



FRESH THINKING

N°01/2011 | QUARTERLY MAGAZINE

The poor state of Europe

FOUNDATION FOR EUROPEAN
PROGRESSIVE STUDIES





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Powering a world in progress



“Bring a laptop and bottle of whisky”, my friend said. I was going to my first meeting with the Young European Socialists (ECOSY), which gathers together socialists and social democratic youth and student organisations in the EU. I was ready to solve what maestro Jürgen Habermas had called the lack of a European public sphere – a dialogue across borders. And my friend’s plan worked. The afterparty was in my room, where new friends from across Europe could have a drink and work on the resolution we had to present the next morning.

But our resolution didn’t solve the problem Habermas identified. The lack of that public sphere still haunts the EU. New initiatives and attempts are needed. And as you might have guessed, you’re holding a new attempt in your hand right now.

This is the very first issue of Fresh Thinking. Founded by the thinktank FEPS and produced by an independent band of journalists with our hearts to the left of centre, we will reach 10,000 progressives in the EU four times a year. At last, here’s a magazine where we will discuss politics, policy, economics – always with a progressive angle.

In the aftermath of the financial crises, the word “austerity” sums up the political right’s response in Brussels and the majority of Europe’s capitals. But in the shadows of that word, the citizens of Europe are trying to make ends meet. It was impossible

not to devote our first issue to what we decided to call “the poor state of Europe”.

We never even considered shying away from the worst forms of absolute poverty in Europe. At the same time we wanted to underline that we regard photography as an important part of journalistic work. The result is the photo essay portraying the Roma community in Slovakia; a reminder that the fight against poverty must involve all citizens in our Union (p.14–18).

But poverty is also relative. It can sneak up on you, change your life step by step – as described in Michał Olszewski’s essay *The Colour of Poverty* (p.22–24).

As progressives, we also believe that politics matter. Lynsey Hanley went to one of the most deprived neighbourhoods in Britain, Birkenhead in Merseyside, to evaluate the legacy of Labour’s years in power (p.8–13). In general, the politicians’ feet should be held close to the fire. So, on p.32–33 we have asked a group of leading progressives what should be done about the poor state of Europe.

In order to live up to our name, we asked fresh thinkers to address topics of major importance. Will Hutton suggests what progressives should do about the role of the market (p.19), and Katrine Kielos questions the role of traditional economic thinking from a feminist perspective (p.25).

So, some 10 years after that trip with a laptop and bottle of whisky, I have the enormous opportunity to lead a great team in an effort to get the European debate going. Hope you’ll like Fresh Thinking, and please let us know how we can improve it. It’s not student politics anymore, and I’m sure Habermas would like us to make the best of it.

A handwritten signature in black ink that reads "Eric Sundström".

Eric Sundström
Editor-in-Chief



FRESH THINKING N°01/2011

Front cover and photo essay by

Jakob von Siebenthal | Photographer

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Jakob mostly works on social issues and focuses on discriminated people or communities.

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23.1%



the proportion of female full-time workers who were low-wage earners in the EU in 2006.
Source: Eurostat

60-80 cents

the price (in euros) Cameroon paid to the EU in 2005 for a kilo of poultry offcuts. Read more in Tanja Busse's article on p.26

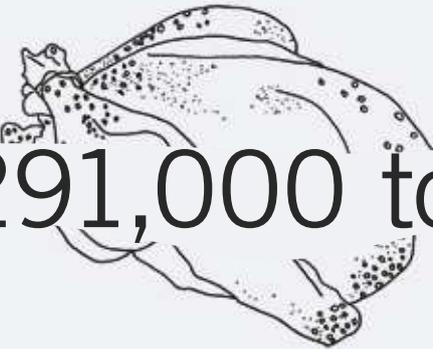


42 million



the number of people in the EU who are severely materially deprived, meaning that their living conditions are severely affected by a lack of resources.
Source: HEA, Higher Education Authority

291,000 tons



the amount of chicken offcuts that the EU exported to Africa in 2010.

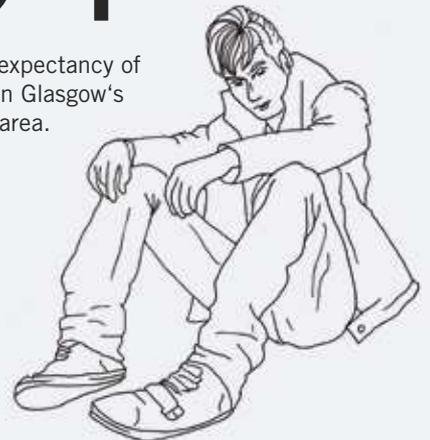
82^{age}

the life expectancy of a male in Glasgow's Lenzie area – just eight miles from Carlton
Source: World Health Organisation.



54^{age}

the life expectancy of a male in Glasgow's Carlton area.





the number of people on the waiting list for social housing in the Birkenhead area of the UK. Lynsey Hanley investigates Labour's legacy in the UK on p.8

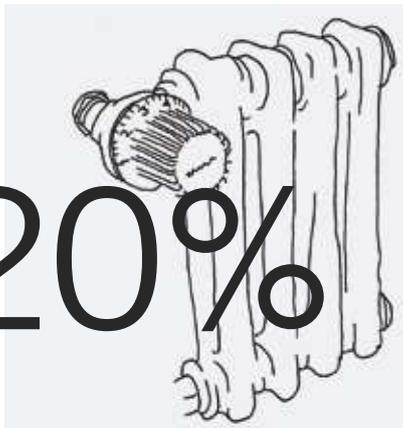
17 million

the amount of people in the EU who are poor even though employed. Source: European Commission.



20%

the amount of the Polish population who can't afford to properly heat their homes. See Michał Olszewski's report on p.22



the proportion of Poland's population (and EU average) who live on the poverty line, according to Eurostat.

80 million

the number of people in Europe who are at risk of poverty, according to Eurostat. See Piotr Buras' interview with Berthold Vogel on p.29



10.5 million

the number of non-EU migrants at risk of exclusion, meaning they are at risk of poverty, severely deprived or living in households with a very low work intensity. Source: European Commission



St James Centre



Labour's legacy in the UK

From the minimum wage to investment in healthcare, the recent Labour government left an impressive mark on Britain. **Lynsey Hanley** visited one of the country's most deprived neighbourhoods to find out how far reaching and long lasting its progressive policies have been.

The St James Library, in Birkenhead, Merseyside, is the sort of place where you could happily spend all day. Indeed, you're encouraged to. In the council ward of Bidston, part of what's known locally as "the north end" of the former shipbuilding town, its bright, primary-coloured façade and sun-trap windows are a display of optimism in architectural form.

But Bidston is one of the most deprived neighbourhoods in Britain, in a town which has lost 40 per cent of its population since its industrial heyday in the first half of the 20th century. Surrounding the library are streets of Victorian red-brick terraced houses, kitted out with double-glazed windows and white awnings under the Decent

Homes Standard programme, established during Labour's first term in government that started in 1997.

The St James Library, which was completed in 2006, brings together essential services in a welcoming building, containing not just a public lending library but a Sure Start children's centre, a well-used café, a learning centre run by the local further education college, and numerous community organisations.

Growing up in the 1980s, when public spending was drastically cut under successive Conservative administrations led first by Margaret Thatcher and then later by John Major, I remember seeing a new

evangelical church being built close to our home. It was the only new building in the area since the 1960s. Its novelty was a wonder to me. The reversal from public squalor to public munificence in the decade following the year 2000 – Labour having stuck to the previous government's spending plans for its first three years in power – was profound and visible.

Kath Shaw, the current manager of the St James centre, started out as a user of the centre's services, only to return as an employee. "I started coming here because I had a child and found myself incredibly isolated. I just needed to feel connected with some kind of community, and I was lucky enough that they didn't



mind you taking your baby in with you. We now have a crèche here which is totally oversubscribed.”

Courses provided by the Wirral Metropolitan College learning centre helped her to gain confidence and new skills. Over time she gained qualifications to become a community worker, often staying into the evening to provide youth activities after the library closed. As we talk in the café, parents stream in to collect their children from the Sure Start centre and stop for coffee. Everyone says hello to each other; it's impossible to imagine feeling unsafe here.

“It's about responsibility and ownership,” she says in reference to the centre's role in the community. “What often happens in disadvantaged areas is that these great projects will sweep in, operate for a couple of years, and then they disappear. People in the community are now actually being educated in terms of participating in and continuing the services after the initial project, but you can't get the 'big society' running without the resources to begin with.”

The “big society” she is referring to, is the Conservative Prime Minister David Cameron's dream of local and voluntary organisations replacing much of the role of the state. Such an idea could not have built the St James centre. It runs in an effective partnership with Wirral's metropolitan borough council, which until 2010 was run by a Labour-Liberal Democrat coalition, the Department for Education, which funds the Sure Start centre, and a series

of voluntary sector organisations which are themselves partly government-funded.

Since Labour lost power at both local and central government level in May 2010,

The reversal from public squalor to public munificence in the decade following the year 2000 was profound and visible

another local organisation, the Beechwood Community Trust, has had to close its youth club and cyber café because of

funding cuts. Fran Kane, a community worker on the local Beechwood estate with links to the St James centre, is angry that he's “still being told, here's 50 kids, we want you to educate them.”

“Computer courses, hairdressing and beauty courses all work in our area, but now it's a matter of getting the government to match that with funding for jobs. The biggest employers around here are Burtons [a biscuit factory] and Vauxhall [the car manufacturer]. They've been bought out by bigger foreign companies, who tell the staff that they're not going to change anything, then a few months later give them the sack.”

He believes that one of the most important contributions to education funding that took place during Labour's term in power was the Education Maintenance Allowance, a means-tested, weekly cash payment of up to £30 (€33) paid to teenagers in further education. “Whether it's £10 or £20 or £30, it's been a comfort to families to know that they're getting that.”

His colleague, Paul Howard, agrees, adding that the payment has often been regarded by worse-off families as a replacement for wages once a child reaches working age: “The EMA is given on a Friday and we find that over the weekend the kids who receive it give it to their parents as a contribution to their costs.” This keeps them in college when there would otherwise be pressure on them from their families to sign on or find jobs.





Schools in Birkenhead and in Wirral

as a whole vastly improved during Labour's term in power. Many schools were extended or completely rebuilt under the Building Schools for the Future programme, and most were awarded extra funding after applying for specialist status in specific subject areas. The former Park High School, adjacent to Birkenhead's newly restored Victorian park, has been partially rebuilt and renamed the University Academy, receiving sponsorship and guidance from two local universities. St John Plessington, a Catholic high school outside Birkenhead, was named the Times Educational Supplement's School of the Year in 2010.

New buildings would have meant little without better services being provided within them. A Birkenhead resident I met who works across the river Mersey in a Liverpool NHS trust, testified to the effect of Labour's investment in the health service, as well as in education and training: "Strokes, which is my area, were established by the NHS as the number three priority after cancer and heart disease. We've had good staffing levels which enabled us to establish a very good service for stroke patients."

Much of this improvement in the service, he says, came from investing in frontline staff, which enabled them to do



a better job. This is contrary to the belief, held by many critics of Labour's NHS spending, that most of the money was spent on management and bureaucracy. "Employing more full-time, permanent staff meant that you could develop the service properly. We've had access to courses, which the trust paid for, and support from them for a very high standard of training."

People in the community are now actually being educated in terms of participating in and continuing the services ... but you can't get the 'big society' running without the resources to begin with

Wirral NHS Trust has a dedicated public health programme targeted at over-55s and men living in Birkenhead and its surrounding estates. Preventative health spending also went up, but without the backing of well-paid, full-time, high-skilled



employment in areas of high deprivation such as Bidston, health inequalities have remained stubbornly high. A man in Bidston has a life expectancy that is 14.6 years shorter than a man living in the affluent, semi-rural south or west Wirral; mortality rates for males over 65 in Birkenhead are among the highest in the country, revealing the link between persistent structural unemployment and poor health.

It's hard to state without question that the Labour government's failure to narrow vast inequalities in health, longevity and employment rates was related to its infamous policy of being "intensely relaxed

who has been unable to work for many years due to industrial injuries, believes that the spending boom of the 2000s only benefited those who were "young, professional and in good health." He lives on the edge of Birkenhead's north end, in a street he is careful to identify as "mostly owner-occupied, where most people have managed to stay in work", in comparison with surrounding streets where unemployment has become a fact of life for generations.

The reality of worklessness, or "poor work" – meaning short-term minimum wage jobs, often found through agencies – is that, in Brooks' view, much of Labour's public spending programme produced

income as being £14,400 (€15,940) before tax: £2,000 higher than the income earned from working full-time on the current minimum wage of £5.93 (€6.56).

It has also calculated a fall in living standards of 10 per cent for the poorest individuals over the 10 years from 2000 to 2010, caused by real-terms falls in job-seeker's allowance, the purchasing power of the minimum wage, and rises in living standards enjoyed by most working people, such as a home computer and internet connection. (Most adults who use the suite of computers in St James Library are using the internet to look for jobs, and word processing to produce CVs.)



In its time in power Labour provided, for many, a way out from long-term poverty through better-funded services and a commitment to social mobility. The St James Library, among many other buildings across the country, stands as a monument to what progressive government can do. But such escape routes are likely to disappear with the prospect of public spending cuts by the new coalition between Conservatives and Liberal Democrats, led by David Cameron. "It's incredibly hard to break out of inter-generational involvement with the benefits system," admits Kath Shaw. "But for a single parent working 15 or 16 hours a week, they're terrified at how they're going to cope with all these budget changes. It's going to be harder and harder for people to afford basic necessities." ■

about people getting filthy rich". Peter Mandelson, the minister credited with that quote, has stated that Labour believed such relaxation about high earners was permissible "as long as they paid their taxes".

Yet the persistence of joblessness among residents in areas such as Bidston points to a more problematic belief, held tacitly if not explicitly by Labour throughout its time in power, that part-time, low-skilled jobs in the service sector could replace full-time, skilled manufacturing jobs in deindustrialised areas. (A sheet-metal worker, when he can find the work, earns twice as much per hour as a supermarket assistant.) The fact that manufacturing continued to decline as a share of Britain's GDP throughout its term in power was only partly a consequence of global factors. Former panelbeater Kevin Brooks,

"bitty" improvements to amenities but few real improvements to people's lives if they were socially and economically excluded.

"Social mobility for someone who lives in Bidston means getting a skilled apprenticeship," he says, pointing out that the waiting list for social housing in the Birkenhead area has grown to 13,000 due to the gap between people's earnings from low-wage jobs and the affordability of housing in the area. That's not to say that the introduction of the minimum wage doesn't represent a significant pillar of Labour's achievement; simply that it remains too low for people who earn it to live comfortably, even in supposedly "cheap" areas such as Bidston. The Joseph Rowntree Foundation, which researches poverty and housing, has defined the minimum "liveable"

Lynsey Hanley contributes to the Guardian, the Observer and the New Statesman. Her book, Estates: An Intimate History, is published by Granta Books.

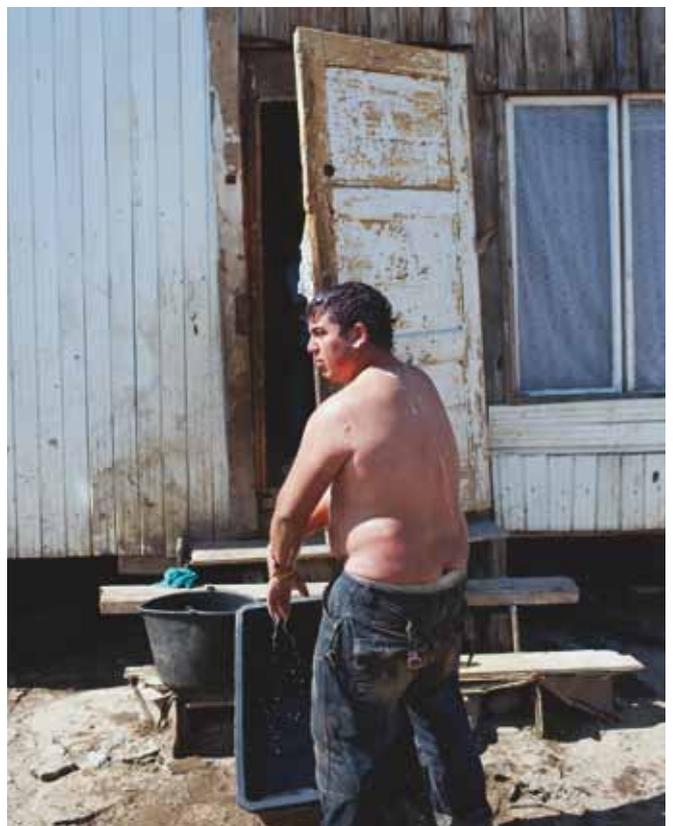
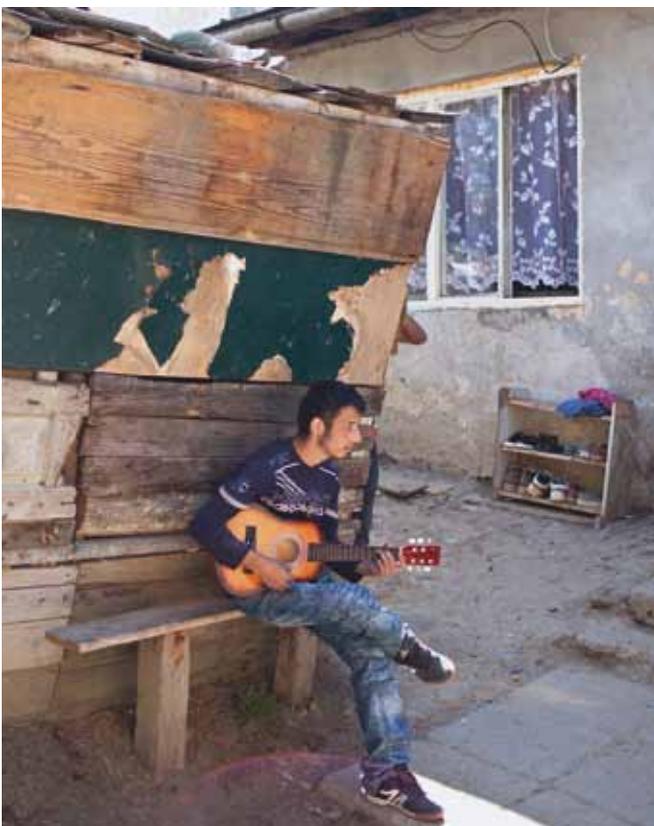
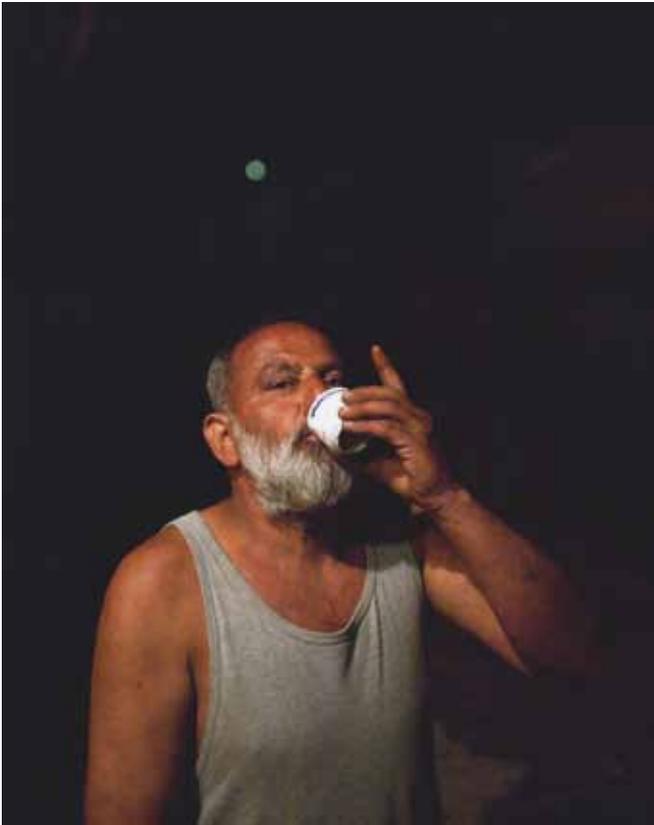


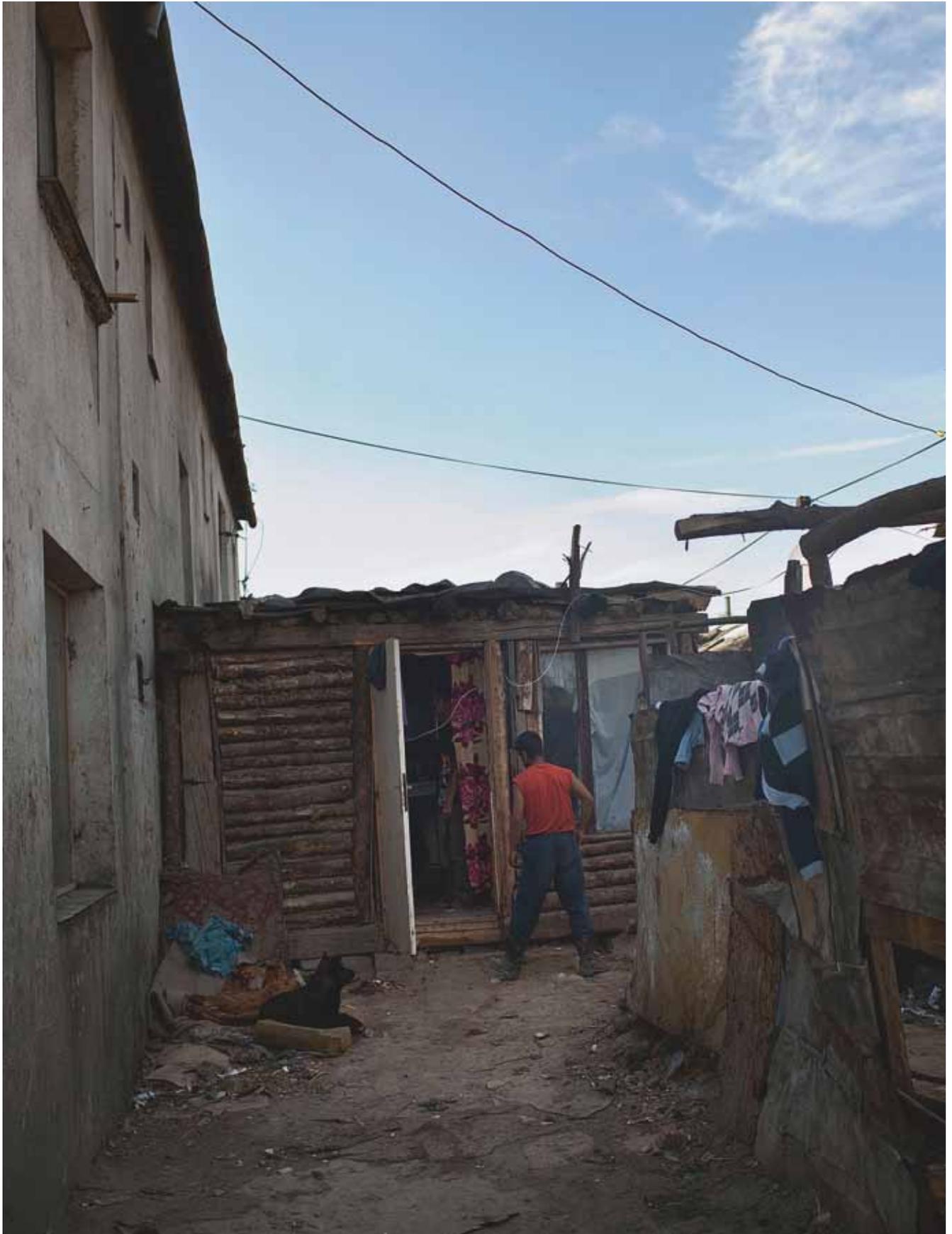


Roma in Slovakia

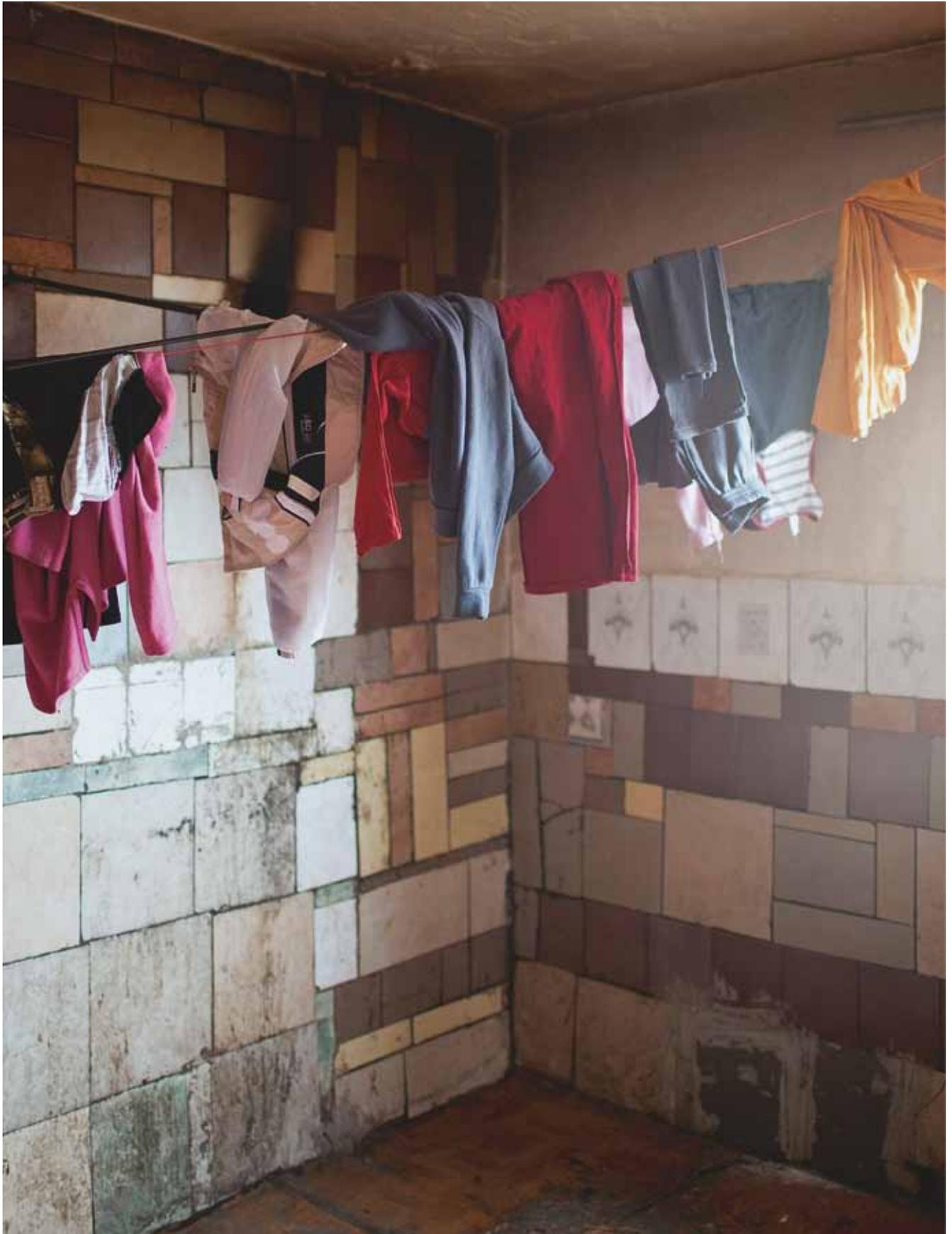
With the enlargement of the European Union in 2004 and 2007, thousands of Roma became EU citizens. Many Roma in eastern European countries live in extreme poverty. About half a million live in the Republic of Slovakia, most of them in the outskirts of

eastern Slovakian villages. Roma settlements often have no running water, electricity or gas, and unemployment is close to 100%. Photographs by **Jakob von Siebenthal**.









The left must deliver good capitalism

European progressives need to make fairness in the market their main objective, argues **Will Hutton**.

The problem with capitalism is that most of its proponents believe that it is an immutable force of nature. I would argue that capitalism quickly becomes dysfunctional when it surrenders to primeval hunter-gatherer instincts without fairness.

If electorates should have learned anything over the last years it is that financial capitalism is a menace to itself and the society beyond – and that governments are the peoples' friend. But the European left, theoretically the guardian of fairness and sage government action, is bewildered, in denial and in retreat. The conventional left needs to do a great deal better, not least for the working people it purports to represent. I submit it needs to begin by thinking straight – and the task starts with addressing the left's relationship with capitalism.

Intriguingly, the one thing that über-capitalists can agree on with traditional socialists is that capitalism cannot change its spots. However, both are wrong. There is good and bad capitalism. There is the capitalism that through permitting productive entrepreneurs their due rewards, through challenging incumbent businesses and taking calculated risks with the new create the churn, flux and energy that even Marx acknowledged transforms the world. Bad capitalism is the obverse; it is a universe of bloated incumbents, politically fixed markets, productive entrepreneurs forced to the sidelines and too little public investment. It cares little for the condition and risks of the people – as we can witness in the aftermath of the financial crisis.

The left has to understand what capitalism properly managed can deliver: and then to demonstrate that the paradox is that only the left can provide the political tension that biases capitalism towards the good. The left's mission is to hold capitalism's feet to the Enlightenment fire – and thus make it work best to meet the ambitions and needs of ordinary people.

Capitalism will concentrate economic power in huge banks or vast media empires that ossify innovation and constitute a vast pressure group for the status quo; the empires must be broken up. Ordinary men and women need assets and skills to handle the risks and opportunities of a rapidly changing economy; social security needs to be reconfigured to be generous, to provide financial assets as a buffer and a platform to take economic risks like investing in oneself or a business – for example a personal grant of €60,000 to every 21 year old – and the institutions that permit the lifelong acquisition of new skills. The fairness needed is radical. It challenges the economic and moral questions that have been ignored over the last two decades – the tolerance of towering disparities in wealth and power and the blind faith in individualism and markets.

I submit it offers a route map for Europe's left to reinvent itself and win popular appeal. To repeat: fairness is the indispensable value that underpins both good capitalism and the good society, and it will be the foundation stone of any sustainable new order. ■



Will Hutton is executive vice chair of The Work Foundation and author of *Them and Us: Changing Britain – Why we need a Fair Society* (2010)

There are several initiatives in place to fight poverty and raise awareness. Here are two imaginative responses to the problem.

Wanted: A place to live

A provocative beauty contest in Belgium revealed an ugly truth: the plight of the homeless.

“Mirror, mirror on the wall, who is the fairest of them all?” The queen in Snow White asked out of vanity. In 2010, 10 Belgian women asked a jury a similar question, but out of despair. All of them were living on the streets and to win the title of Miss Homeless promised nothing less than a free flat for a year.

Miss Homeless Belgium was an unusual beauty contest devised by Mathilde Pelsers and Aline Duportail from the organisation Artifex. They say that they wanted to draw attention to the situation of homeless people and give them a

chance to get their lives back on track. The elected winner didn't have to have the perfect face and body. It was the transformation of the participating women that was assessed. In the end, out of the 10 finalists the 58-year-old Thérèse van Belle won herself a free apartment for a year.

Critics attacked the contest for being cynical, voyeuristic and disrespectful. But those running the contest were satisfied with the international media coverage they created. On the project's website they talk about the success of the contest, saying that they not only rewarded the winner, but



were able to provide housing and guidance for all participating women. And they have planned a follow-up: Mr Homeless is to take place next year.

dev.sbprojects.be

Broadband for the neglected

The non-profit organisation One Economy brings internet access to low-income homes.

Technology and information can improve people's lives – but only if they have access to it and know how to use it. “Giving our children the tools for computer literacy is the 21st-century equivalent to teaching them how to read”, that's what Alex Ross, from the non-profit One Economy, wrote in 2007. He co-founded the organisation in 2000 with the aim of connecting deprived communities around the world to the internet.

In 2010 the US National Telecommunications and Information Administration reported that 40% of Americans do not use high-speed internet, and it is disproportionately people of colour that do not have broadband access. One Economy

works on bringing broadband access into people's homes and to make sure they can afford subscription rates.

They work with internet service providers and cable companies and provide free internet access or reduced rates. However, the best internet connection is worthless if people don't have any idea about how to use the technology. That's why the company offers lessons in digital literacy.

More than 3,000 young people have been trained so far, and many of those are, in turn, employed by One Economy to show other people how to use the access to the information once they have got the hang of it. One Economy also provides a media network to help people use the



internet for their own needs – whether it is finding doctors, jobs, education and training or filing taxes.

The non-profit organisation has made its aim to give people a better future by delivering what it calls the three As: access, affordability, adoption.

www.one-economy.com

FRESH THINKING BLOGS

We gave some European political bloggers a copy of Fresh Thinking and they gave us their thoughts. You can read the full articles on their blog sites.

Britain: Time for the left to look forward

While every new library, school and hospital built in the UK during Labour's three terms might be monuments to the munificence of the state, the danger the left faces is the Tory critique that the UK was living beyond its means. Pointing to the harshness of coalition cuts and "remember what we did for you" is not going to be enough to propel Labour to victory in 2015.

Jon Worth blogs at www.jonworth.eu where he has examined UK-EU relations for more than five years. He has been a member of the Labour Party for more than a decade and lives in London.

Sweden: Polish poverty in London and Stockholm

Reading The Colour of Polish poverty, my thoughts wandered to the Polish TV series The Londoners, about Polish immigrants who have come to the city in hope of a better life. But it could just as well be set in Stockholm. In Sweden many of the Polish "gastarbeiters" work and live under terrible conditions. Recently, a Polish construction worker died in Sweden. Polish workers left their country looking for a better life, but if they knew what was waiting for them, would they leave? *Alexandra Einerstam's blog The LesBiGay-Social Democrat is at hbt-sossen.blogspot.com. She lives in Farsta, Sweden.*

Poland: Crawling commercialisation

David Cameron's dream of the state deprived of its social functions, described in Lynsey Hanley's article, is very close to the Polish government's vision. With "policies for today", it imposes a kind of "crawling commercialisation" of the public sector. The poor state of Europe is most visible in countries like ours – with rising inequality and little governmental interest in preserving public good. *Michal Sutowski is a political commentator and blogs for Krytyka Polityczna (Political Critique), a leading Polish think-tank. www.krytykapolityczna.pl*

Ireland: The liberty to spend

The gap between rich and poor in Europe has been widening, and with it the distance between the poor and political relevance. Austerity measures, designed to create market confidence at the top, have destroyed all confidence everywhere else. How do we address this? We give people security. This is what the economy needs: Liberty of ordinary people to spend. Recognise that the economy relies upon society, and the gap between the top and the bottom will decrease. More equality is good for the economy, since it is the ordinary person who spends, not the investor waiting for profit. *Eoghan Boyce writes for Tea and Toast www.teaandtoast.ie, an Irish blog which aims to liven up progressive political debate in Ireland.*

Germany: Learning from our neighbours

Let's face it. The Social Democratic Party (SPD) is struggling. That's quite a shame since they have long been the party that worked for equal opportunities. As a feminist blog we recognize the achievements that have been made so far but also have in mind how much work is ahead. Europe is a diverse place and we can learn a great deal from each other. We look forward to a broad dialogue. *Helga Hansen blogs at www.maedchenmannschaft.net*



The colour of poverty

The 'Polish poor' drive cars, have mobile phones, televisions and fridges stacked with food. What they don't have is a future.

Michał Olszewski looks at the life of one family caught in the vicious circle of debt.

It's hard to tell exactly when the W family (Dad and Mum and four kids, living in a small town in northern Poland) were declared bankrupt. Relatives and friends say that it looked like they just slowly slipped down the slope. There was a time, and it lasted for a while, when they were earning enough money and the kids were doing fine. They had an apartment – true, but it was bought for them with their parents' money and, yes, it was small, but still it was their own. And Mum and Dad both had a job.

Maybe the first moment that they should have stopped and thought hard was when their son, who was three at that time, tripped and hit the floor so hard he lost his front teeth. They couldn't afford a dentist. "No problem," they said, "After all, they're his milk teeth. They'd fall out by themselves anyway." So, the little boy scared everyone with his disfigured gums for a couple of years.

Or maybe it was when it became clear that Dad had lost all interest in the home. He used to work as a firefighter. We all know the story, 24-hour shifts don't encourage family life. But after work he disappeared with his mates for a couple of hours, sometimes a couple of days. At home, he sat in front of the television, looking for an excuse to go out. Or he went fishing. Obviously, he wanted to call it a day, even though the needs grew with every new child. He quit. He had "had enough". Then again, perhaps it was just his drinking that, at some point, got out of control. Again, it's the same old story that where there is vodka, there are needs. Someone pays for it, and then you have to. Sometimes you meet interesting women or you go and play cards for money.

Or was it another bank loan? Mum still can't tell how many of those loans there were and how much they borrowed. Maybe € 100,000. Maybe more. Why do that, if the two of them worked, the grandmother regularly helped and they lived frugally and never went abroad? There are no definitive answers. "We needed it to make ends meet", she says briefly, removing a few strands of dark hair from her forehead. "There was a time when we paid off our debts with one loan – and for a while it worked".

The facade of poverty

Don't let the houses on the Cracow-Sandomierz or Warsaw-Poznan route mislead you. Judging by the way they look, it seems pretty obvious that people live comfortably there. If there's enough money for tiles, plastic windows, columns from the builders'



depot that imitate the style of pre-war mansions, paving stones, conifers and the other “little things” that one might once have dreamed of – then surely things must be good.

Throughout Poland houses appear as if they have been generously donated. They draw the eye with their newness and their bright colours. Can you imagine the poor people who inhabit these decorative houses? In terms of the conventional understanding of poverty, they are certainly not poor. They are not starving, the roof isn't leaking, they don't suffer from lice and there's running hot water. But the traditional view of poverty is not applicable anymore in describing the Polish variation. Polish poverty has been democratised and layered. The old signs have been replaced by new ones.

Living on the edge

According to Eurostat, 60% of Poles can't afford to go on holiday, 20% can't afford proper heating for their homes and the same number don't have enough money to have a meal with meat in it every second day. Almost 20% can't afford a car and 17% live on the edge of “poverty”. That is exactly the European Union average. The “Polish poor”, and this is for certain, live on cold meat scraps (although, when they buy it in the supermarket, they pretend it's for the dog or cat), on beer that is rather similar in taste to spirits, on ham containing so much water that it's more like liquid than meat, on cheese-like products and fake butter. The “Polish poor” buy bread that's like sponge and can't afford adequate quality fish or a higher standard of meat. There's no problem with quantity, but let's not talk about the quality.

According to sister Małgorzata Chmielewska, who has been involved in charity work for a number of years, the pretty houses are very often just facades behind which are hidden the years and failures of exhausting work. The local authorities, who she works with, point to the fact that most of the families working abroad invest all the money they save into building a new house instead of developing their own small family businesses. This leads to an insufficiency of resources to pay for the house – and the family. So, they go abroad again, or end up in a vicious circle of debt. But it can also be the case that money runs out while the house is being built. Then they put in wooden boards for windows and postpone the building work. For how long is anybody's guess.

There was a time when we paid off our debts with one loan – and for a while it worked

The “Polish poor” keep going thanks to the different kinds of pensions from their close relatives. Without grandmother's help, the grandson wouldn't go on a school trip and without the generosity of her mother, a daughter wouldn't pay her rent. Allotments help a great deal – they serve as a source of food during the summer and for preserves during winter.

Homes on loans

Polish poverty is based on bank loans. When the oldest daughter gets married, it's obvious that she needs some financial support. But later on, she won't buy any books because they are too expensive – and as a result she will have to face her child's lack of basic knowledge, but it will be the teachers that she will blame for the incompetence. Then she hears her grown-up son ask his uncle, who was sent in 1950 to Vorkuta [the Gulag]: “Did you go there on holiday?”. In the end she just sighs and says, “Well, not



everyone can be Einstein". There's no money for education so the kid starts to fail. And since he's failing, his further education can be acquired only in a private school, which in turn means expensive tuition. The vicious circle continues.

The "Polish poor" – and this may be the biggest problem – don't know how to manage money because nobody has ever taught them how. As in the case with W's family, their actions are capricious, irresponsible, illogical. They don't have money for the child's English lessons, but spend a considerable part of their income on an expensive mobile phone. They can't afford college for their daughter, but buy a digital camera which is on sale. They travel to the other end of the country to go on holiday but then have to borrow money to get back. They take out short-term loans because Christmas is around the corner.

The W family don't curse their fate. They do just enough to survive but not enough to be at ease about their future. There's no "long term" future among the "Polish poor". Last month's bills have to be paid. Sometimes, as in the case of the W family, a debt collector knocks on the door. And when that happens you are often forced to sell your home.

Caught between happiness and catastrophe

The W family, you could say, do pretty well. After all, the kids have clean clothes and their apartment is warm. Their poverty is glossed over, it's almost invisible. The Ws have lived on the edge for years now and they are clinging on, supported by family, the church and friends. And there are happy moments too. One of the sons has grown to become a great swimmer; just recently he came back from a tournament with two medals. This is a new kind of poverty, caught between the state of a relatively peaceful life and complete collapse. Mum likes to say that there are people who have it worse. That's true. The Ws don't have to join the state housing queue. To give a little perspective, over 120,000 people are waiting for housing help from the government – and some of those people have been waiting for over a decade.

Relying on grandma's pension

After being laid off from the factory, Mum found a job as a cleaner. Her mother has an allotment and a pension, so they won't starve. After the W family had to sell their flat to pay off their debts, they set out on a never-ending tour of rented flats, pretending to themselves that this was actually a perfect solution.

Recently, it seemed as if the troubles were resolving themselves. The oldest daughter went to college and the house became a little more spacious. However, she didn't go to a state college and her grandmother pays the tuition fees for a private one. It is hard to imagine what will happen when grandma is gone.

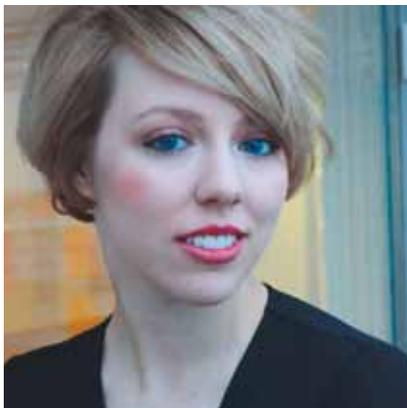
Dad went abroad, supposedly to work. He keeps withdrawing money from their joint account. Rumour has it that he found himself perfectly fit for the reality of pubs and bars in a small town, somewhere in the north of England. Since he's gone, she pushes herself even harder to find a solution. While working the night shift, somebody has to stay with two young kids, and lately grandma has been sick. The 16-year old son is the only answer. Nobody knows for sure what he is doing when he stays home alone, but he's not aspiring to become another Einstein, that's for sure. Or even the baker that he is supposed to become, for that matter. Someone said her husband took another bank loan, without her knowing about it. When asked, she once again removes the hair from her forehead and replies: "Let's not make a big deal out of it. After all, we make it work. The kids aren't hungry, are they?" ■

Michał Olszewski is a writer and journalist for the Polish weekly Tygodnik Powszechny.



The invisible heart of the economy

Capitalist theories that put self-interest as the motivating force of the economy have overlooked the contribution that women make – which is both underestimated and underpaid almost everywhere, argues **Katrine Kielos**.



Economics was once described as the “science of conserving love”. Love was scarce, so we had better get along organising our affairs around the abundant selfishness instead.

In 1776 Adam Smith wrote these famous words: “It is not from the benevolence of the butcher, the brewer, or the baker, that we expect our dinner, but from their regard to their own interest.” When everyone pursued his or her own interest, society as a whole benefitted – as if governed by an “invisible hand”.

The recent global financial crisis has vividly demonstrated the deficiencies in our current economic theories. “God created economists to make astrologers look credible”, the economist JK Galbraith wrote. Today more than ever the world is looking for a new kind of economic thinking. Economics has alienated itself from the world, from the real environment, from real people. At the same time the economic challenges of the 21st century are very real.

Half of the world’s population lives on less than two dollars a day. A majority of that number are women. 17% of all women across the European Union live in poverty: the elderly, single mothers, the disabled and minority groups are particularly at risk. Today there are few

international organisations that don’t write grand sentences about women being the key to economic development in their policy documents. However the contribution of women to society and the economy is both underestimated and underpaid almost everywhere.

Economics is heavily invested in the model of human behaviour that portrays us as self-interested, materialistic, and isolated individuals. The interesting thing is perhaps not what a specific theory says about women, but what can be said about women within a specific theory.

The founding question of econom-

17% of all women across the EU live in poverty

ics was “How do you get your dinner?”. Adam Smith got his dinner not because the brewer, the butcher and the baker liked him, but because it served their interests. It was selfishness that put dinner on the table for Adam Smith. Or was it? Who actually cooked that steak?

Adam Smith never married. The founder of economics lived most of his life with his mother. She ran the household and a cousin managed Smith’s personal finances (Smith himself was not considered competent enough). When he became a professor in Edinburgh in 1778 his mother went with him. All her life she took care of her son. She’s the part of the story of how we get our dinner that Adam Smith didn’t tell.

However you choose to look at and analyse the market, it’s always based on another economy. An economy we seldom speak about.

Markets cannot function effectively outside the framework built on values of love, obligation and reciprocity. Economics thought it could take this for granted. It based its theory on self-interest because it could: historically, most societies provided the supply of care they needed by maintaining strict limits on women’s freedom. However these limits are today, thankfully, giving way – but there are consequences.

As female labour force participation has increased, demand for domestic workers has risen. Migrant women are meeting much of the new demand and non-European nationals account for over 10% of those employed in this sector. Much of the work that they do is undocumented and informal.

The European commission calculates dramatic shortages in healthcare provision in the next decade unless countermeasures are taken now. The estimates point to a shortage of 1 million health professionals in the EU by 2020.

Every society must confront the problem of balancing self-interested pursuits with care for others: children, the elderly, and the infirm.

Nancy Folbre has written that the economy isn’t only based on an “invisible hand” but on an “invisible heart”. That might be a too idealised view on the work that society has historically expected women to perform. We don’t know why Adam Smith’s mother took care of her son. We only know that she did. And that it mattered. ■

Katrine Kielos is a writer for Aftonbladet, Scandinavia’s biggest newspaper. She is currently writing a book about the shortcomings of traditional economic theory from a feminist perspective.

The real cost of Europe's big food business



Exporting our cheap meats to developing countries might seem like a good idea, says **Tanja Busse**, but it is destroying the small farmers and local agriculture which play a crucial part in feeding the world.

We are rich Europeans. We sit at the global dinner table and fill our plates. But our food contains an unacceptable and large amount of irresponsibility. Not only because we import cheap resources from countries in the South, paying only a pittance, but also because we swamp the markets with our exports, eliminate local producers and reinforce poverty.

“Germany’s agricultural exports provide a solid base for agriculture – even in times of crisis”, says Ilse Aigner, the German Federal Minister of Food, Agriculture and Consumer Protection. “German farmers get about 20% from their exports, for the German food industry it’s even as much as 25%.” Her ministry reports a record growth of 9.6% for 2010. Eastern Europe, China, India and South East Asia were the future growth markets, the ministry informs.

African countries aren’t mentioned in the press releases, but exports there have increased too. Germany exported 184 tons of beef to Tunisia in 2009. In 2010, at 887 tons, it was almost five times that

amount. Exports to Algeria have doubled to an even higher level, from 1,900 to 4,100 tons. Morocco also consumed more German cattle in 2010 than in the previous year – nearly 7,000 tons in comparison to 2009’s 4,800 tons.

Germany, the country of high-tech and high-wage costs produces meat for Africa, a few kilograms per year for each Moroccan citizen – is this development aid in kind?

At first glance this is cheap meat for poor people

Development aid workers have been criticising the food exports from Europe and the US for decades. They cause a great amount of damage especially in Southern Africa. “Europe is about to damage or destroy any kind of livestock breeding in Africa”, criticises Francisco Marí of the Evangelischer Entwicklungsdienst EED



The EU has even paid so-called export refunds to food exporters, so that EU-produced food could remain competitive

(the Evangelical Development Service, a German protestant development agency), following his assessment of the European Union's export statistics. According to those figures, the EU as a whole exported 291,000 tons of chicken offcuts to Africa in 2010. "114,000 tons of it alone went to the small West African country of Benin", says Marí. His conclusion: "The human right to food is not respected." The EU has even paid so-called export refunds to food exporters for decades, so that expensively EU-produced food could remain competitive in countries with lower production costs – as well as unburdening their own markets by agricultural dumping – without any consideration for the effects of those exports on local agriculture.

These export subsidies have now been drastically cut after sustained protest (but have not been completely abandoned). Nevertheless, European food exports keep on increasing even without the EU's financial support. How is this possible? With poultry meat for example, Europeans tend

to eat only the best bits of meat and not the whole chicken. What is left over can barely be sold within the EU. Nobody here is interested in chicken legs or reformed meat, unless it is processed into chicken nuggets or chips. The rest is shipped to Africa by poultry meat processors and sold there to countries without any working cold chain (a network of refrigerators, freezers and cold storage to keep the meat at the right temperature). From the EU alone 18,000 tons of poultry offcuts were exported to Cameroon in 2005, for only 60–80 Euro cents per kilo. The traders in Cameroon then doubled the purchase price and sold these half-thawed breastless chicken remainders on the market there. That was a good deal for traders. They made a 100 % profit and were still able to knock out the local competition. No farmer in Cameroon can continue breeding chickens for only €1.50 per kilo. In 2002, the local producers still held a 60 % market share, in 2003 it was only 37 %. Meanwhile, Cameroon has fought back and now prohibits imports of chicken off-cuts. However, new jobs for

chicken farmers have not yet been created as a result of those measures.

You could say that this is how capitalism works in a globalised economy with cheap transport costs. The European chicken legs in Yaoundé's markets in Cameroon make it possible to explain the international division of labour and the theory of comparative costs, which the promoters of globalisation often refer to: that every country should produce what it does best. And because highly developed Europe produces cheap chicken meat so well, it exports it to the low-wage countries of West Africa. Or beef to North Africa.





At first glance this is cheap meat for poor people – and that is the argument used by many of the meat exporting medium-sized companies, without having any awareness of the problem. But how could they when the Ministry of Agriculture's export commissioner indiscriminately celebrates all growth in agricultural exports, and no distinction is made as to where food is needed and where local agricultural and manual structures as well as traditional ways of life are destroyed?

But this is exactly what matters if fewer people are to suffer from hunger in the future and there is to be less poverty in Southern countries. That is the conclusion of the International Assessment of Agricultural Knowledge, Science and Technology for Development report 2008 (IAASTD),

commissioned by the World Bank and which involved the work of several hundred scientists and representatives of traditional knowledge. Data and reports from all over

No farmer in Cameroon can continue breeding chickens for only € 1.50 per kilo

the world were collected over a number of years which show the agricultural policy's one-sided focus on exports and large-scale business structures is the cause of hunger in rural areas. These policies fill the

tables of the industrialised countries of the North and marginalise small farmers. They, though – and not the huge farms – are the backbone of feeding the world. Even today, small farmers produce the greatest proportion of all food. It would be a meaningful method for reducing poverty if they were given the chance to develop in a sustainable way and able to build up production structures and create regional markets, as well as to export to Europe. In rural areas – at the borders of the vast biodiesel or soya plantation fields which is exactly where most people suffer hunger today – that's where such a new social recovery could happen. Not much is needed for it to start. The first step would be the legal right of these countries to protect themselves from imports. That could help make the global dinner table a little bit fairer. ■

Tanja Busse is a German journalist and writer. Her latest book is Die Ernährungsdiktatur (The Nutrition Dictatorship) published by Karl Blessing.





Berthold Vogel

Berthold Vogel was born in 1963. He works at the Hamburg Institute for Social Research and is a professor at the University of Göttingen, Germany. He has written widely on the role of the state and the welfare state. His recent publications include "Die Wohlstandskonflikte, die aus der Mitte kommen" (The conflicts of prosperity that come from the middle class).

Piotr Buras

is a contributing editor for Fresh Thinking and journalist for Gazeta Wyborcza.

The changing state of poverty

A new middle-class vulnerability and changing family structures pose challenging questions for how the modern state should look after its citizens. Piotr Buras talks to social expert **Berthold Vogel** about how to reinvent and reinvigorate ideas for the welfare state.

The office is located in the remotest part of this modest building, which is the home for the Hamburg Institute of Social Research. It is all the way up the stairs until you can't go any further – that is what you are told at the reception desk. Mittelweg 36 is one of the most famous addresses in German science, not just because of the renowned magazine that shares the same name and which is published from here as well. Berthold Vogel receives his guest and leads him through a labyrinth of corridors to his office. The afternoon sun is shining outside, which isn't

especially appropriate for a talk about the dimensions of poverty. His visitor catches sight of books lying around by Robert Castel and Pierre Bourdieu, and Vogel is quick with an explanation: The most important terms in the debate about social conflicts come from France. The crisis of society is a European phenomenon, not a German one. Vogel has made his name with his analysis. He takes a sip of water and with a friendly smile patiently waits for his guest to get his recording gadget working so that the interview can begin.

Fresh Thinking: The perception of Europe as an egalitarian alternative to the US is part of the European self image. But today one repeatedly hears about new lower classes. According to Eurostat, over 80 million Europeans are at risk of poverty. Has the European Dream, which the US economist Jeremy Rifkin once praised, come to its end?

Berthold Vogel: The economic development of the last century has, without doubt, increased inequality within Europe. But many Europeans have also distanced themselves from the view that equality can be achieved by state investments. That has to do with the merging of western and eastern Europe, because a specific kind of state politics was rejected after 1989. These two developments – the growing gap between rich and poor and the cut back of the welfare state – have not yet moved Europe closer to the American model. But we definitely have to deal with a new problem.

But there were poor people even when there was a flourishing welfare state and economic growth ...

But now it's mainly about the intensification and consolidation of poverty. Maybe there are fewer poor people now than in the past. But the ones who are in disadvantaged positions within society today, stay in them for longer. And it is increasingly difficult for them to get out of this position by their own means. But this isn't the whole picture. The German social democrat Peter Glotz defined the Federal Republic of Germany as a "two-thirds society", in which poverty is concentrated in one third of the society and the rest has nothing to do with it. Today we see that this description is less and less accurate. The

The debate has to focus on the middle classes of society as well

debate about poverty has to focus on the middle classes of society as well. This class is more and more worried about losing certain material privileges and social status. The feeling of vulnerability is widespread. It affects many people, who still find themselves in relatively wealthy living conditions, but have the impression they are on thin ice. This is the new quality of poverty: its consolidation while at the same time a spreading fear of poverty among the middle classes.

Who is most at risk?

Established skilled workers in the car industry and many office workers in the private commercial sector are examples [of those at risk]. Increasingly, those in the state sector are joining them. The most important reason for their fears is the way we earn money, and how employment is organised has changed. The precarious forms of employment, such as temporary work or subcontracted labour, have become more and more widespread throughout Europe. Of course, not everyone in the middle classes shares the same fear of decline associated with this. Those most affected are the ones who have achieved significant social elevation, considering their social background in the past, and who are now in fairly well-established positions. They feel that their achievements are under threat – particularly because the European welfare state is no longer what it was. Not just because of funding problems, but also as a result of its success. Many of those who

climbed the social ladder in the past think that they can also live without the welfare state. The debate about tax cuts is the best example of that.

Poverty is usually reduced to the question of how much income one has: a poor person is someone who doesn't have much money. Does this perception still match the social reality?

It isn't by chance that those at the greatest risk of poverty are those people who don't have stable family structures. Family is an important stabilising factor for social structures. If you find yourself in a precarious financial situation, but you can rely on a stable family structure, then there is a certain foundation for your own initiative and stronger motivation. Within a family the message that is communicated is that hard work pays off. The changes in the family model are evident today and contribute to the new feeling of insecurity. In this respect, the poverty question is also strongly connected to social-cultural issues.

How can you redesign the welfare state in order to really help poor people and to take away the fears of the lower-middle classes?

This idea of the welfare state can't be revived by just bringing it back to the 1970s social-democratic model. Back then, it was based on the idea that society can be planned and regulated. It has nothing to do anymore with the society that has developed. But the central idea of the welfare state is still relevant: the common good, public services and activities which benefit all members of the society. In order to face the challenge that growing poverty and new social tensions present, we have to define these terms in a new way. What kinds of public services do we still need? But the real issue would be to strengthen the local and the regional in this process. Energy supply brought back to a local community level, which has started to emerge in Germany after the catastrophe in Japan, is a fascinating phenomenon. You could focus more on the community traditions of the welfare state. Much of what later became a part of state politics, started in the communities of the 19th and 20th century: housing, education, welfare for the poor. A return to nationalisation, by contrast, isn't the way forward.

Are you saying that responsibility for the battle against poverty and exclusion should be delegated on a regional level? Wouldn't that just create new, but this time geographical, inequalities?

The state and the EU, of course, have to remain responsible for the legal framework. The localisation of social politics would be the wrong way to go. It is about something different. We have become used to always reacting to social problems by making demands: more growth, more money. Today, that is an illusion. The tried and tested models of wealth, progress and technocratic growth fantasies don't work anymore. This is why we have to fall back on the social capital that sits beneath the state: churches, charities, associations, the things that are present in most western European societies. It would be about combining specific state and community activities with this kind of commitment. In Germany, there are already local and regional social alliances that do valuable work. Binding state intervention and social commitment more strongly together would give a very interesting perspective for a new concept of the welfare state. Where family structures are particularly fragile, the church and community-run charities achieve the most. This kind of poverty won't be solved by money alone. Many people need specific and ordered living conditions to be able to really make progress.

Berthold Vogel, thank you for sharing your thoughts with Fresh Thinking.

Progressive politics could change the poor state of Europe.

Fresh Thinking asked some of Europe's leading policy makers for their thoughts on fighting poverty and inequality.



Sigmar Gabriel

Chairman of the Social Democratic Party of Germany (SPD)

A minimum wage is a minimum requirement

Unemployment was and still is the main source of poverty. However, we realise, with great concern, the growing number of working poor. International companies, focused on ever-growing profits, create a rat race for working people.

A European minimum wage will lead to fairer competition on the labour market. This is a first step towards a Social Europe that goes beyond mere free trade.

A European society with a sustainable economy and social inclusion is the most important mission for Europe's progressives.

Europe needs a new spirit of solidarity among its citizens. We can inspire it.



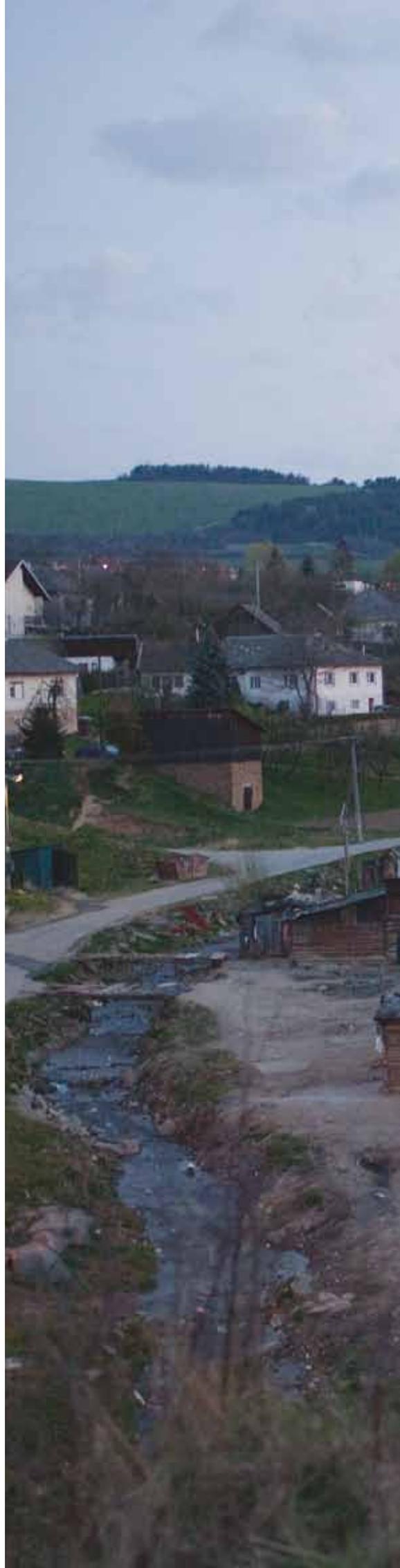
Pervenche Berès

Member of the European Parliament in the S&D-group and chair of the Committee on Employment and Social Affairs

Solidarity and efficiency

The first challenge in the battle against poverty and inequalities is to convince policy makers but also the public opinion at large that this is not merely a matter of solidarity but also of efficiency. An unequal society is neither a sustainable, nor an efficient one; it runs the risk of political instability and can't foster innovation and creativity.

If there were a progressive majority at EU level, we would implement a minimum wage and invest in quality education and decent housing for all. We would promote alternative indicators to measure wealth and well-being. To limit inequalities we would cap wages and bonuses.





Wanja Lundby-Wedin

First female President of the European Trade Union Confederation

Redistribute the wealth of nations

To halt the rising inequalities within our societies we need to address both the way wealth is created as well as possible methods for redistribution.

Today, companies bear a diminishing part of the cost for ensuring economic security for workers. The increase in precarious short-term jobs has freed companies from the costs associated with a temporary excess of labour. And their contribution to society in terms of taxes and social contributions is inadequate in many EU countries. These costs have instead been absorbed by the state.

Today's system leads to increased private profits while the welfare states are less able to redistribute wealth. This is a certain recipe for growing inequalities.



László Andor

EU Commissioner for Employment, Social Affairs and Inclusion

2020 vision

For the first time the fight against poverty is at the heart of the EU agenda. Europe 2020 shows our strong commitment to combating poverty and social exclusion. The member states have adopted a common European-wide target to lift 20 million people out of poverty by 2020. The majority of member states have already presented their national targets to make this happen. Our aim is to tackle not only the symptoms of poverty and social exclusion, but also the causes. To do this, we need to look beyond those areas that have been traditionally at the heart of our action, such as social protection or services. The EU Commission will be making proposals for action, including ways in which the EU financial instruments can support active inclusion.



Victor Ponta

Leader of the Social Democratic Party (PSD) in Romania

The greatest challenge of our generation

In some societies, the worst and most resilient post-crisis legacy is the increase of inequality. It is at its highest intensity in the countries where the institutions were already weak, where the economy was already underperforming and the politicians felt no pressure to protect the population from the horrors of the economic crisis, which has developed into a social and societal nightmare. That is certainly the case in my country, Romania.

Fighting inequality is the greatest challenge of our generation, and we can do it if we employ the right economic, fiscal, and social strategies, and if we build a new state – one truly capable of making its most disadvantaged citizen feel safe, protected, and encouraged to succeed.



Poul Nyrup Rasmussen

President of the Party of European Socialists

We're on the people's side

It is time for Europe to become a union truly focused on solidarity, job growth, and effective financial regulation. European citizens feel more and more disillusioned by a conservative-led European Union.

Social democratic leaders are on the people's side; it is time to show them what Europe could be if it were in the hands of the progressives. Unity, solidarity and progressive leadership are the answers to overcoming this period of crisis.

The choice is clear: Do we want a conservative-dominated Europe of "everyone for themselves" or one which preserves the principle of solidarity, and its definitive expression, the welfare state, which we have fought for throughout our history?



The tsunami in Japan earlier this year had catastrophic consequences, including serious damage to the nuclear plant at Fukushima. The accident once again made nuclear power a hot topic of debate.

We have collected what some of Europe's leading newspapers had to say on the subject

“After the catastrophe in Fukushima, the Polish government will have to take into account a stronger opposition to the construction of nuclear power stations... The decision to build a nuclear plant was stimulated by [an EU climate change initiative]. Poland is one of the countries that is sceptical about fighting climate change, but the government adopted a false strategy... Why doesn't Poland draw attention to the lacking democratic legitimacy of this policy? If the Poles said no in a referendum, the Polish government would have a powerful argument. On the other hand, if we decided that we want to limit the emissions, it will not be just the government but all of us who would have to take responsibility for those working in the coal mines and steel mills who would have to look for new jobs.”

– *Gazeta Wyborcza, Poland*

“Yes, I still loathe the liars who run the nuclear industry. Yes, I would prefer to see the entire sector shut down, if there were harmless alternatives. But there are no ideal solutions. Every technology carries a cost; so does the absence of energy technologies. Atomic energy has just been subjected to one of the harshest of possible tests, and the impact on people and the planet has been small. The crisis at Fukushima has converted me to the cause of nuclear power.”

– *George Monbiot in The Guardian, UK*

“A catastrophe does not automatically make a technology obsolete ... Either using atomic power has always been irresponsible – or it still isn't after Fukushima.”

– *Die Presse, Austria*

“Nuclear power has been skillfully portrayed as an environmentally friendly alternative to fossil fuels. According to that argument, we should invest in nuclear power if we want to reduce climate change. Even the Swedish Conservative government has argued this line. But it is a false choice. The first alternative is to continue with non-renewable energy sources such as fossil fuels and nuclear power. The second alternative is to develop renewable energy and to be much more efficient in our energy use. The issue is global, but Sweden is well placed to go for the second alternative and play a world-leading role.”

– *Aftonbladet, Sweden*

“Will all the efforts in terms of discipline, modesty and transparency be enough to gain acceptance – if not love – of an energy source that carries a deadly risk, even if it removes the emissions of greenhouse gases? Nothing is less certain. It is true as well, that this new form of ‘glasnost’ opens up the debate on atomic energy as much as it fuels irrational fears.”

– *Le Monde, France*

“The power plant in Fukushima is old. And in Italy there are safe sites away from earthquake prone zones. All that is true. The fact remains that the public has a right to know what the real risks are. At the same time, we believe that it cannot be the understandable emotions aroused by the tragedy that determine the fundamental choices of energy policy. We have done this in the past and learned our lesson. After the impact of Chernobyl, the anti-nuclear referendum of 1987 was passed with an overwhelming majority.”

– *Corriere della Sera, Italy*

“The shock of the atomic disaster in Japan opens a small window of opportunity for a new deal in energy.”

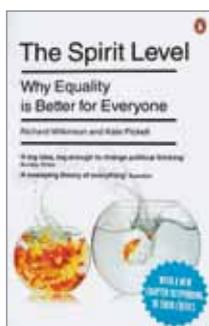
– *Financial Times Deutschland, Germany*

“Even at a reactor in good condition, in a democratic country at the forefront of technology and risk management, a serious accident can happen. Is that a reason to condemn atomic power? That would be a little too fast... The subject is big enough, and the Belgians are mature enough to deserve maximum transparency. The next government will decide the future of nuclear power in Belgium. It is a golden opportunity to dare to look again at all the elements of this major issue.”

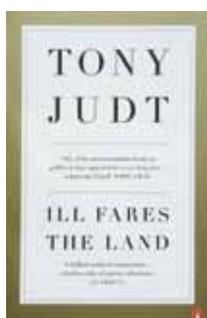
– *Le Soir, Belgium*

FRESH THINKING BOOKS

We must start with a book you have surely heard of: *The Spirit Level, Why Equality is Better for Everyone* by **Richard Wilkinson** and **Kate Pickett**. In short, this book proves what we progressives think we know. The authors have compiled around 200 sets of data from the best possible sources, and it all points in the same direction: equality is good – not just for the poor, but for everyone in society. In graph after graph, you see the strong correlation between inequality and social outcome. These are arguments and facts you need to have to hand for your next debate with a conservative, or during a dynamic and political dinner-table discussion with friends.



“Something is profoundly wrong with the way we live today”. That’s how the first sentence reads in **Tony Judt’s** *Ill Fares the Land*. A passionate description of what went wrong with Reagan and Thatcher follows: deregulation, failing markets, privatisation, the assault on the state, the unhealthy obsession with wealth and the private sector. The alternative, which has created the most decent societies we have witnessed so far, is social democracy, argues Judt. However, Judt’s roadmap forward is far from concrete, but the passion and polemic style of writing stays with you.



FRESH THINKING BOOKS



Will Hutton’s *Them and Us: Politics, Changing Britain – Why We Need a Fair Society* has been called a “manifesto for a new left-of-centre politics”. Martin Wolf at the Financial Times thinks that Hutton’s book is “a commendable effort: ambitious, passionate, imaginative, decent and thoughtful”. We agree, and asked Hutton to write an article for us (see page 19). *Them and Us* is the new *The Spirit Level* for progressives, especially as we try to figure out our position on the relationship between politics and the market.



For ongoing debate, we recommend a visit to our colleagues at the **Social Europe Journal** (social-europe.eu). And don’t miss how the Maltese progressive foundation **Ideat** dealt with poverty and exclusion in their journal, 3/2011 (ideat.org.mt).

FRESH THINKING MOVIES

Ken Loach is the master of social realism. From *Kes* onwards, Loach has dealt with hot political topics. The harsh labour market in Europe is, for example, the theme of *It’s a Free World*. *Route Irish*, set in the area that Lynsey Hanley visits on page 8, focuses on the exploitation of the working class, and throws in how state violence leads not only to unjust wars but also to the horror caused by private security firms.



Fish Tank is a strong drama that deservedly won the Jury Prize in Cannes. The Guardian dubbed the film’s director **Andrea Arnold** as the successor to Ken Loach. But **Shane Meadows** also has a claim for Loach’s crown. His film *This is England*, about Britain’s skinhead subculture, was followed by a TV mini-series called *This is England 86*. The series features the same gang during the mod revival period, watching the World Cup in Mexico, at a time when there were 3.4 million unemployed in Thatcher’s Britain.

Tough social realism can be found in films from all over Europe. The Belgian brothers **Jean-Pierre Dardenne and Luc Dardenne** deserve a special mention for films such as *Rosetta* and *The Child*. In Cannes this spring, their new film *The Kid With a Bike* won the festival’s Grand Prix.

The Class by **Laurent Cantet** is a French drama about a problematic academic year in the 20th arrondissement of Paris. The film is based on a novel written by teacher François Bégaudeau. Lastly, Romanian film deserves a special mention. Our favourite is *4 months, 3 Weeks and 2 Days*, which deals with illegal abortion and is set in the final years of the Ceausescu era.

FRESH THINKING MUSIC



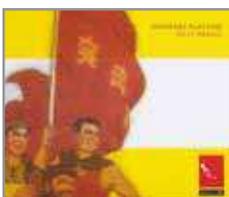
Bob Dylan just turned 70. So perhaps it's the right time to ask whether music is as political as it used to be. In the mid-1980s, a collective in Britain called Red Wedge attempted to engage young people in politics and oust Thatcher. Billy Bragg took the lead with ex-Jam man Paul Weller. Lloyd Cole, Madness and The Smiths made guest appearances.

This spring the music magazine Mojo nostalgically listed the best political music of "the riotous 80s indie insurrection". Number one on Mojo's list is Blue Skinned Beast by **Madness**. As the title suggests, the song is an attack on Thatcher in general and the Falklands war in particular.



Number two is **Shipbuilding** by **Elvis Costello**. You can read it in full on page 38. Mojo prefers **Robert Wyatt's** version of the song, but most important are the words which address how the Falklands war creates hope that more ships will be built, but at a terrible human cost.

FRESH THINKING MUSIC



Mojo has put **Billy Bragg** and his version of **Which Side Are You On** in third place. If you like the music of the labour movement, make sure to get Bragg's album **The Internationale**.



Today, we have protests across Europe again. **The Manic Street Preachers** recently played at the Blackwood Miners' Institute in Wales, Mojo notes, and dedicated the song **Slash'n'Burn** to **David Cameron** because of his party's proposal to sell off the nation's forests to private interests. **Ani DiFranco** is a contemporary US political singer who addresses a variety of social issues such as racism, sexism, homophobia, and poverty. But there is no Red Wedge around today, and music does seem less political. It might not be a fair comparison though. After all there is always more past than present...



But let's take note that one of the best bands around today, **Glasvegas**, made a song about a social worker! It was the work done by Glasgow's social services and lead singer **James Allan's** sister and her colleague **Geraldine** that inspired the song. The result, **Geraldine**, proves that there might be a little hope even in the present.

The lives of ordinary people trying to make ends meet rarely grab the headlines like some celebrity weddings do. But putting the glossy stories to one side, there are some excellent films in the tradition of social realism, great books about what we progressives should do about inequality, and music that has a political message to give you that extra spark of inspiration you need when heading into yet another meeting. Here are **Eric Sundström's** suggestions from the crossroads where politics and culture meet.

“People who are hungry and out of a job are the stuff of which dictatorships are made.”
Franklin D. Roosevelt

“No society can surely be flourishing and happy, of which the far greater part of the members are poor and miserable.”
Adam Smith

2 billion people will watch the #royalwedding tmw. The same number wake up in appalling #poverty every single day <http://ow.ly/4IQcc>
HabitatFHGB Habitat for Humanity, Twitter

17th of OCTOBER

is the International Day for the Eradication of Poverty, established in 1992 by the **United Nations**.

“Overcoming poverty is not a gesture of charity. It is an act of justice.”
Nelson Mandela

“World food prices reached a new historic peak in January 2011, exceeding prices reached during the food crisis of 2007-08. The spike in prices in 2007-08 took the total number of hungry people to over a billion – a sixth of the world’s population.”
www.oxfam.org/en/campaigns/agriculture/food-price-crisis-questions-answers, 28.4.2011

“In this world there’s money like dirt, money like hay, it’s only distributed the wrong way.”
Heiner Geißler, CDU – Conservative Party Germany

SHIPBUILDING

Elvis Costello

Is it worth it
A new winter coat and shoes for the wife
And a bicycle on the boy’s birthday
It’s just a rumour that
was spread around town
By the women and children
Soon we’ll be shipbuilding
Well I ask you
The boy said ‘DAD THEY’RE
GOING TO TAKE ME TO TASK
BUT I’LL BE BACK BY CHRISTMAS’
It’s just a rumour that
was spread around town
Somebody said that someone got
filled in
For saying that people get killed in
The result of this shipbuilding
With all the will in the world
Diving for dear life
When we could be diving for pearls
It’s just a rumour that
was spread around town
A telegram or a picture postcard
Within weeks they’ll be
re-opening the shipyards
And notifying the next of kin
Once again
It’s all we’re skilled in
We will be shipbuilding
WITH ALL THE WILL IN THE
WORLD
DIVING FOR DEAR LIFE
WHEN WE COULD BE
DIVING FOR PEARLS

“When the rich make war, it’s the poor that die.”
Jean-Paul Sartre

“An empty stomach is not a good political advisor.”
Albert Einstein

“Another good thing about being poor is that when you are 70 your children will not have declared you legally insane in order to gain control of your estate.”
Woody Allen

EXHIBITION

“Poverty. Perspectives in Art and Society”

Stadtmuseum Simeonstift Trier und
Rheinisches Landesmuseum Trier,
Germany

10th of April – 31st of July



“Single women have a dreadful propensity for being poor – which is one very strong argument in favour of matrimony.”
Jane Austen

POVERTY

Antonym: wealth

Synonyms: destitution, pauperism, pauperdom, beggary, indigence, pennilessness, impoverishment, neediness, need, hardship, impecuniousness



FRESH THINKING

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After the great success of the Next Left volumes I and II, FEPS is proud to announce that a **new book in this inspiring series** will be published in autumn 2011!

The **Next Left vol. III** represents a significant shift in the debate – from a critical crisis assessment to constructive forward-looking proposals. Through contributions of outstanding academics, leading politicians and distinguished representatives of the civil society it seeks an answer the question: why and what social democracy we need in the 21st century?

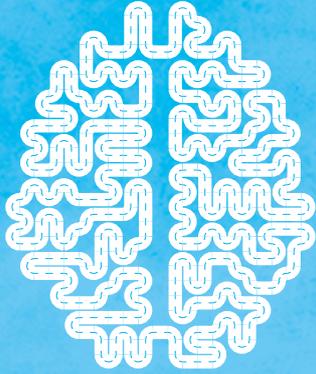
Don't miss the book launch with Dr. Alfred Gusenbauer, Chair of the **FEPS Next Left Research Programme** in Brussels on 3rd October 2011.

For further info, please consult our website:

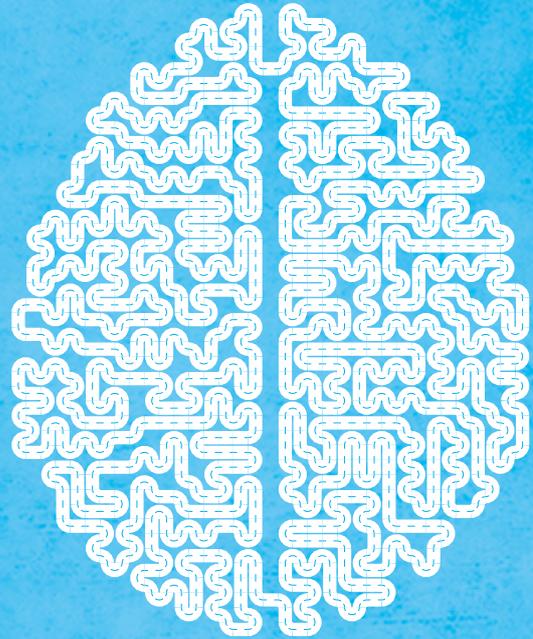
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