



Resolution INVESTING IN YOUTH: FIVE CLEAR DEMANDS IN THE CRISIS

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Introduction

While the unprecedented economic and financial crisis with all its social and political implications has been an ongoing feature for the past three years, it is now that Europe has to face the long-term effects the crisis has on young people. While the European Union tries to restore faith in the Euro and contemplates independent fundraising, it is time for young people to make sure that the political class does not deprive them. While some countries in the Eurozone have been affected by the crisis more than others, its effects on young people from across Europe and the demands of this paper are relevant for all young people.

Witnessing youth unemployment soar through the roof in many countries and watching cuts in the social sector including investment in youth and education being made, we risk losing a whole generation. Investing in youth is essential to ensure Europe's future, because it is young people and youth organisations that need to continue to uphold European solidarity and democracy. Cutting investment in the young generation will work against creating a common European vision, identity and solidarity. Even though those values have to be of highest priority, because only if we have a society including everyone in Europe we can get through the crisis and resist others in the future. It needs to be recognised that it is youth organisations all over Europe who have been working for that goal for years. In the crisis we cannot risk losing a generation, but we need to invest in young people and youth organisations and need to tackle the challenges we are facing to ensure a democratic Europe with strong solidarity.

The European Youth Forum,

recalling previous efforts undertaken in various fields of advocacy in the past three years on the matter, including the European Youth Forum's reaction in 2008 that warned of the high risk of losing an entire generation without clear investments in youth;¹

reaffirming that the on-going financial crisis comes after the most severe economic downturn in recent decades;

taking into consideration that this situation increases inequalities, weakens the social cohesion of society and puts at risk the system that needs the skills and added value of young people to meet the challenges of a more sustainable, green and equal model of development;

is increasingly concerned with the worsening of the crisis and its impact on state budgets in the short-term period. The vicious circle of a weak recovery and high debt risks to endanger the future of the Euro, the European economy, the cohesion of European societies and ultimately of the achievements and progress done in over 60 years of

¹ The European Youth Forum contributed to the institutional plans for recovery and resolution of the crisis at several occasions. See, in particular, 1111-08 (European Youth Forum reaction to the recovery plan) as well as positions related to poverty (0523-10), internships (0076-09), youth guarantee (0570-10) and numerous inputs and reactions to the Europe 2020 strategy.

European integration. This puts at stake the present and the future of millions of young people in Europe. As a platform representing and advocating the needs and interest of young people and of their organisations, we hereby raise the following five key points:

1. Austerity measures cannot be the only solution

The Youth Forum is concerned that the austerity measures taken by governments to respond to these challenges do not always go in the direction of setting a coherent and consistent framework that could bring the necessary rationalisation of expenses together with a strong effort to ensure a sound support to recovery and to its key actors: young people. A new prioritisation that puts humans and their needs at the centre of decisions and pays special attention to youth and their organisations is needed in order to avoid a vicious circle of marginalisation, disadvantages and frustration.

The current and proposed austerity measures risk to endanger the work that youth organisations have achieved in the last years with the aim of empowering young people by strengthening youth policies and their cross-sectorial and intergenerational dimension. Moreover, the budget cuts and the withdrawal of state support clearly put at stake the operation of youth organisations and volunteering at all levels. A continuous and long-term support through a variety of mechanisms is needed for youth-led and volunteer-based organisations. These organisations' work with millions of young people with diverse backgrounds has to be considered as a key investment for the social cohesion that needs to be kept at all cost.

2. Increase public support for youth policy

Public finances and state support are key tools for advancing common interests, such as social cohesion, education, environmental protection and youth policy. Therefore, the sustainability of public finances is a vital political objective. The present crisis has damaged public finances in Europe. Both the public and the private sectors bear responsibility for the current crisis of public finances through: the widening of the pay gap, excessive private and public debt and the speculative bubbles created by the financial industry. Therefore, both sectors need to act responsibly in order to find suitable and sustainable measures that could restore confidence in the public budget.

3. From cutting to investing

The Youth Forum considers it fundamental that the discussion at European and national levels is not only focused on how much we should cut from the EU or national budgets, but also on how to allocate sufficient financial investment in youth and thereby achieve more favourable conditions for youth in general.

At the EU level, it is important to see how the EU can best seize the new competences acquired by the Lisbon Treaty. Among those, Article 165, of which the purpose is to “encourage the development of youth exchanges and of exchanges of socio-educational instructors, and [...] the participation of young people in democratic life in Europe”, is crucial. In the current revision of the European budget, the EU must step up to this

commitment and ensure the continuous and sustainable support for young people and youth organisations as currently existing in form of the Youth in Action programme.

At the national level, it is important to target not only governmental institutions but also private enterprises, encouraging them to re-establish the variety of support mechanisms for youth organisations that were available prior to the financial crisis. It is likewise important to ask not only for more state funding but rather for more opportunities for youth organisations to sustain themselves and their activities.

4. Revise the EU budget

The rationalisation of the EU budget is a must. We need a budget that is more focused on supporting economic growth and social cohesion in line with what has been decided in the last years. The revision should reflect the priority of an EU that aims at relaunching its future on the basis of innovation, cohesion and youth.

5. Diversification of the Incomes of the Union Budget

We welcome the discussion on how to diversify the incomes of the Union's budget and the proposal of a financial transaction tax that could soften the burden on Member States and mobilise resources to be used to support young people also through structural funds already available at local and regional levels. This diversified income can also serve as a basis to reach the goal to get at least four euros per citizen invested in youth policy every year.

We note the movement towards the EU's ability to raise its own resources and welcome it. In order to achieve this, progressive income and wealth taxation should be considered, whereas increases in VAT taxation should be avoided. This hurts the poorest and stifles growth by putting disincentives on consumer spending and increasing inflation.

Therefore the European Youth Forum calls:

- **FOR A FOCUS ON YOUTH.** The countries of Europe to not give up the **focus on supporting young people** while discussing the austerity measures by launching priorities such as the fight against youth unemployment, the strengthening of social rights, social inclusion, and the improvement of our educational systems. Those are measures that are fundamental in order to avoid a double dip into a new recession.
- **TO INVOLVE YOUNG PEOPLE.** The countries of Europe to increase the level of **involvement of civil society** and social partners in discussing the new budgetary measures, especially youth organisations. We consider democracy and participation as two fundamental ingredients for a credible way out from the crisis. The authorities must engage with the civil society to design measures that will in the long term allow to regain control of public finances without destroying the present and future of young people.
- **FOR MORE DECENT JOBS .** The European Union to coordinate with Member States and European social partners an urgent plan for employment, with a strong focus

on young people, which could partly use the resources generated by the financial transaction tax to support the private and public sector in relaunching investments and quality jobs. This plan should contribute to the creation of decent jobs for young people and not just unpaid or low-paid internships, which often replace real jobs. A special focus should be given to the transition of young people from education to employment to the reform of the security net for youth.

- **TO BRING EUROPE CLOSER TO THE PEOPLE.** The discussion about the reform of the economic governance of the EU cannot be narrowed down to currency markets only. It has to be widened to create economic governance that is closer to all people and consider matters that go beyond Gross Domestic Product (GDP) and debt. This is crucial in order to achieve the well-being of young people and to improve the outreach of the EU regarding youth policies and the implementation of measures such as the Europe 2020. A more democratic, open and participative EU governance is the only way forward to bring the EU closer to its citizens and reduce the gap by relaunching the trust in a Union that can successfully deliver for the expectations of its citizens. A less restrictive regulation for the European Citizens' Initiative and more clarity and honesty from our leaders on who does what in the EU is needed!

- **FOR A TRANSACTION TAX INVESTED IN YOUTH.** The transaction tax should be invested in youth as it is raised in the gambling of the future of young people on the stock markets. Eurobonds have to be implemented not only to guarantee national debts, but also to give the EU strong means to invest in a sustainable, green and equal model.

- **FOR INVESTMENT INTO THE FUTURE OF YOUNG PEOPLE.** We must make sure to not burden the future generation with unnecessary debt but also not be afraid to invest in the future of young people. This needs to be done by a new prioritisation of spending and cuts. We remind decision makers that they must avoid the transfer of the public debt to private debt in programmes such as loans for educational purposes, which should be avoided as a solution to the debt problem in Europe.

- **TO REDUCE INEQUALITY.** The crisis must be used to reduce, not widen, the wealth gap, in particular by making the responsible pay for debts due to their irresponsible behaviour and shortcomings. While this crisis hits everyone, it is clear that young people who have the least are hurt the most by any cuts. Cuts must be directed at those who can afford it and additional measures must be taken to support civil society to ensure that inequality and poverty do not grow.

- **YOUTH ORGANISATIONS ARE READY TO CONTRIBUTE.** The contribution of youth organisations lies also in their outreach to young people in all communities, particularly with those young people who do not go to further education. We believe that only youth organisations can reach the harder-to-reach young people and thus should get additional - not less - support in light of the crisis, in order to help support the future of all young people.

Conclusion

In a moment where European leaders fail to provide a clear and consistent answer to the concerns and expectations of young people and where the focus of the debate at all level seems to be oriented towards other priorities, we believe that only a strong and united Europe can answer the challenges put in front of us by the financial crisis. Whilst the future looks bleak, we are convinced that working collectively will be more effective against tackling the crisis whilst ensuring the full social and economic participation of young people.

Whilst the environment of the crisis has led to austerity measures and cuts, the EU must not compromise the status of youth, rather it should sustain its investment in youth. The measures called upon within this resolution are a crucial step in ensuring a sustainable future for the next generation, whilst not compromising the current circumstances of the present youth.