <https://digitallibrary.un.org/record/3906061?ln=en>.

# Women's Safety in Cyberspace: An EU-Level Approach to Gender-Based Exclusion and Violence

Ilakha Hakhramanova

<https://doi.org/10.53121/ELFS8> • ISSN (print) 2791-3880 • ISSN (online) 2791-3899

## ABSTRACT

Fuelled by technology and cyber culture, global communication has transformed, with the web dissolving physical and time barriers, and social networks evolving from information-sharing platforms to vibrant stages for self-expression. The use of cyberspace has become not only a basic need, but also a fundamental right. Thus, providing digital space has become the best way to ensure cultural diversity and support social networking. The era of digital advancement has provided numerous opportunities for women. However, it is characterised not only by significant advantages but also by disadvantages, especially when it comes to gender-sensitive topics, introducing novel forms of inequality and threats to women's rights and well-being. This chapter analyses measures aimed at ensuring women's safety in the digital environment through the experience of EU countries.

## ABOUT THE AUTHOR

Ilakha Hakhramanova is a policy officer of the All-Ukrainian Youth non-governmental organisation (NGO) 'European Youth of Ukraine'. Ilakha works as a lawyer at the NGO Article 3, which works to protect children's rights. She is a volunteer at the Big Brain school in Kharkiv, where she works as an English teacher for children. She is also the editor of the online magazine *Libertas – Lymec*.

## INTRODUCTION

Today, the topic of women's safety around the world is gaining more and more attention, but unfortunately this does not mean that women feel more protected. On the one hand, international institutions are aiming to eliminate all forms of violence against women or fighting against various forms of inequality. On the other hand, with the development of technology and the rapid digitalisation of life, women suffer more from various manifestations of violence and discrimination, especially on the digital level (European Parliament, 2018).

According to a report commissioned by the European Institute for Gender Equality, while both men and women can fall victim to cyber violence, women and girls face a significantly higher risk (EIGE, 2022).

The World Health Organization regularly conducts research and publishes statistics on women victims of various forms of violence. In 2023, the organisation paid special attention to violence against women in the digital space, finding that one in ten women has experienced cyber violence from the age of 15 (EIGE, 2023).

Women around the world are victims of cyber violence every day. In fact, women, depending on their multiple social identities, such as race, sexual orientation, age, and physical abilities, may suffer from cyber violence in different ways. For this reason we refer to intersectionality theory, which indicates that women can be discriminated against not only on the basis of gender, but also on the basis of several or more factors at the same time. For example, older women, those who live in rural areas, and women with disabilities face unique challenges that require different approaches (Armeen & Das, 2023).

This chapter analyses the issue of women's cybersecurity through the prism of two factors: the digital gender gap, and cyberviolence against women and

girls. Both factors will be considered in the context of the experience of the EU Member States.

### **DIGITAL GENDER GAP: HOW IT AFFECTS WOMEN'S EXPERIENCES ONLINE**

The COVID-19 pandemic laid the groundwork for society's dependence on information technology. Technology has become a so-called source of salvation for humanity. At the same time, however, technology has also become a vice for humanity, opening up many avenues for fraudsters and other offenders.

Before exploring the issue of violence and discrimination against women and girls, it is necessary to consider the gender gap in the digital environment.

The digital gender gap (also known as the digital gender divide) refers to the disparity in access to and usage of digital technologies, including the internet and various digital tools, between men and women.<sup>1</sup> According to the Digital Economy and Society Index data for the year 2021, only 19 per cent of professionals in the field of information and communication technologies are women. The situation with internet usage is slightly better, as in 2020, 85 per cent of women regularly used the internet, compared with 87 per cent of men. Disparities in digital skills are noticeable, with a 4 per cent difference: 54 per cent of women have at least basic digital skills, compared with 58 per cent of men (European Commission, 2021; World Wide Web Foundation, 2015).

The digital gender gap stems from various fundamental factors, such as barriers to access, challenges related to affordability, disparities in education, limited technological literacy, and ingrained biases and socio-cultural norms contributing to gender-based exclusion from the digital realm (David & Phillips, 2022).

Two of the most important socio-economic aspects of the gender gap in the digital environment are education and age (Duffy & Duffy, 2022). Students, as representatives of proactive youth, use the internet most often, which indicates that the level of the gender gap in most cases directly depends on age and level of education. Older women are the most vulnerable category in this regard, as they repeatedly face judgement and stereotypical thinking from family members, colleagues, and society in general about using the internet and social media.

Digital gender disparity is exacerbated by a lack of digital literacy, leading to discomfort in using technology and accessing the internet. This 'technophobia' is frequently influenced by factors such as education, employment status, and income level. For instance, according to a survey by Intel and

Dalberg,<sup>2</sup> over half of women without formal education expressed unfamiliarity or discomfort with technology. However, this percentage decreased to 15 per cent among women with at least a high school education.

Additionally, it is clear that girls are becoming more and more insecure, especially when it comes to technology, maths, and science. Girls express uncertainty precisely because parents, teachers, and classmates have spent their entire lives trying to convince them that, for example, maths is a subject for boys that a 'female mind' is not capable of understanding. Thus, having internalised these stereotypes, girls begin to doubt their own abilities as they grow up, even if they realise they have an aptitude for computer science, mathematics, and natural sciences, and as a result they do not choose to pursue related professions. There is a high level of interest in science, technology, engineering, and mathematics (STEM) classes among girls in primary and secondary schools, while the gender gap is widening in secondary and tertiary education (Perifanou & Economides, 2020).

Finally, in the digital landscape, women's empowerment hinges on navigating a complex terrain shaped by market forces. Rural areas, with their sparse populations, bear the brunt of this challenge, facing a dearth of investments in essential infrastructures such as broadband and phone masts. The repercussions are felt acutely by women in developing countries who reside in these rural pockets. Compounded by structural constraints such as higher rates of being out of school, women and girls in these areas find themselves tethered to unpaid agricultural work, perpetuating cycles of inequality. Their employment, when secured, is marked by precarity and lack of protection. This confluence of factors leaves women in technology-poor environments devoid of the resources, both digital and financial, needed to break free from these constraints and access the digital realm (EIGE, 2022).

In the intricate fabric of digital disparity, the discernible gender gap manifests predominantly as a consequence of early-age imposition of stereotypical cognitive frameworks upon girls. Concurrently, socio-economic determinants, notably educational attainment and age demographics, assume pivotal roles in exacerbating inequality and discrimination in men's engagement with the internet and their professional pursuits in the spheres of information and communication technologies, as well as the natural and mathematical sciences. To overcome this paradigm, substantive reforms are imperative, transcending superficial alterations to address the

structural underpinnings of societal frameworks, dismantling entrenched biases, and fostering an environment conducive to the equitable participation of all genders in the multifaceted landscape of digital utilisation and scientific vocations.

In order to effectively address the digital gender gap, it will be useful to develop methodologies to determine the extent of the gap in each country. As mentioned above, the Digital Economy and Society Index in 2021 provided data showing the degree of digitalisation of different EU Member States and of the Union as a whole. However, the problem remains urgent, as these data do not show a gap in the use of information and communication technologies between women and men, that is, they ignore the gender-sensitive aspect of this issue.

The EU has created the Women in Digital Scoreboard, which shows the degree of female integration in three dimensions (internet use, internet user skills and specialist skills, and employment) based on 13 indicators. However, it should be noted that the Scoreboard was published in 2024 and shows the gender gap index based on 2022 data, which is a significant drawback. Timely and regular monitoring of the gender gap index is needed to overcome it (López-Martínez, García-Luque, & Rodríguez-Pasquín, 2021).

Paying attention to the strategies for addressing the digital gender gap, we can divide the following periods of girls' development in the field of technology into four periods: primary and secondary school; post-secondary and higher education; entering a career; and professional evolution. Thus, when proposing strategies for overcoming the digital gender gap for EU Member States at all stages of girls' and women's development in technology, we can identify the following general requirements.

### Advocacy

There is a need to raise public awareness of the existence of the digital gender gap (for example, introducing classes in schools to support and encourage girls to join STEM classes, taking into account the needs of girls in difficult life circumstances due to lack of access to technical means). In addition, the creation of a Scoreboard for timely and regular publication of data on the digital gender gap index for each EU Member States and the EU as a whole, with indicators and dimensions, is a key methodology for closing the gap.

Prevention strategies should also be implemented within formal educational settings, with a particular emphasis on strengthening sexuality education, socio-emotional competencies, and empathy. These efforts should foster the development of

healthy and respectful interpersonal relationships. Recognising the challenges posed by language barriers and varying levels of literacy and ability, public authorities should prioritise targeted interventions for groups at heightened risk, including children, individuals with disabilities, persons struggling with alcohol or drug use disorders, and lesbian, gay, bisexual, trans, or intersex individuals.

### Legislation

Article 8 of the Treaty on the Functioning of the European Union (TFEU) reiterates that in all its activities, the EU shall aim at eliminating inequality and promoting equality between men and women. Therefore, the development of relevant legislation to address the gender gap in the digital environment, with specifics in each area, should play a key role in supporting women and girls.

The obligation of Member States to regularly publish data on the digital gender gap index at the legislative level could help draw attention to this issue. In addition, countries should pay attention to the mandatory provision of education and employment opportunities for girls, especially in STEM fields. Member States should establish liability for discrimination against girls and women in education and employment.

### Funding

The introduction of scholarships and mentoring programmes, benefits, and incentives for girls and women to promote them in technical fields of study and positions as possible is key (Perifanou & Economides, 2020).

In implementing all the above measures, attention should be paid to the specifics of each stage of women's lives in the process of development in the field of technology. For example, girls in primary and secondary schools require a different approach than women in the professional evolution stage, given the unique experiences of the two categories.

## CYBER VIOLENCE AGAINST WOMEN AND GIRLS AS THE MAIN THREAT IN THE ERA OF CYBERCULTURE

Individuals' right to safety in the physical world is undoubtedly enshrined in law, but we forget that life in the digital environment also requires guarantees of safety. Cyber security should not be a component or a substitute for physical security, but both should be protected on the same level (Martino & Gamal, 2022).

Cyber violence can affect both men and women, but empirical data indicate increased vulnerability among women and girls. Not only do they face a

greater likelihood of being targeted, but they also endure severe repercussions, encompassing physical, sexual, psychological, and economic harm. This often leads to women and girls disengaging from the online realm, choosing silence and isolation, ultimately depriving them of opportunities to advance in education and professional pursuits and to establish supportive networks.

In the intricate tapestry of legal and statistical definitions surrounding cyber violence, there is a notable absence of a gender component, akin to a missing hue that renders the canvas incomplete. This absence becomes a formidable obstacle in the quest to gather data on cyber violence against women and girls, leaving the true scope of gender-based offences shrouded in ambiguity.

As the world's reliance on digital technologies surged during the COVID-19 pandemic, an international saga unfolded, echoing a harsh reality: women and girls find themselves on a precarious stage, more likely than their male counterparts to be ensnared by severe forms of cyber violence. It is a narrative that calls for a rewrite, a tale where gender equality in the digital realm becomes more than a subplot, but rather the protagonist's journey towards empowerment and safety (Niemi, Peroni, & Stoyanova, 2020).

## *Women and girls are more likely than their male counterparts to be ensnared by severe forms of cyber violence*

In an effort to combat online abuse, the European Parliament, the Agency for Fundamental Rights (FRA), and the European Institute for Gender Equality (EIGE) are leading the charge in defining different forms of cyber violence against women. There has not yet been a comprehensive conceptualisation, definition, or legislation at the EU level addressing cyber violence against women and girls; however, a number of measures are being taken to address this issue.

For example, in accordance with Articles 289 and 294 of the TFEU, the Council and European Parliament adopted their position on the Directive combating violence against women and domestic violence on 14 May 2024 (European Council, n.d.).

Firstly, the Directive defines the category of 'cyber violence' as any act of violence covered by the Directive that is committed, supported, or aggravated in part or in whole by the use of information and communication technologies.<sup>3</sup>

In addition, the Directive criminalises a number of forms of cyber violence, including non-consensual

sharing of intimate or manipulated material (Article 7), cyber stalking (Article 8), cyber harassment (Article 9), and cyber incitement to violence or hatred (Article 10).

The Directive is extremely important in that EU Member States must take a number of measures to ensure women's safety from cyber violence in the digital environment.

Firstly, to address the growing problem of cyber stalking, Member States should establish clear legal frameworks that define and prohibit the repeated or continuous surveillance of individuals through information and communication technologies without their consent. This includes activities such as unauthorised access to personal data, password theft, hacking, unauthorised remote access to devices, and the use of tracking or surveillance software. These measures are essential to safeguard the safety and privacy of women and girls in the digital age, particularly given the gender-specific nature of cyber stalking.

Each Member State should define the offence of cyber stalking to also include the unsolicited sending of images, videos, or other similar material depicting genitalia to a person ('cyber flashing') if such conduct is likely to cause serious psychological harm to that person. Cyber flashing is a common form of intimidation and silencing of women. The legal framework for cyber stalking should be broadened to encompass instances where a victim's personally identifiable information is disseminated publicly via information and communication technologies without their consent, with the intent to incite others to inflict physical or severe psychological harm ('doxxing').

Thus, Member States should allow victims of gender-based violence to report crimes online in addition to reporting them in person. This should include cyber crimes such as sharing private images without consent, cyber stalking, cyber harassment, and inciting violence or hate online. Victims should be able to upload evidence such as screenshots when they report these crimes.

Among EU legislation that is applicable to cyber violence, the Directive on combating sexual abuse of children (Directive 2011/93/EU) should be emphasised. Article 25 mandates that EU Member States promptly eliminate child abuse material within their borders and strive to eliminate such material hosted elsewhere. It provides the option to restrict access to child sexual abuse material. While the Directive safeguards children online, it does not explicitly acknowledge girls as targets of particular

gender-based forms of cyber violence, even though we can observe from the above statistics that girls are the most vulnerable when it comes to any form of cyber violence.

We can also mention such EU regulations in this sphere as General Data Protection Regulation (Regulation (EU) 2016/679), the Audiovisual Media Services Directive (Directive 2010/13/EU), the Directive on preventing and combating trafficking in human beings and protecting its victims (Directive 2011/36/EU). Although these directives address the role of women and girls in the online environment to varying degrees, they cannot in any way fully address the protection of women from cyber violence or discrimination (Council of Europe, n.d.b).

In the Council of Europe, the Istanbul Convention (Convention on preventing and combating violence against women and domestic violence) plays a significant role in addressing cyber violence against women, while in the United Nations system, it is the Convention on the Elimination of All Forms of Discrimination against Women (CEDAW). At the same time, there is no legislative Act in the EU's legal framework that would directly regulate this issue.<sup>4</sup>

### **CORRELATION OF INTERSECTIONALITY THEORY AND CYBER VIOLENCE AGAINST WOMEN**

People with overlapping identities, including women with disabilities; women with dependent residence status or a dependent residence permit; undocumented migrant women; women applicants for international protection; women fleeing armed conflict; women affected by homelessness; women with a minority racial or ethnic background; women living in rural areas; women in prostitution; women with low income; women detainees; lesbian, gay, bisexual, trans, or intersex persons; older women; and women with alcohol and drug use disorders face discrimination in unique ways. These women require specific protections and support to address their unique vulnerabilities.

For online safety measures to work, the European Commission, in the process of developing legislative Acts as well as methods of combating, preventing, and monitoring cyber violence against women, needs to understand how these different forms of discrimination can combine and affect people. The best way to do this is by using an approach that considers these overlapping identities, or an intersectional approach (UN Women – Europe and Central Asia, 2019).

In countries that are currently at war, the problem of women's and girls' safety in the online arena is particularly acute because use of the internet in everyday life, in particular through social networks,

messengers, and applications, leads to the dissemination of personal data, including information about a person's private life. For an older woman migrant who has left a country during wartime, her experiences of sexism, ageism, racism, and poverty are compounded to produce a particular experience of violence and oppression (Allen, 2022).

For example, according to the Ukrainian Centre for Economic Strategy, as of 2023, there were about four million Ukrainian women and girls abroad who had left their country due to the full-scale war in Ukraine. It is no exaggeration to say that adolescent girls who are migrants from Ukraine are currently one of the most vulnerable categories when it comes to online violence, especially cyber bullying.

As former UN Special Rapporteur Rashida Manjoo notes, 'lack of attention to intersectionality not only inhibits policymakers from assessing inequalities between women and men, but also inhibits their ability to assess how differently positioned women experience discrimination and violence'.<sup>5</sup>

Thus, the development of measures to combat cyber violence against women should be directly linked to the assessment and development of criteria for the different forms of online violence women face. Through the lens of intersectionality theory, addressing violence against women and domestic violence within EU Member States requires nuanced and inclusive data that consider the intersecting identities and experiences of individuals affected. Comprehensive and comparable data collection, supported by standardised methodologies such as those developed by Eurostat, is crucial for tracking the multifaceted nature of violence and ensuring that the responses are tailored to diverse populations. Regular surveys must capture the necessary depth to reflect how factors such as race, class, disability, and sexual orientation intersect with gender in shaping experiences of violence. Sharing these data across EU Member States will allow for critical cross-country analysis that highlights inequalities, shapes more equitable policies, and ensures that interventions address the needs of all women and girls.

### **CONCLUSION**

Respect for human dignity is a fundamental EU value, so ensuring citizens' safety, both in the physical and the virtual environment, should be a priority. To sum up, I would like to draw attention to the following aspects that have been discussed in this article.

Before addressing issues of violence and discrimination against women in the digital realm, it is essential to confront the digital gender gap, a

disparity in access to and use of digital technologies between men and women. This gap is rooted in various socio-economic factors, including educational attainment, age, sociocultural norms, and structural barriers, with older women and those in rural areas being particularly disadvantaged.

To effectively close this gap, comprehensive strategies are needed throughout all stages of girls' and women's development, from primary school to professional evolution. Advocacy initiatives should raise awareness of the digital gender gap and encourage girls to pursue STEM fields, while legislative reforms should mandate regular publication of gender-disaggregated data and promote equal opportunities in education and employment. Additionally, funding for scholarships and mentoring programmes can help women access and thrive in digital fields. By tackling these barriers at multiple levels, the EU can foster an inclusive digital environment that promotes equality and empowers women across the technological landscape.

Despite growing recognition of the issue, there remains a notable absence of gender-sensitive legislation addressing cyber violence. The EU has taken steps, such as the adoption of the Directive on combating violence against women and domestic violence, which criminalises various forms of cyber violence. However, there is still a need for more comprehensive legislation that explicitly addresses the gendered nature of cyber violence.

To ensure safety in the digital age, Member States must implement robust legal frameworks against cyber stalking, harassment, and doxxing, alongside measures to facilitate online crime reporting. While existing EU regulations offer some protection, they fail to fully address gender-specific cyber violence, underscoring the need for further legislative action to protect women and girls in the digital realm.

By using standardised methodologies and collecting intersectional data across EU Member States, policy-makers can assess the multifaceted nature of cyber violence and shape more effective, equitable interventions. This approach will ensure that the needs of all women, particularly those from marginalised and vulnerable communities, are adequately addressed in initiatives to create safer digital environments.

In the fight against cyber violence, EU Member States and civil society must step up to address the digital gender gap that leaves millions of women and girls vulnerable online. The digital realm should be a place of opportunity, not a space where women face heightened risks of harassment, abuse, and exclusion.

## NOTES

1. Gender Digital Divide Index, <https://gddindex.com/>.
2. Women and the Web: Bridging the Internet Gap and Creating New Global Opportunities in Low and Middle-income Countries. Intel, Global Development Advisors, and GlobeScan, 2012, <https://giwps.georgetown.edu/resource/women-and-the-web-bridging-the-internet-gap-and-creating-new-global-opportunities-in-low-and-middle-income-countries/>.
3. EUR-LEX 52022PC0105 EN, <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A52022PC0105>.
4. European Court of Human Rights, Case of Buturugă v. Romania, 11 February 2020, <https://hudoc.echr.coe.int/fre#%7B%22itemid%22:%5B%22001-201342%22%7D>.
5. Report of the Special Rapporteur on Violence against Women, its Causes and Consequences, Rashida Manjoo, 14 May 2012, <https://digitallibrary.un.org/record/730933>.

## REFERENCES

- Allen, A. (2022). 'An Intersectional Lens on Online Gender Based Violence and the Digital Services Act'. *Verfassungsblog*, 1 November, <https://verfassungsblog.de/dsa-intersectional/>.
- Armeen, I., & Das, S. (2023). 'Exploring Differential Cybersecurity Vulnerabilities Using Intersectionality Theory'. AISWN International Research Workshop on Women, IS and Grand Challenges 2023, 2, <https://aisel.aisnet.org/aiswn2023/2>.
- Council of Europe. (n.d.a). 'Cyberviolence Against Women'. *Cyberviolence*, <https://www.coe.int/en/web/cyberviolence/cyberviolence-against-women>.
- Council of Europe. (n.d.b). 'International Instruments'. *Cyberviolence*, <https://www.coe.int/en/web/cyberviolence/international-instruments>.
- David, R., & Phillips, T. (2022). 'The Gender Digital Gap: Shifting the Theoretical Focus to Systems Analysis and Feedback Loops'. *Information, Communication & Society*, 26(10), 2071–2087, <https://doi.org/10.1080/1369118x.2022.2069507>.
- Duffy, E., & Duffy, E. (2022, August 19). 'Bridging the Digital Gender Divide: Include, Upskill, Innovate'. – OECD (2018) – DCED. DCED –. <https://www.enterprise-development.org/bridging-the-digital-gender-divide-include-upskill-innovate-oecd-2018/>.
- EIGE (European Institute for Gender Equality). (2022). *Combating Cyber Violence against Women and Girls' 16 November*, <https://eige.europa.eu/publications-resources/publications/combating-cyber-violence-against-women-and-girls>.
- EIGE (European Institute for Gender Equality). (2023). 'Cyber Violence Against Women'. 3 August, [https://eige.europa.eu/gender-based-violence/cyber-violence-against-women?language\\_content\\_entity=en](https://eige.europa.eu/gender-based-violence/cyber-violence-against-women?language_content_entity=en).
- European Commission. (2021). 'Women in Digital Scoreboard 2021'. *Shaping Europe's Digital Future*, 20 October, <https://digital-strategy.ec.europa.eu/en/news/women-digital-scoreboard-2021>.
- European Council. (n.d.). 'EU Measures to End Violence against Women'. <https://www.consilium.europa.eu/en/policies/eu-measures-end-violence-against-women/>.
- European Parliament. (2018). 'Cyber Violence and Hate Speech Online Against Women'. *Think Tank*, 16 August, [https://www.europarl.europa.eu/thinktank/en/document/IPOL\\_STU\(2018\)604979](https://www.europarl.europa.eu/thinktank/en/document/IPOL_STU(2018)604979).
- Galindo, G. (2024). 'Gender Justice'. *The Parliament*, 569 (April), 8–9, <https://library.myebook.com/the-parliament/the-parliament-magazine-issue-569/5348/#page/8>.
- López-Martínez, M., García-Luque, O., & Rodríguez-Pasquín, M. (2021). 'Digital Gender Divide and Convergence in the European Union Countries'. *Economics*, 15(1), 115–128, <https://doi.org/10.1515/econ-2021-0012>.
- Martino, L., & Gamal, N. (eds.). (2022). *European Cybersecurity in Context: A Policy-Oriented Analysis*. *Women4Cyber Greece*, 26 August, <https://women4cybergreece>.

com/news%2C-events-%26-mentorship//european-cybersecurity-in-context-a-policy-oriented-analysis.

Niemi, J., Peroni, L., & Stoyanova, V. (eds.). (2020). *International Law and Violence against Women: Europe and the Istanbul Convention*. Abingdon: Routledge.

Perifanou, M.A., & Economides, A.A. (2020). 'Gender Digital Divide in Europe'. *International Journal of Business, Humanities and Technology*, 10(4), <https://doi.org/10.30845/ijbht.v10n4p2>.

UN Women – Europe and Central Asia. (2019). 'The Value of Intersectionality in Understanding Violence against Women and Girls'. <https://eca.unwomen.org/en/digital-library/publications/2019/10/the-value-of-intersectionality-in-understanding-violence-against-women-and-girls>.

World Wide Web Foundation. (2015). 'Women's Rights Online: Translating Access into Empowerment'. 20 October, <https://webfoundation.org/research/womens-rights-online-2015/>.





# Russia's Forcible Transfer of Ukrainian Children: Policy Options for the EU

Emily Prey

<https://doi.org/10.53121/ELFS8> • ISSN (print) 2791-3880 • ISSN (online) 2791-3899

## ABSTRACT

Since 2014, the Kremlin has been forcibly displacing and transferring children from Ukraine to Russia or Russian-occupied territories in eastern Ukraine. The forcible transfer of children is a crime against humanity and a constituent act of genocide. According to Ukraine's National Information Bureau (as of 12 August 2024), more than 19,546 Ukrainian children have been taken. Children are too often invisibilised during war. Historically, the harm inflicted upon children during war is not investigated or documented as rigorously as the harm inflicted upon adults, and crimes against children are very rarely prosecuted. The EU should see support, justice, and accountability initiatives for Ukraine's children as integral to supporting Ukraine against Russia's illegal invasion and to reconstruction efforts.

## ABOUT THE AUTHOR

Emily Prey is the Director of the Gender Policy Portfolio at the New Lines Institute. Prior to joining the New Lines Institute, she served as Project Manager of the Financial Integration in Displacement Initiative of the International Rescue Committee at Tufts University. She has also worked with the United Nations International Children's Emergency Fund (UNICEF) and multiple global NGOs.

## INTRODUCTION: RUSSIA'S FORCIBLE TRANSFER OF UKRAINIAN CHILDREN

The theft of Ukrainian children is an existential crisis for Ukraine that will have long-lasting, multigenerational impacts in both Ukraine and Russia. While no one knows the exact number of children taken by Russia, Prosecutor General Andriy Kostin estimates tens or hundreds of thousands of children have been taken.<sup>1</sup> Ukraine's National Police has located over 26,000 of these children, 388 of whom had been returned as of 12 August 2024.<sup>2</sup> Of those 388, 335 have been rescued with the help of the non-governmental organisation (NGO) Save Ukraine. In the first two weeks of May 2024 alone, Save Ukraine evacuated 31 children. But bringing children home is fraught with obstacles and dangers, and evacuations are often suspended due to safety concerns for the children. The longer children remain in Russia, the more difficult and problematic repatriation will be, a fact of which Russia is fully aware; this is likely part of its long-term plan for the assimilation of Ukrainian children.

Thousands of these missing children have been sent or taken to repurposed summer camps or boarding schools in the occupied territories in eastern Ukraine and in Russia, where they face intense mental manipulation tactics to convince them to stay (Dailymotion, 2023).<sup>3</sup> There is a particular danger for teenage boys who turn 18 while in the camps or with a foster family, at which point they can be drafted and sent to the front lines to fight their own people.<sup>4</sup> These camps serve as indoctrination stations on the way to providing Russia with more cannon fodder, but also as a way to stymie the demographic decline of Russia (Moscow Times, 2024). Further, these children will be hostages for possible future peace negotiations, giving Russian President Vladimir Putin important political bargaining chips.

In early 2023, the journalist Isobel Yeung visited a camp with guides, including Aleksei Petrov, who is an advisor to the Russian Commissioner for Children's Rights Maria Lvova-Belova and is under international sanctions. Petrov claimed that 'people are lining up to get into our camps' and that 'a significant number' of children have already received Russian passports, all of which is part of a wider effort in the Russification of Ukrainian children. Petrov further said that the hope is for these children to stay in Russia, despite the Kremlin's many claims that the purpose of the camps is solely for rehabilitation and protection (VICE News, 2023). The evidence that Russia is trying to fully assimilate Ukrainian children into Russian society, breaking down their familial and national bonds, is growing.<sup>5</sup>

**CRIMES OF GENOCIDE: KIDNAPPING CHILDREN**

While the Kremlin and Lvova-Belova claim to be protecting Ukrainian children by taking them away from their homes and families, they are in fact putting them through rigorous indoctrination programmes ('summer camps') and placing them with foster families with the goal of stripping them of their Ukrainian identity. Lvova-Belova has the full support of President Putin, who has praised her initiatives as 'humanitarian' and said her actions are protecting 'our citizens' [emphasis added], even though Ukraine and Russia are two separate and distinct countries (Voice of America, 2023). Ukrainian children are forced to listen to Russian propaganda and false narratives about Ukraine and

to attend Russian language, literature, and history classes. According to Save Ukraine, teenagers are recruited into Russian youth military movements, and the NGO has evidence that thousands of these children have now become soldiers and are fighting in the war against Ukraine.

The Russification of Ukrainian children has been an objective of the Kremlin since 2014. According to documentary filmmaker Shahida Tulaganova, the Russian Federation evacuated Ukrainian children from care homes and orphanages in Donetsk and Luhansk and sent them to Russian orphanages or prospective adoptive families ahead of the full-scale invasion. One busload of about 200 children taken from Donetsk and Luhansk arrived in Rostov, Russia, on 16 February 2022 – eight days before Russia's illegal invasion of Ukraine began. These children remain missing to this day.<sup>6</sup> This shows that the Russian Federation had pre-planned the forcible transfer of Ukrainian children from Ukraine to Russia and the occupied territories well in advance of its full-scale invasion on 24 February 2022. This further exhibits a potential constituent act of genocide under Article II of the 1948 Genocide Convention, which states that forcibly transferring children of one group to another group is an act of genocide, if the Russian Federation's intent to destroy in whole or in part the Ukrainian group can be proven – which it has been (Hook, 2023). Russia's deportation of Ukrainian children, going back to 2014, displays a genocidal intent at the heart of this Kremlin policy.

TABLE 1: Delivering justice and accountability: Ukrainian and EU initiatives

Ukrainian initiatives	EU initiatives
<ul style="list-style-type: none"> <li>• MP Halyna Tretiakova introduced Draft Law No. 10256 on 11 November 2023, which pertains to the creation of a national victims registry for those who have suffered intangible damage to their lives and health due to Russia's invasion.<sup>7</sup></li> <li>• In an effort to address the deportation of children, the Ukrainian government has launched various initiatives, including Bring Kids Back UA,<sup>8</sup> which works to reduce silos among the Ukrainian government, partner governments, NGOs, and international organisations and unite efforts to return stolen children; the Child Rights Protection Centre (Gov.ua, 2023), which opened in May 2023 to work with children who are victims of or witnesses to crimes; and a new unit for Juvenile Justice in Ukraine's Office of the Prosecutor General (OPG).</li> <li>• In 2023, the Victim and Witness Coordination Centre was established by Ukraine's OPG with support from the EU Advisory Mission (EUAM) Ukraine. In March 2024, the EUAM hosted a roundtable with stakeholders who work directly with victims to share best practices for victim and witness protection during justice and accountability procedures (EUAM Ukraine, 2024).</li> </ul>	<ul style="list-style-type: none"> <li>• In September 2022, the European Parliament adopted a resolution on human rights violations in the context of the forced deportation of Ukrainian civilians and the forced adoption of Ukrainian children in Russia (European Parliament, 2022). In February 2023, the European Parliament took a step further to adopt a resolution which reiterated that forcibly transferring children of a group to another group constitutes a crime of genocide (European Parliament, 2023).</li> <li>• In September 2023, the Council of Europe in Ukraine, the Ukrainian Ministry of Justice, and the Coordination Centre for Legal Aid Provision signed a Memorandum of Cooperation on child-friendly justice initiatives (Council of Europe, 2023). The Memorandum established the basis for initiatives towards restorative justice with the best interests of children in mind.</li> <li>• In February 2024, EU Member States approved a new package of Ukraine-related sanctions against Russia, targeting 193 individuals and entities involved in Russia's deportation of Ukrainian children and/or involved in procuring weapons for Russia (Payne, Gray, &amp; Baczynska, 2024).</li> </ul>

## POLICY RECOMMENDATIONS

### 1. Send more weapons and equipment to Ukraine:

EU Member States must provide more munitions (Ruokonen, 2024) and equipment (Kramer, 2024), especially shells, to Ukraine. If the EU wants to save Ukrainian children, prevent further kidnappings by Russia, and prevent further breaches of the Genocide Convention, it must continue and even increase its support. Whichever side has more artillery will win more territory and, ultimately, the war. EU countries should not only ramp up munitions and weapons production at home, but also provide Ukraine with weapons systems that have an expiration date as advocated by UK Foreign Secretary David Cameron (BBC News, 2024). This is a better use of the weapons systems and a smarter financial decision for EU countries because decommissioning those systems will eventually have a cost for the home country.

**2. Seize frozen Russian assets:** Belgium holds the largest amount of frozen Russian funds at the Euroclear depository, and yet the EU has been divided on how to move forward. While EU diplomats recently agreed to send €3 billion from interest on these assets to Ukraine (Schickler, 2024), this move does not go far enough. The New Lines Institute's Multilateral Asset Transfer Proposal (Ziskina, 2023) uses the law of state countermeasures to show how those countries which hold Russian assets, chief among them Belgium, can transfer these assets to be held in escrow for the reconstruction of Ukraine. If European countries move forward with the transfer of Russian assets, there needs to be coordination and collaboration among civil society and victims of the war, including children and young adults who are so often left out of these conversations. On 15 May 2024, the Estonian Parliament made a positive move in voting to allow the use of Russian assets for reparations to Ukraine (Syta, 2024). Other EU countries should move beyond seizing interest and instead seize the assets themselves.

**3. Support local NGOs:** EU Member States must support Save Ukraine and similar NGOs such as SOS Children's Villages Ukraine and the Regional Center for Human Rights.<sup>9</sup> Projects that EU countries can support through grants and donations include Save Ukraine's Hope and Recovery centres, where returned children can live with their families. These centres provide a three-month programme for families with children affected by the war to recover, regain strength, receive education, and improve mental health. After three months, Save Ukraine helps them with relocation and integration. Save Ukraine enrolls children without homes or parents in a programme aimed at recovery and rehabilitation; this is especially important for children who have been

subjected to extensive Russian propaganda and political indoctrination. Save Ukraine provides for children's basic needs first (food, shelter, medical care, and education) and then assists in reintegrating children back into the community. Save Ukraine also collaborates with the government programme Bring Kids Back UA; however, a more comprehensive and holistic approach to rescuing and reintegrating children is needed. Until a more comprehensive approach is implemented, the work of Save Ukraine and Bring Kids Back UA will remain critical and should be supported, funded, and replicated with assistance from the EU. Importantly, EU countries should commit to long-term funding (three to five years minimum) and support the local NGOs and civil society doing this work already.

**4. Facilitate freedom of movement for children:** EU Member States should work with the Ukrainian government to facilitate free, safe, and easy passage for returned Ukrainian children who may go on to live with family members or legal guardians outside Ukraine in other European countries.<sup>10</sup>

**5. Intercountry adoption:** Intercountry adoptions have been suspended due to martial law (Stern, 2023),<sup>11</sup> and there is a shortage of Ukrainian foster parents, so orphans have been left in limbo. These are children who have missed out on school for several years, who need basic care such as medical and dental checks, clothes, and a place to live. EU officials and MEPs should use all available diplomatic channels to prevail upon the Ukrainian government to amend this policy so that Ukrainian children rescued from Russia who have nowhere else to go have more options available to them.

**6. International Coalition for the Return of Ukrainian Children:** All EU Member States should join the International Coalition for the Return of Ukrainian Children (Government of Canada, 2024). As of July 2024, Croatia, Republic of Cyprus, Hungary, Slovakia, and Slovenia have not signed on as partners. The Coalition's goal is to bring Ukrainian children home to their families and communities.

**7. National capacity building:** EU Member States should continue building and supporting Ukraine's national law enforcement capacity. While international institutions are and will continue to be important in justice and accountability for Ukraine, the most effective mechanisms for justice for Ukraine will be found in Ukraine. As of December 2023, the Ukrainian national judicial system lacked 2,227 judges. At the same time, from 2022 to 2023, the total volume of cases and materials received by the courts for review increased by 82 per cent. Lack of capacity, training, and retention remain obstacles to justice.

**8. Universal jurisdiction:** EU Member States have a logical and moral duty to use the principle of universal jurisdiction and their own national laws and court systems to bring perpetrators of the forcible transfer of children to justice on behalf of Ukraine. Countries including Lithuania, Germany, Sweden, and Spain have already opened investigations into Russian war crimes in Ukraine (Prey, Domi, & Spears, 2023). EU countries can refer to the Clooney Foundation's *Justice Beyond Borders* project, which includes a global mapping tool that allows policy-makers to check what kinds of universal jurisdiction restrictions countries have for atrocity crimes.<sup>12</sup> Only about 20 countries have used these laws to initiate cases in the last 30 years.

**9. Genocide Convention:** In March 2023, the International Criminal Court (ICC) issued an arrest warrant for President Putin and Maria Lvova-Belova for the war crimes of abduction and deportation of Ukrainian children to Russia. In addition to war crimes under the Rome Statute, provisions of the 1948 Genocide Convention also provide a vehicle for justice for the above acts. While these acts are currently categorised as war crimes by the ICC,<sup>13</sup> the arrest warrants also put state parties to the Genocide Convention on notice that potential genocidal acts could be occurring,<sup>14</sup> thus triggering the duty to prevent. Any of the 152 state parties should immediately take action to the best of their ability to prevent more genocidal acts from occurring,<sup>15</sup> especially by these individuals who have ordered, and are instrumental in, the forcible transfer of Ukrainian children to Russia, among other crimes (Prey, Domi, & Spears, 2023).

**10. Russian agencies:** EU officials and MEPs, in coordination with Ukraine, can assist the families of stolen children to file cases to the Russian Prosecutor General's Office. Relatives of the child should first register their case with Ukraine's OPG and then send a letter to Russia's OPG, to the Children's Rights Commissioner Maria Lvova-Belova, to the Russian Ombudswoman for Human Rights Tatyana Moskalkova, and to any regional Social Services offices. This creates a paper trail and puts more pressure on Russia and Lvova-Belova, who can no longer claim that Ukrainian parents are not attempting to get their children back from Russia.

*Acknowledgements: I would like to thank the following people for their invaluable support, without which this report would not have been possible: Ana Pereverten, Anna Sosonka, Hoar Habrelian, Ksenia Novy, and Shahida Tulaganova.*

## NOTES

1. See United for Justice: Panel 1 – Web of Accountability for International Crimes, YouTube, <https://www.youtube.com/watch?v=DLwXNGaBeLY>.
2. See Children of War, <https://childrenofwar.gov.ua/en/>.
3. Ukrainian children are brainwashed by Russian adults, teachers, and counsellors into thinking if they ever returned to Ukraine they would be executed as traitors; that if they stay in Russia, they will be given housing and a monthly stipend when they turn 18; and that their families have abandoned them and are not coming for them, among other lies.
4. In the documentary *Ukraine's Stolen Children* (Dailymotion, 2023), the godmother of a boy stolen by Russia was deported when she attempted to retrieve him. She thinks it was because Denis, her godson, was close to turning 18. Denis was increasingly being used by the Kremlin as a part of its propaganda machine, posting pro-Russian military videos and recording interviews about how President Vladimir Putin is protecting Ukrainian children, before he eventually managed to escape.
5. Artyom Zhornyk is a Ukrainian child who was taken but was returned to his mother in April 2023. In an interview, he spoke about sleeping on cement floors with no pillows, eating 'slop', being forced to sing the Russian national anthem, to wear Russian military uniforms with a Z patch on the arm during classes, and to endure military training.
6. Author interview with Shahida Tulaganova.
7. *Картка законопроекту—Законотворчість*. (n.d.). Retrieved 17 May 2024, from <https://itd.rada.gov.ua/billInfo/Bills/Card/43188>.
8. See Bring Kids Back, <https://www.bringkidsback.org.ua/>.
9. See SOS, <https://en.sos-ukraine.org/>; and Human Rights—RCHR, <https://rchr.org.ua/en/pravozahyst/>.
10. For example, one of the boys interviewed for the documentary *Ukraine's Stolen Children* has been trying to reach his grandmother in Germany but has been stuck in Poland for several months because the Russians took his passport when he was forcibly displaced. If not for the kindness of strangers, he would not have anywhere to live as he is a child, has no money, and has no documentation until he can receive a new passport.
11. *Про внесення змін до Порядку про... | від 16.08.2022 № 907*. (n.d.). Retrieved 17 May 2024, from <https://zakon.rada.gov.ua/laws/show/907-2022-%D0%BF#Text>.
12. See Justice Beyond Borders: A Global Mapping Tool, <https://justicebeyondborders.com/>.
13. The ICC's Office of the Prosecutor may add or make public additional charges involving deportation or transfer of children, including as acts of crimes against humanity or genocide.
14. See Article II(e) of the Genocide Convention.
15. For more on state responsibility, see New Lines Institute and Raoul Wallenberg Centre for Human Rights (2022: 10–11).

## REFERENCES

- BBC News. (2024). 'UkraineCast: The David Cameron Interview'. 4 April, <https://www.bbc.co.uk/programmes/p0hnq4wz>.
- Cabinet of Ministers of Ukraine. (2022). 'On making changes to the Procedure for conducting adoption activities and supervising the observance of the rights of adopted children'. 16 August, <https://zakon.rada.gov.ua/laws/show/907-2022-%D0%BF#Text>.
- Council of Europe. (2023). 'Signing a Memorandum of Co-operation on Development and Implementation of Child-Friendly Justice Initiatives in Ukraine'. Newsroom on Children's Rights, 15 September, <https://www.coe.int/en/web/children/-/signing-a-memorandum-of-co-operation-on-development-and-implementation-of-child-friendly-justice-initiatives-in-ukraine>.
- Daily Motion. (2023). *Ukraine's Stolen Children* (Documentary film). 11 November, <https://www.dailymotion.com/video/x8pir3c>.

- EUAM Ukraine. (2024). 'How to Avoid Re-Traumatizing Victims of War Crimes during Investigations and Trials'. 29 March, <https://www.euam-ukraine.eu/news/how-to-avoid-re-traumatizing-victims-of-war-crimes-during-investigations-and-trials-2/>.
- European Parliament. (2022). Texts adopted – Human rights violations in the context of forced deportation of Ukrainian civilians to and forced adoption of Ukrainian children in Russia – Thursday, 15 September 2022, [https://www.europarl.europa.eu/doceo/document/TA-9-2022-0320\\_EN.html](https://www.europarl.europa.eu/doceo/document/TA-9-2022-0320_EN.html).
- European Parliament. (2023). Texts adopted – One year of Russia's invasion and war of aggression against Ukraine – Thursday, 16 February 2023, [https://www.europarl.europa.eu/doceo/document/TA-9-2023-0056\\_EN.html](https://www.europarl.europa.eu/doceo/document/TA-9-2023-0056_EN.html).
- Government of Canada. (2024). 'International Coalition for the Return of Ukrainian Children'. 2 February, [https://www.international.gc.ca/world-monde/monde/issues\\_developpement-enjeux\\_developpement/response\\_conflict-reponse\\_conflicts/crisis-crisis/ukraine-children-enfants.aspx?lang=eng](https://www.international.gc.ca/world-monde/monde/issues_developpement-enjeux_developpement/response_conflict-reponse_conflicts/crisis-crisis/ukraine-children-enfants.aspx?lang=eng).
- Gov.ua. (2023). 'Ministry of Reintegration of the Temporarily Occupied Territories: Child Rights Protection Centre opened in Ukraine to Counter Russia's Crimes'. 31 May, <https://www.kmu.gov.ua/en/news/minreintehratsii-v-ukraini-vidkryly-tsentr-zakhystu-prav-dytny-i-akyi-protydiatyme-rosiiskym-zlochynam>.
- Hook, K. (2023). 'The Russian Federation's Escalating Commission of Genocide in Ukraine: A Legal Analysis'. New Lines Institute, 26 July, <https://newlinesinstitute.org/rules-based-international-order/genocide/the-russian-federations-escalating-commission-of-genocide-in-ukraine-a-legal-analysis/>.
- Kramer, A. (2024). 'Dwindling Ammunition Stocks Pose Grave Threat to Ukraine'. *New York Times*, 5 April, <https://www.nytimes.com/2024/04/05/world/europe/ukraine-ammunition-shells-russia.html?smid=nytcore-ios-share&referrerSource=articleShare&srp=c-cb>.
- Moscow Times. (2024). 'Russia's Population Could Fall to 130Mn by 2046 – Rosstat'. 10 January, <https://www.themoscowtimes.com/2024/01/10/russias-population-could-fall-to-130m-in-by-2046-rosstat-a83687>.
- New Lines Institute and Raoul Wallenberg Centre for Human Rights. (2022). 'An Independent Legal Analysis of the Russian Federation's Breaches of the Genocide Convention in Ukraine and the Duty to Prevent'. May, <https://newlinesinstitute.org/rules-based-international-order/genocide/an-independent-legal-analysis-of-the-russian-federations-breaches-of-the-genocide-convention-in-ukraine-and-the-duty-to-prevent/>.
- Payne, J., Gray, A., & Baczyńska, G. (2024). 'EU Approves New Sanctions Package against Russia'. Reuters, 21 February, <https://www.reuters.com/world/europe/eu-approves-13th-sanctions-package-against-russia-eu-sources-2024-02-21/>.
- Prey, E., Domi, T., & Spears, K. (2023). 'Conflict-Related Sexual Violence in Ukraine: Lessons from Bosnia and Herzegovina and Policy Options for Ukraine, the United States, and the International Community'. New Lines Institute, 20 September, <https://newlinesinstitute.org/gender/conflict-related-sexual-violence-in-ukraine-lessons-from-bosnia-and-herzegovina-and-policy-options-for-ukraine-the-united-states-and-the-international-community/>.
- Ruokonen, A. (2024). 'Ukraine's Artillery Shell Shortfall'. Lawfare, 3 April, <https://www.lawfaremedia.org/article/ukraine-s-artillery-shell-shortfall>.
- Schickler, J. (2024). 'Brussels Agrees to Send €3bn from Frozen Russian Assets to Aid Ukraine'. Euronews, 8 May, <https://www.euronews.com/my-europe/2024/05/08/brussels-agrees-to-send-3-bn-from-frozen-russian-assets-to-aid-ukraine>.
- Stern, D. (2023). 'Russia's War in Ukraine Halted Adoptions. Now Some Orphans Are Stuck in Limbo'. *Washington Post*, 3 September (updated 8 September), <https://www.washingtonpost.com/world/2023/09/03/ukraine-orphans-international-adoptions-united-states/>.
- Sytas, A. (2024). 'Estonia Parliament Backs Using Frozen Russian Assets for Ukraine Reparations'. Reuters, <https://www.reuters.com/world/europe/estonia-parliament-backs-using-frozen-russian-assets-ukraine-reparations-2024-05-15/>.
- Ukraine Parliament. (2023). 'The draft Law on the registration of persons whose lives and health were harmed as a result of the armed aggression of the Russian Federation against Ukraine'. 13 November, <https://itd.rada.gov.ua/billInfo/Bills/Card/43188>.
- VICE News. (2023). 'Stealing Ukraine's Children: Inside Russia's Camps'. 28 June, <https://www.youtube.com/watch?v=RNAAC1kX5kE>.
- Voice of America. (2023). 'FACT CHECK: Putin Disguises Forced Deportation of Ukrainian Children as Compassion'. 7 March, <https://www.youtube.com/watch?v=L2npm5AJGYU>.
- Ziskina, Y. (2023). 'Multilateral Asset Transfer: A Proposal for Ensuring Reparations for Ukraine'. New Lines Institute, 14 June, <https://newlinesinstitute.org/rules-based-international-order/multilateral-asset-transfer-a-proposal-for-ensuring-reparations-for-ukraine/>.



# Human Rights Defender Visas: The EU's Key to Promoting Democracy

Olga Nemaneshyna and Zoe Dahl

<https://doi.org/10.53121/ELFS8> • ISSN (print) 2791-3880 • ISSN (online) 2791-3899

## ABSTRACT

Implementing human rights defender (HRD) visas within the EU is a strategic move that would increase global security, promote democracy, and uphold international law. These visas would provide a haven to those who oppose oppression, helping to counteract the influence of authoritarian regimes. By offering protection, the EU would show its commitment to democracy, translating its ideals into meaningful action. HRD visas would weaken authoritarian governments by enabling those who expose corruption to continue their work in safety, encouraging reform and increasing global awareness of human rights violations. Ultimately, protecting HRDs would foster a more just and secure world where freedom and democracy can thrive.

## ABOUT THE AUTHORS

Olga Nemaneshyna works with the Coordinating Lifeline programme at SILC on human rights issues. She is the former International Secretary of the Ukrainian liberal political party Power of People, former Founder and Head of the NGO Council of Women's Initiatives, and a former advisor on foreign affairs at the Cabinet of Ministers of Ukraine.

Zoe Dahl is an SILC intern and a student at Northeastern University in Boston. She is pursuing a bachelor's degree in International Affairs and History.

## INTRODUCTION

Human rights is a value that is non-negotiable for most citizens living in the EU. This value is held so dear to many European countries that since the founding of the EU, it has turned the region into a ray of light for human rights defenders (HRDs) facing persecution by governments around the world. However, this is a cause that requires greater attention and focus.

According to the United Nations Office of the High Commissioner on Human Rights, HRDs seek the promotion and protection of civil and political rights as well as the promotion, protection, and realisation of economic, social, and cultural rights. HRDs are seeking refuge because they are not safe in their home countries from the authoritarian governments against which they are fighting. Since they are not safe in their nations of origin, they require a safe haven from which to promote their message. Usually, this entails travelling to different places and spreading awareness of the issues at hand. The EU is uniquely suited to offer a special visa for HRDs because of the freedom of movement within the Schengen Area. As opposed to just offering this type of visa at the national level, with this movement allowed, HRDs will be able to spread their messages to some of the world's highest offices.

In 2022, 400 HRDs around the world were killed, the highest number killed in recent years (Ratray & Volkmann-Brandau, 2023), and these are only the confirmed cases; the number is likely to be higher due to a lack of transparency within authoritarian countries. This statistic alone should alarm proponents of liberal values as proof that enemies of human rights have grown emboldened in recent years. As one of the foremost liberal organisations in the world, it is important for the EU to be seen supporting these causes. The goal is that enemies of



liberalism throughout the world will not be empowered to harm HRDs. This is why the importance of supporting HRDs must be reaffirmed once again.

The United Nations Sustainable Development Goals are all achievable through the work of HRDs, and by assisting HRDs in their work, the EU can be a driving factor in the furtherance of these worldwide goals. On its website, the EU (European Union, n.d.) states that it wants to 'contribute to peace and security [in the wider world] and the sustainable development of the Earth'. Assisting in the causes of HRDs fulfils the EU's obligations under the Universal Declaration of Human Rights and the Refugee Convention, and it shows the world that the EU is steadfast in its values.

By providing a refuge to HRDs who are at risk, the EU will be improving global security by promoting democracy in authoritarian regimes. HRDs often work to ensure that governments and other entities follow the rule of law and respect the rights of all individuals, and by holding governments accountable, HRDs contribute to a fair and just society, reducing the likelihood of abuse of power and corruption. Societies governed by the rule of law tend to be more stable, decreasing the risk of internal conflicts that can spill over borders and threaten global security. One example is the war in Ukraine: Ukraine is a democracy that is fighting to resist invasion by Russia, an authoritarian nation. If HRD visas were available, Russian citizens would have more opportunity to speak out about what is occurring in their country. Given that Russia does not ensure press freedoms, Russian HRDs would be able to continue their advocacy work outside the country and warn the world of what was to come.

Human rights abuses, such as discrimination, torture, and repression, can lead to social unrest, radicalisation, and violence. By defending human rights, HRDs help address grievances and injustices that might otherwise escalate into conflict. For example, defending the rights of marginalised groups can prevent them from resorting to violence as a means of achieving justice, thus contributing to both national and international peace. HRDs often advocate for democratic governance, transparency, and participation. Strong, democratic institutions are key to preventing authoritarianism and the instability it can bring.

HRD visas are relevant to the EU because, as a self-proclaimed defender of democracy, the EU should support individuals who are advocating for democracy in their home countries. Indirectly,

the EU can claim that it is promoting democracy worldwide.

## *Defending the rights of marginalised groups can prevent them from resorting to violence as a means of achieving justice*

In recent years, many authoritarian regimes across the globe have introduced new tactics of oppression through criminalisation, lawfare, and harassment (Peace Brigades International, n.d.). As a result, EU states cannot simply strengthen their commitments towards human rights with the current regime. We need to innovate and upgrade our visa regime. Therefore, the introduction of an HDR visa will give much needed protections to HRDs.

### **HUMAN RIGHTS DEFENDERS: DEFINITION AND EU LEGISLATIVE CONTEXT**

The definition of an HRD used throughout this chapter comes from the report *Ensuring Protection – European Union Guidelines on Human Rights Defenders* by the European External Action Service:

Human rights defenders are those individuals, groups and organs of society that promote and protect universally recognised human rights and fundamental freedoms. Human rights defenders seek the promotion and protection of civil and political rights as well as the promotion, protection and realisation of economic, social and cultural rights. Human rights defenders also promote and protect the rights of members of groups such as indigenous communities. The definition does not include those individuals or groups who commit or propagate violence.

Be they individuals or collectives, HRDs are typically involved in documenting, reporting, and peacefully opposing human rights violations; providing legal, psychological, medical, or other practical support to victims of such abuses where they occur; and promoting knowledge and respect for human rights.

One example of a prominent HRD is Fawzia Koofi in Afghanistan. She appeared on the global stage after the fall of the Taliban in Afghanistan as a women's rights and education advocate working to promote these ideas in a post-Taliban, democratic Afghanistan. And while these ideas may have been acceptable during the two decades of Taliban-free Afghanistan, when Kabul fell to the Taliban, Koofi was thrust into danger. She has survived several

assassination attempts, including when she was part of a delegation of the Afghan government that was participating in peace talks with the Taliban. Fighting for women's rights was a dangerous job to have, and it was difficult for her to stay in Afghanistan. An HRD visa would be very beneficial for her because it would enable her to escape the Taliban while continuing to spread awareness of and fight for Afghan women and girls.

Another example is Sihem Bensedrine, a Tunisian HRD arrested on 1 August 2024 by the Tunisian regime. She is the former President of the Truth and Dignity Commission, which was responsible for investigating human rights offences committed by previous regimes. Aside from her role in the government, she was a journalist who criticised long-standing human rights abuses in the country, according to the United Nations Office of the High Commissioner for Human Rights. There are major concerns that due to the Tunisian president's self-coup, Bensedrine will not receive a fair trial. With an HRD visa, she might have been able to leave Tunisia and continue her advocacy work free from backlash and political imprisonment.

Many EU Member States already have existing institutions in place to assist HRDs. Germany and France, for example, have an extensive support network for HRDs around the world with an extensive bureaucracy to assist HRDs at risk. Many Baltic states and Czechia have assisted HRDs since 2021. In Poland, there has been extensive cooperation between non-governmental organisations (NGOs) and the government to offer emergency services. The next step is offering a specific visa.

Currently in the EU, HRDs are only protected by NGOs and not by governments. The purpose of these NGOs is to advocate for HRDs in government so they receive the proper protection. They also provide necessary services, such as protection officers who are available 24/7, emergency funds, and temporary relocation. This aid is essential for HRDs in need. According to ProtectDefenders.eu (2024), HRDs working with international civil society organisations report that the Schengen visa has become a matter of privilege to which only some defenders have access. Elements of prejudice can appear, and visa refusals are occurring for HRDs from some countries, such as Syria, Iraq, Palestine, and Yemen.

The Council of Europe is an intergovernmental organisation whose goal is to uphold human rights and democracy in Europe. It utilises international law to enshrine human rights. One of its best-known achievements is establishing the European Convention on Human Rights. This convention also

created a court called the European Court of Human Rights, a forum to which individuals can bring cases if they believe their rights have been violated. The Council also works to strengthen democratic institutions and electoral processes in its member states. To do this, it helps countries develop legal standards and reforms, providing guidance and support to ensure justice systems operate fairly and effectively. It also addresses social issues, education, and culture by fostering collaboration among member states to improve social rights and protect cultural diversity. The Council of Europe would be an ideal candidate to fight for the rights of HRDs.

However, the question remains: why should new legislation and changes to the visa system be implemented on the EU level to assist HRDs when some countries already assist HRDs in need? The answer is simple: recognition of human rights activists around the world is not clearly defined within visa and migration services. This is highly problematic because this puts HRDs in a legal grey zone that complicates an entry process that should be simple and straightforward.

As a result, when HRDs apply for visas to network, they have to seek avenues that are unrelated to their occupation. The examples listed below by the EU Fundamental Rights Agency (FRA) are often effective, but they have their shortcomings as well.

- 1. Student visas:** While acceptable for HRDs with prospects for higher education, this is out of reach for HRDs with little to no reason to travel to Europe for tertiary education.
- 2. Employment visas:** Acceptable for HRDs with employment prospects in the EU or the funds to start a business or NGO within the EU. This route is unavailable to HRDs with no prospect in either category, even more so since activism is often not a formal occupation.
- 3. Travel visas:** Schengen visas from A, B, C, D are offered as well as other visas provided by each respective government. While convenient for many HRDs, many visas do not allow re-entry or travel within Schengen, or they have limitations due to personal funds.
- 4. Asylum:** While ideal for HRDs as a last resort, this is often the end of HRD work for the individual in their country of origin. Asylum processes are often long and prevent the applicant from leaving the country where the application has been submitted. Additionally, with the rise of anti-immigration sentiment across Europe, this option may be even more limited.
- 5. Lack of passport:** Many HRDs lack passports in the first place due to government restrictions and

repression of HRDs within their own country. These individuals in this unique case lack any means of leaving their country to expand their work in human rights.

### **CASE STUDIES: HUMAN RIGHTS DEFENDERS FACING VISA CHALLENGES**

Here are two real-life cases of HRDs whose work or personal safety was put into jeopardy in situations not covered by the five categories listed in the FRA Protecting Human Rights Defenders at Risk report (2024):

**1.** A Kurdish Iraqi HRD wishes to resettle in an EU country to escape persecution. However, the HRD is required to travel to Baghdad to have their passport and residence permit verified. This HRD must travel to Baghdad twice, which puts this individual at unnecessary risk that could otherwise be avoided with an HRD visa that bypasses these processes.

**2.** An Afghan defender who supported Amnesty International with carrying out research in Afghanistan managed to flee to Iran in 2022 but remained at risk. Amnesty International assisted them with their application for a French visa. The visa application process was severely delayed, and the ability of the beneficiary's family to travel was hampered by their lack of passports. Despite much advocacy by civil society, they are still, at the time of writing, awaiting a decision by the French authorities.

It is important to note that HRDs are not seeking permanent resettlement in EU countries; they merely need a safe space to promote peace in their home country. Many HRDs are not safe in their nations of origin, so they require a secondary place to continue their advocacy work.

If these individuals were granted an HRD visa, their personal safety and ability to work would not have to be at the mercy of red tape.

### **POLICY PROPOSAL: THE EU VISA REGIME FOR HRDS**

With these problems in mind, an HRD visa would offer the following to individuals involved in human rights advocacy:

- freedom to travel easily across EU and Schengen countries;
- the ability to relocate in the face of danger, which would allow HRDs facing danger to make plans;
- the chance to expand their networks within international settings;
- a pathway for HRDs with limited funds or access to consulates or embassies;

- a reduced risk of burnout;
- the ability to make a 'just in case' plan in the face of unpredictable events.

While many HRDs enter the EU through many of the means listed by the FRA, the proposed visa is not a tourist, immigration, or asylum visa. The HRD visa would be part of the EU visa policy, but the granting of HRD visas would ultimately be determined by the individual Member State. Member States would have the right to determine how HRDs are distributed. Additionally, HRDs would enter the EU with the approval of an EU-sanctioned NGO such as ProtectDefenders.eu (2024), EUTRP (n.d.), or Scholars at Risk (n.d.).

While there are no cases of an HRD visa in practice, current Member States have implemented programmes to assist HRDs, whose potential positive effects are described in the FRA Protecting Human Rights Defenders at Risk report (2024):

**1.** A Belarusian media outlet became the target of persecution that included judicial liquidation and searches of the offices and home of their staff. Czech organisations assisted them in relocating the staff and their families, who then were able to open a bank account in Czechia to continue their work.

**2.** An HRD from Bahrain says that it took them some time to decide to leave the country and go into exile. Initially, they felt unsafe and targeted and decided to leave but without any specific plan. The hope was that things would calm down and there would be an opportunity to go back. Yet the defender faced criminal charges in Bahrain, which took over one and a half years to deal with. They decided to settle down and realised that a long-term solution was the safer option.

Having a visa specifically for HRDs is important as it covers individuals in such unique circumstances. Some politicians believe that asylum could be an option, but this is incorrect. Asylum seekers often must meet strict criteria to qualify for this visa. HRDs want to continue their work in other countries, and this may not be possible given the rules asylum seekers need to follow. Asylum visas are usually granted to people escaping conflict, rather than to advocates. The former is more permanent, and the latter is more temporary. HRDs are looking for a temporary place of safety before going back to their country when it becomes safe enough. Meanwhile, asylum seekers are looking to build a life in these countries on an asylum visa.

Implementing HDR visas within the EU is a strategic necessity for many reasons. These visas would

bolster global security by providing a safe haven to those who bravely stand against oppression, helping to neutralise the threats posed by authoritarian regimes. By offering protection, the EU would actively promote democracy and the rule of law, reinforcing its commitment to these core values on the international stage. The EU claims to champion these ideals, so it is time to put them into practice. Additionally, such a policy aligns with international law, particularly the EU's obligations under the Universal Declaration of Human Rights and the Refugee Convention, securing its role as a global leader in human rights protection.

In addition to upholding international norms, the implementation of HRD visas would undermine authoritarian regimes by enabling those who expose corruption to continue their work in safety. This would weaken the grip of oppressive governments and encourage reform by increasing the global visibility of human rights violations. Ultimately, by protecting HRDs, the EU would be investing in a more just and secure world, where the principles of freedom and democracy can grow and prosper.

---

## REFERENCES

- European External Action Service. ENSURING PROTECTION – EUROPEAN UNION GUIDELINES ON HUMAN RIGHTS DEFENDERS. [https://www.eeas.europa.eu/sites/default/files/eu\\_guidelines\\_hrd\\_en.pdf](https://www.eeas.europa.eu/sites/default/files/eu_guidelines_hrd_en.pdf).
- European Union. (n.d.). 'Aims and Values'. [https://european-union.europa.eu/principles-countries-history/principles-and-values/aims-and-values\\_en](https://european-union.europa.eu/principles-countries-history/principles-and-values/aims-and-values_en).
- EUTRP (European Union Temporary Relocation Platform). 'European Union Temporary Relocation Platform'. <https://eutrp.eu/>.
- FRA (European Union Agency for Fundamental Rights). (2024). 'Protecting Human Rights Defenders at Risk: EU Entry, Stay and Support'. 11 July, <https://fra.europa.eu/en/publication/2023/human-rights-defenders>.
- Peace Brigades International. (n.d.). 'Criminalisation of Human Rights Defenders'. [https://www.peacebrigades.org/fileadmin/user\\_files/groups/uk/files/Publications/Crim\\_Report.pdf](https://www.peacebrigades.org/fileadmin/user_files/groups/uk/files/Publications/Crim_Report.pdf).
- ProtectDefenders.eu. (2024). 'The European Union Human Rights Defenders Mechanism'. 13 March, <https://protectdefenders.eu/>.
- Ratray, S., & Volkmann-Brandau, M. (2023). 'Protecting Those Who Protect Human Rights'. United Nations Development Programme, 29 June, <https://www.undp.org/blog/protecting-those-who-protect-human-rights#:~:text=Disturbingly%2C%20in%202022%2C%20over%20400,the%20culprits%20are%20not%20punished>.
- Scholars at Risk. (n.d.). 'Protecting Scholars and the Freedom to Think, Question, and Share Ideas'. <https://www.scholarsatrisk.org/>.