

# A European Single Market for the Future

## Towards a new social and environmental pact



**PHILIPPE POCHE**

GEF Fellow

**Taube Van Melkebeke**  
GEF Policy Manager

The Single Market is a key lever to enable and promote the environmental and social transitions, as well as to strengthen the EU's economic resilience. To achieve this potential, however, a radical shift in focus is required.

This political brief suggests a new social and environmental pact for the Single Market, based on systemic quality: quality of product, of work and of life.

By piloting the pact in three areas - circular economy, green industrial policy and public procurement – first concrete steps can be taken.

# Table of Contents

<b>Introduction .....</b>	<b>3</b>
<b>State of play.....</b>	<b>4</b>
A brief history - from a new European economic model to the full insertion into global capitalism	4
Recent developments	5
<b>Reflections on the state of play .....</b>	<b>6</b>
Green transformation	7
Economic resilience	8
Social sustainability	9
<b>Political proposals .....</b>	<b>10</b>
Moving towards systemic quality	10
A new European social and environmental pact	11
Piloting the pact in policy areas	11
<b>Conclusion.....</b>	<b>13</b>
<b>Endnotes .....</b>	<b>14</b>
<b>References.....</b>	<b>15</b>
<b>About Knowledge Communities .....</b>	<b>17</b>
<b>About GEF .....</b>	<b>17</b>
<b>Acknowledgements .....</b>	<b>17</b>

## Introduction

2023 marked the 30th anniversary of the creation of the internal market. It was a year to celebrate its achievements, but also to reflect on new prospects as well as challenges.

*"With each crisis, the single market has evolved. It has proven to be a catalyst for European integration. On the 30th anniversary of the single market, we again need to take a bold step forward. The single market has to become a tool to implement our policy goals and values, from fighting the climate crisis to defending our democracy online. High consumer, social and environmental standards in turn is what makes our market so attractive globally. Businesses will profit from European standards that will become a global yardstick."*

Anna Cavazzini, Greens/EFA Member of the European Parliament, Internal Market and Consumer Protection Committee Chair

Even before its inception, the spirit of the EU's Single Market was at the center of the European economy, and so was its anticipated potential for social and political integration. The outline of the Single Market started taking shape with the relaunch of European integration in the mid-1980s, which was prepared by the adoption of the Single European Act and the White Paper on the completion of the internal market (1985). By removing barriers to trade in the internal market as well as facilitating the free movement of capital and people within the Union, the European Single Market has led to the expansion of internal European trade, increased competition and foreign direct investment, created jobs and revived labour markets (Hafner, 2017). The European Commission estimates that the economic benefits of the internal market amounts to an 8-9% increase in GDP across the EU and the creation of 56 million jobs (in 't Veld, 2019).

While economic prosperity has advanced as the internal market integrated further, there is also a widespread understanding that integration has not been even across all areas, Member States, or even regions within countries. This results from the asymmetric nature of this important EU flagship initiative, that is built on a deep market integration, in contrast with much shallower social integration. And this shouldn't come as a surprise. Much like any regional agreement ultimately aiming for a free market, the European internal market is based primarily on the fundamental economic objectives of harnessing competitive gains through comparative advantage and regional specialisation, combined with the free movement of goods and people (Akgüç et al. 2022). These economic goals and their dynamics also result in stretched supply chains and extended complexity of internal and external European networks, which might be efficient and economically beneficial, but the regional specialisation that comes with it often also results in important environmental and social repercussions.

The asymmetric and unsystemic approach to integration left the EU with many blind spots: the envisioned economic and social convergence did not happen and, even with the support of the EU funds, huge national and even greater regional disparities remained. With this political brief, we will first dive deeper into this asymmetry, building an understanding of the current 'state of play'. In the later sections, we identify potential areas of improvement and finally propose ideas to advance the EU's Single Market in a way that it lives up to its economic, social, (geo)political and environmental integration potential.

## State of play

### A brief history - from a new European economic model to the full insertion into global capitalism<sup>1</sup>

The shaping of the European internal market, starting from the mid-1980s, can be understood as an attempt to create a specific European form of capitalism, carried by a wide range of actors from different sides of the political spectrum. This early phase was based on a common political understanding between the centre left and the centre right, grounded in a desire for European integration; its outline was built on a compromise between deepening the internal market and the development - to a certain extent - of a social dimension, illustrated for example by the establishment of the European social dialogue and by the Community Charter of Fundamental Social Rights of Workers and the accompanying social programme (1989).

However, as globalisation progressed in the 1990s, the European Single Market gradually evolved to become just one of the regional examples of the worldwide progression towards a sort of global capitalism, deviating from the initial goal to establish a unique, European version. Deregulation of social protection at national levels became the norm, with, for example, the Bolkestein Directive (2005) trying to expand the rules of the internal market to services, and the rulings of the European Court of Justice clearly putting economic rights before social ones (see Laval, Viking and other cases). These evolutions were compounded by the pressure to deregulate as an answer to the economic crisis of 2008-2009, supported by the first (2004-2009) and particularly the second (2009-2014) Barroso Commissions as well as a huge majority of centre right and right-wing governments (Pochet, 2019).

Meanwhile, tensions and *désamour* surrounding the internal market grew, together with the understanding that the premises which lie at the heart of the Single Market's inception didn't come with the required (and promised) social dimension. This led to a report prepared by Mario Monti (2010), which aimed to rebalance the process<sup>2</sup>. Around the same time, in the mid-2010s, enthusiasm for globalisation started to decline, influenced *inter alia* by China becoming a technological and political force to be reckoned with. This could have created a new impetus for a more socially conscious Single Market, but failed to do so. Indeed, at home populist movements critical of European integration were still on the rise, with, for example, British conservative elites considering global trade agreements to be more important than full access to the EU internal market, ultimately leading to Brexit.

## Recent developments

The Covid-19 crisis exposed yet a new set of layers to the debate. On the one hand, the initially disorganised European response put into question the commitment to one of the most important pillars of the Single Market: the freedom of movement. On the other, it highlighted the fragility of supply chains<sup>3</sup>. The latter thereby became a “strategic” issue (see, for example, European Parliament 2021), together with a strengthened – and related - prioritisation of the climate and environmental emergency.

Environmental – and, to a smaller extent, social – factors have in that sense also been given a stronger role in financial markets and policies (e.g. through the EU Taxonomy for sustainable activities<sup>4</sup>, and reporting requirements). The European Central Bank has thereby played a role through integrating climate and environmental risks in its outlook of financial markets and companies (Massoc, 2024). Moreover, as major investments are being made in the transition, we are seeing changes in state aid, competition rules and, to a very limited extent, the Stability and Growth Pact. These fragmentary developments in policy and financial worlds have not yet, however, touched the core issue at stake.

Finally, the current geopolitical playing field – in the EU's case most notably influenced by the Russian invasion of Ukraine and the ensuing energy crisis, the situation in the Middle East, and China-U.S. trade tensions - bring yet another dimension to the debate. These conflicts are, in addition to their other human, political and social consequences, heavily disrupting the transport of goods and international trade more generally. Because of its heavy dependence on ‘on-the-move’ and ‘just-in-time’ goods, as well as on unreliable and unethical partners, the Single Market hasn’t been resilient to deal with these circumstances.

These recent evolutions combined introduce a new context to the internal market debate. The reducing, reusing and recycling of products and resources, not only became more important in terms of environmental sustainability, but are now also understood to be critical from an economic and consumer satisfaction perspective. Indeed, keeping emissions and additionally – more broadly - resource demand under control and mitigating reliance on others comes with strengthened economic resilience and security of EU citizens and businesses alike.

## Reflections on the state of play

The Single Market, upon which the EU's economic, social and political integration depends was built for a different time and isn't equipped with answers to current social and environmental challenges, nor for the implications of today's geopolitical context. To deliver these answers, a new overarching narrative and perspective about the future of the EU's crown jewel will be needed.

As laid out above, the increasingly turbulent and complex history and reality of the European Single Market comes with consequences. As already presented elsewhere (Pochet, 2022), the 'Alibaba' model - perhaps the best analogy of the way the internal market developed after 1992, i.e. providing the consumer with ever cheaper products from further and further away without any real regard for social and ecological concerns - has become outdated. Trying to implement at all costs (and they are high) the current internal market project - as many are vocally calling for - is inherently flawed and politically unwise (Akgüç et al. 2022). Which brings us to the core question of this political brief: what is needed to develop a new vision?

In an earlier report written together with Akgüç et al. (2022), it was argued that when thinking of the most important issues, one should consider three axes which together can enable realistic and meaningful change. Inspired by this work and at the critical juncture of a turbulent geopolitical context and highly urgent European economic, social and ecological transformations, we argue that if the internal market wants to reinvent itself and face the challenges of the coming decades, it has to do so by considering:

- Green transformation
- Economic resilience
- Social sustainability



## Green transformation

Generally, European political debates consider the dual transitions in green and digital spheres to indicate the needed structural changes our society faces. There is no doubt that technology and artificial intelligence are overturning certain economic and social norms and that they will have an impact on certain categories of jobs and tasks (Baldwin, 2020). The digitisation of the world of work and its platformisation has indeed led to global protests on both the conditions and statutes of employment (see Leeds index of labour protest for a global overview of the protest actions<sup>5</sup>). Therefore, digital transformations, including rapidly developing innovations in artificial intelligence, should be carefully monitored when considering their implications for the world of work. However, the impact of digitisation on the Single Market is unclear, nor is this the first technological revolution in Europe (see, for example Carlotta Perez, for a cyclical analysis of innovations); it does not necessarily require a radical rethinking.

On the climate and environment front (the first axis), however, things are different. Impacts are unprecedented and clearly extremely disruptive. Numerous International Panel on Climate Change (IPCC) reports, among others, point to irreversible environmental and societal impacts if climate and environmental preservation targets are not achieved by the middle of the twenty-first century. The impact of both transforming our European society to mitigate this crisis, as well as adapting it to the consequences of the climate emergency is thereby huge, including on the EU's Single Market.

The European Green Deal, and the accompanying Fit for 55-package, are currently the EU's guiding framework in its aims to mitigate the climate emergency and environmental degradation. Within this framework, a lot of attention has rightly gone to transitioning from a fossil fuel energy system, to a clean one, which already introduces critical considerations to the current Single Market framework.

However, another crucial - and often undervalued - area of intervention, is that of demand reduction (both in terms of energy and resource use). Demand measures sit at the core of both bringing European consumption within planetary boundaries (which touches upon the debates of the EU's fair share of emission, and more broadly on global justice) and reducing dependence on other countries for critical (raw) materials (security, competition and geopolitics). It is a crucial piece of the puzzle if we want to aim for the necessary systemic transition. Demand reduction comes with strong impacts on the internal market, as it is a clear shift from the 'Alibaba' model, by focusing on quality and sufficiency and not only on cost (reduction). This can be a positive story. Apart from the factors mentioned above, circular economy and sustainable product policy also offer direct positive impact on European consumers, e.g. through delivering maintenance and repair options to buyers, as well as transparent ecological footprint information of the product they want to purchase (consumer rights).

## Economic resilience

Very closely related to the EU's climate transition is the policy area of competition, partnerships, industry and trade, which leads us to the second axis. The environmental challenges and the fulfillment of the Paris climate commitments will continue to put global supply chains and the reduction of their length and complexity at the centre of the agenda.

It is high time to rebalance partnerships, trade and collaboration between the EU and other countries in the world. The climate crisis cannot be averted by a successful transformation on one continent, but is instead a global challenge. Resource scarcity must thereby not result in a new kind of extractivism, but rather bind notions of our planetary boundaries to the EU's industrial, trade and partnerships policy.

Redesigning the Single Market to reduce strategic dependencies and increase the EU's economic resilience, while keeping its ecological footprint in line with the European Green Deal and climate targets, will also imply restoring certain production lines back to Europe as well as shortening and diversifying stretched supply chains<sup>6</sup>. This, however, comes with a fear expressed by many actors: the possible fracturing of the Single Market due to more national industrial policies which could favour the bigger and richer countries.

Rethinking a new industrial policy should therefore have a strong European dimension, focused on solidarity, cooperation and cohesion<sup>7</sup>. Aiginger and Rodrik (2020, 202) thereby underline that: *“Correcting market failures, whether they be static (monopoly, provision of public goods) or dynamic (path dependency, neglect of the distant future and lack of international cooperation) is important, but the goals of industrial policy are wider, including market shaping, mission orientation, and providing new basic technologies.”* They further specify the importance of Societal goals, which, according to them *“involve climate, health, poverty prevention, good-job creation, and the reduction of inequality. Societal goals can be monitored by sustainable development indicators or beyond-GDP schemes.”*

Indeed, a blinding focus on quantity and the market in industrial policy is just not a viable strategy anymore. Also from an economic resilience perspective, focusing on quality and high standards and thus delivering societal goals, is a more effective driver.

We can notice first attempts in that direction with new - albeit modest - European industrial policy efforts (McNamara 2023). That said, a lot is still to be defined, and there is no clear pathway nor fully fledged European industrial strategy leading the way<sup>8</sup>.



## Social sustainability

Finally, the third axis covers the critical social dimension. According to the treaty, the EU is a social market economy model (in the European sense of the term), in which social welfare states and other social aspirations have found – with success and failure - their place. This has happened through the establishment of a floor of rights, particularly in domains such as health and safety at work, gender equality, non-discrimination, free movement of people, worker rights and worker voice (Pochet, 2019).

This picture, however, is far from complete. Social cohesion and integration at EU level remains fragmented. Various shocks, such as the 2008 financial crisis and prevalent focus on austerity and cuts in public spending, have moreover left their marks in the social domain (Degryse et al, 2013). This lack of a strong and systematically applied social focus led to the perception that the internal market is unfair and that it generates significant inequalities, both between and within countries in Europe. It finally – and unsurprisingly - resulted (in Monti's words) in the erosion of political and social support for the Single Market.

Furthermore, and closely related to the economic resilience axis above, many new social risks are currently arising. For example, through the rethinking of industrial priorities, wage divergences between the centre and the periphery can be reproduced or reinforced, potentially leading to redirection of production towards low-cost European countries and increasing (geographical) inequalities.

The effects on social sustainability are also visible at the level of our first axis, corresponding to the climate and environment question. The climate crisis as well as the green transformation are as such inherently linked to the social dimension. These links have been conceptualised in just transition and environmental justice thinking, which exposes the links between (pre-existing) inequalities the climate crisis, but also certain green transformation policies (Laurent 2021, Galgoczi and Pochet 2023, Pochet 2024).

Indeed, effects of policies that attempt to answer climate and environmental concerns, can in themselves - if not taking the social dimension at heart – strengthen inequalities, or create new ones. Through carbon pricing, the burden on vulnerable households can for example be exacerbated. These risks and potential new volatility come with the need to rethink and expand European convergence strategies in the social sphere and to reorient the Single Market by also ensuring social sustainability.

## Political proposals

### Moving towards systemic quality

What can we conclude from the above sections? Firstly, that the long cycle that began with the creation of the internal market – whose early stages brought opportunities for developing a social dimension, but which ultimately led to hollowed-out global integration, resulting in a long period of social and welfare state deregulation – has come to an end. We are now entering a new period, in which the rules of the internal market have to change in response to multiple crises and the regional reconfiguration of globalisation. This calls us to refocus: away from price (after all, an average Indian or Vietnamese subcontractor will in the foreseeable future be cheaper than a German or Scandinavian subcontractor), towards product (and service) quality. High standards, it should be noted, was one of the explicit objectives of the 1992 internal market and must again sit at the core of the Single Market 2.0.

This systemic quality has to consider the 3 axes laid out above. It must be built on the pressing need for environmental sustainability, and therefore include environmental conditionalities in industrial policy and acts. Moreover, it should have reducing, reusing and recycling – a truly circular economy - at its core, allowing for the creation of a different approach to the manufacturing process. Only with such an approach to quality will it be consistent with the environmental emergency.

The environmentally conscious quality must be accompanied by social quality: the objective of creating and developing quality jobs that make sense (see for example the discussion on good jobs by Rodrick and Sabel, 2022; or bullshit jobs Graeber, 2018), and of adopting also social conditionalities to industrial choices<sup>9</sup>. As mentioned above, indeterminate increased consumption of low-quality products can no longer be part of the agenda and must be replaced by a circular economy and a focus on high quality. This shift should be managed carefully to avoid increased inequality (through higher prices), bringing the just transition-dimension into the debate (see e.g. Pochet (2024) on the evolution of the role of the welfare states).

This new perspective can only take shape if we move beyond the traditional economic approach to wealth, often measured via and focused solely on GDP. Instead, alternative indicators will have to be adopted to measure wealth from a well-being perspective, focusing on the quality of life. This evolution is a critical requirement to deliver the EU's climate goals, while also delivering on the social front (the recent ESPAS Strategic Foresight Report 2023, for example, also highlights this).

Such a systemic reading of quality, based on high environmental and social standards, and on well-being is indeed a shift from the one-size-fits-all global capitalism that we have gotten used to. This vision of a European Single Market 2.0. has the potential to revamp support, resilience and sustainability of the European project and would strengthen its international position alike.

## A new European social and environmental pact

As stated in the introduction, a paradigm shift, such as the one the internal market project signified in the 1980s and 1990s, is necessary to create space for the negotiation of agreements between opposing interests. Europe, therefore, must redefine its integration project and find a new compromise. A new social and environmental pact can be instrumental in bringing together employers interested in quality products, workers and trade unions concerned with the quality of work, and all NGOs and citizens advocating for a better quality of life and a safe climate. We believe that Europe is not only ready<sup>10</sup>, but also urgently in need of this pact.

Such a new social and environmental pact can only be formed by a multi-layered, cross-sectoral process, and should be given shape by deliberative and interactive dynamics which align different and often diverging perspectives into a shared goal. It requires us to engage in debates that are both open and complex, driven by the understanding that marginal adaptations are no longer an option, and that quality should be the keyword for creating an internal single market 2.0. This is an intensive process that can best be approached in a twofold way. One part is about developing an overarching, new direction, and the other is to advance on different specific domains.

Above, we have proposed a new direction for the Single Market, which merges the 3 axes (environmental and social sustainability, as well as economic resilience) that were already – in a slightly different form - proposed by Akgüç et al. (2022). These axes can be brought together in the concept of systemic quality of products and services produced and consumed in the EU.

## Piloting the pact in policy areas

To give impetus to the second part of the twofold process – that of solidifying the direction, we advocate for applying systemic quality in three main policy domains, as a start: in the development a truly circular economy, as a key focus of a Green European industrial policy and through public procurement.

There are many other domains upon which the proposed new social and environmental pact with its focus on systemic quality could be applied. The areas we have chosen here, however, have concrete political potential to pave the way for a quality-focused internal market, a market which guarantees not total internal and external free trade, but economic and societal resilience of Europe in an increasingly turbulent world.

## A truly circular economy

The circular economy is critical for a future-proof Europe. It is in essence a system that can offer systemic quality. However, for now, this systemic vision hasn't always been applied. We know, for example, that the waste and recycling sectors - which will be crucial for future job creation - have often times poor health and safety conditions (e.g. high risk of accidents) and substandard working conditions, including low wages. This does not have to be the case.

European regulations linked to the green transformation (i.e. the Green Deal and beyond) can impose higher health and safety standards and guarantee better wages (including by using public procurement, see below). This would foster good working conditions in a sector which is key for the environment but also for economic resilience (e.g. reducing the import of strategic (raw) materials could give the first boost to the social and environmental pact). What is important here is that the emerging sectors linked to the circular economy can – and must – go hand in hand with job quality and worker participation and that the EU institutions can play a dynamic role in guaranteeing good working conditions.

### Green European industrial policy

The US government is providing a massive impetus for its green economy. By doing so, they also imposed some social standards for receiving (enormous) federal support (through the Inflation Reduction Act). The same, and ideally more, should be possible at a European level. A stronger green industrial policy framework – which will in any case be crucial in the next legislature – needs to be built on societal and social goals.

To be efficient, social conditionalities should be coupled with green collective bargaining and workers participation at all levels. Rethinking workplaces and production processes are also much more efficient through participatory models, than by imposing technocratic solutions. Veugelers and colleagues (2024) underlined that *“In fact, the EU’s green industrial policy strategy appears more as a patchwork of energy, climate, innovation, and social policy initiatives—than as a coherent green industrial policy framework.”* To advance to such a coherent framework and joining up different initiatives, a Just Transition Observatory – as has been called for by multiple stakeholders, including in previous GEF Political Briefs<sup>11</sup> - would be instrumental.

### Public procurement

Finally, public procurement can easily have stronger social and environmental provisions based on quality and sustainability and is in that sense the most obvious lever to strengthen systemic quality.

It is true that there are already green and social provisions included in the procurement directive, but those lack enforceability and are rarely used in most EU countries (see Caimi, Sansonetti, 2023; Sapir, 2022). Even here, the framework is still embedded in the ‘Alibaba’ model as described before. Low prices continue to be the main driver and those wanting to have more local, sustainable and social procurements are often faced with opposing interpretations of the directive by their national courts.

The trade union movement and the European Parliament are rightly supporting the creation of new rules, including through a long overdue revision of the public procurement directive. It is high time for the European Commission to take these calls to heart and to come up with a proposal to revise these rules. A new, modernised framework would be instrumental to direct our Single Market towards systemic quality. Incremental changes will thereby not be enough, a new vision – that puts both social and environmental standards central must instead inform the initiative<sup>12</sup>.

## Conclusion

Time is running out to align our productive system with environmental, as well as social objectives. All the tools at our disposal need to be brought to bear, and the Single Market is one of the most powerful ones.

To unlock its potential, and make it fit for today's challenges, however, will require a new paradigm - which is not that different from the context in which the introduction of the internal market in the 1980s and 90s was conceived. Ground-breaking at the time, the concept was carried by a wide range of actors from different sides of the political spectrum- across countries- and based on a common political understanding to answer challenges and move the EU forward.

Today, we need a new coalition of the willing, able to develop a common vision for the future and deliver on a different set of transformative priorities. This coalition must be developed around a new social and environmental pact, bringing together consumers and employers interested in quality products, workers and trade unions concerned with the quality of work, and citizens advocating for a better quality of life and a safe climate. Europe is not only ready, but also urgently in need of such a pact.

Path dependency and a reflex towards the status quo have left Europe for too long with a Single Market that does not fulfil its citizens' needs. It is now time to escape the grip of a once promising, but now outdated way of structuring the EU's economy and society at large. We need to look forward: towards quality of product, quality of work and quality of life.

## Endnotes

<sup>1</sup> See <https://eu.boell.org/en/2023/02/15/single-market-strategic-autonomy> for a lengthier version of the author's historical situation of the European internal market.

<sup>2</sup> Mario Monti's strategic report (2010: 20) noticed that *"the conditional supporter which was the most important group (...) considers the single market to be insufficiently mindful of other [than economic] objectives (for example, social or environmental) and would support a relaunch only if accompanied by some reorientation"*.

<sup>3</sup> Considering both the Covid-19 and environmental crises, many have questioned the long – and vulnerable – supply and value chains that generate dependencies and are often environmentally harmful.

<sup>4</sup> See for more information: [https://finance.ec.europa.eu/sustainable-finance/tools-and-standards/eu-taxonomy-sustainable-activities\\_en](https://finance.ec.europa.eu/sustainable-finance/tools-and-standards/eu-taxonomy-sustainable-activities_en)

<sup>5</sup> Find the index here: <https://leeds-index.co.uk/>

<sup>6</sup> Such ambitions require significant modifications in the competition rules and level-playing functions of the Single Market, which have almost been considered untouchable due to strong market deregulation over the last decades. But partly due to the Covid-19 responses, that picture has somewhat started to change (e.g. with the temporary framework on state aid and the revised regulation on Important Projects of Common European Interest).

<sup>7</sup> This new vision must include both production and (public) services, which is the biggest economic sector (see, Juhász et al 2023).

<sup>8</sup> The reorganisation of production can still take place in very different ways which are not necessarily social. An example of this can be found in battery production in the EU, which is supported by two IPCEIs (2019, 2021). The new European regulation (2023) is promoting high quality standards and a goal of a high level of recycling, but nothing is said about working conditions. Many of the new battery plants are located in Hungary and recent reports have highlighted poor working conditions.

<sup>9</sup> This is not new, and already happens in Germany, for example, in the Mittelstand, which consists of small and medium-sized enterprises producing quality goods with good working conditions and worker participation. This is just one example, but it represents the objective: quality of work combined with quality of products.

<sup>10</sup> As demonstrated in the Strategic Foresight Report 2023: <https://espas.secure.europarl.europa.eu/orbis/node/1503>

<sup>11</sup> See GEF Political Briefs: the Future of the Eu's Energy Project – Social Dimension [https://gef.eu/wp-content/uploads/2024/03/Political-Brief\\_Social\\_Dimension\\_Energy.pdf2103forpublication.pdf](https://gef.eu/wp-content/uploads/2024/03/Political-Brief_Social_Dimension_Energy.pdf2103forpublication.pdf) and Climate Emergency and Welfare States [https://gef.eu/wp-content/uploads/2024/02/GEFPolitical\\_Brief\\_Climate\\_Emergency\\_and\\_Welfare\\_States.pdf](https://gef.eu/wp-content/uploads/2024/02/GEFPolitical_Brief_Climate_Emergency_and_Welfare_States.pdf)

<sup>12</sup> See for example <https://www.uni-europa.org/news/public-procurement-hearing-in-european-parliament-do-not-fund-social-dumping/>, and <https://www.greens-efa.eu/en/article/study/shaping-sustainable-public-procurement-laws-in-the-european-union>



# References

- Aiginger K., Rodrik D.** (2020). Rebirth of Industrial Policy and an Agenda for the Twenty-First Century Journal of Industry, Competition and Trade 20:189–207 <https://doi.org/10.1007/s10842-019-00322-3>
- Akgüç M.** (2021). Europe's open strategic autonomy? Policy Brief, The European Trade Union Institute.
- Akgüç M., Countouris N., Hancké, B., Pochet P.** (2022). Rethinking the European single market: Moving towards new frontiers for a highly competitive, socio-ecological sustainable and resilient Europe, report for the Belgian ministry (SPF) of economy, <https://www.etui.org/publications/rethinking-european-single-market>
- Akgüç M., Pochet, P.** (2023). European single market 2.0: Striving for a more social and environmental market aligned with open strategic autonomy, EconPol Forum 24 (5), 19-22.
- Baldwin R.** (2019). The Globotics Upheaval: Globalisation, Robotics and the Future of Work?, Oxford university Press.
- Caimi V., Sansonetti S.** (2023). The social impact of public procurement, publication for the Committee on Employment and Social affairs, Policy Department for Economic, Scientific and Quality of Life Policies, European Parliament, Luxembourg.
- Degryse C., Jepsen M., Pochet P.** (2013). The Euro crisis and its impact on national and European social policies, ETUI Working Paper 2013.05.
- Directive 2014/24/EU of the European Parliament and the Council of 26 February 2014 on public procurement and repealing Directive 2004/18/EC** (OJ L 94, 28.3.2014, p. 65), Available at: <https://eur-lex.europa.eu/legal-content/en/TXT/?uri=CELEX:32014L0024>.
- Di Carlo D., Schmitz L.** (2023). Europe first? The rise of EU industrial policy promoting and protecting the single market, Journal of European Public Policy.
- European Commission** (2023). Communication from the Commission to the European Parliament and the Council, 2023 Strategic Foresight Report: Sustainability and people's wellbeing at the heart of Europe's Open Strategic Autonomy, COM(2023)376 final, Brussels, [https://ec.europa.eu/commission/presscorner/detail/en/ip\\_23\\_3623](https://ec.europa.eu/commission/presscorner/detail/en/ip_23_3623)
- European Parliament** (2021). Post Covid-19 value chains: options for reshoring production back to Europe in a globalised economy, study requested by INTA committee.
- European Parliament** (2023). resolution of 18.1.2023 on the 30th anniversary of the Single Market: celebrating achievements and looking towards future developments, P9\_TA(2023)0007.
- European Union** (2023). Regulation (EU) 2023/1542 of the European Parliament and of the Council of 12 July 2023 concerning batteries and waste batteries, amending Directive 2008/98/EC and Regulation (EU) 2019/1020 and repealing Directive 2006/66/EC.
- Galgóczy B., Pochet P.** (2023). Just transition and welfare states: a largely unexplored relation In Sociologia del lavoro 165/23, 46-67, DOI:10.3280/SL2023-165003
- Graeber D.** (2018). Bullshit Jobs: A Theory, Penguin Books Ltd
- Hafner M.** (2017). Why the EU Single Market has still not reached its full potential, The RAND Blog, 8.11.2017. (link).
- in 't Veld J.** (2019). Quantifying the Economic Effects of the Single Market in a Structural Macromodel, Discussion Paper 94/2019, available at [https://ec.europa.eu/info/sites/default/files/economy-finance/dp094\\_en.pdf](https://ec.europa.eu/info/sites/default/files/economy-finance/dp094_en.pdf)
- Laurent E.** (2021). From welfare to farewell: the European social-ecological state beyond economic growth, Working Paper, ETUI.
- Massoc E.C.** (2024). Two degrees versus two percent How central bankers and members of the European Parliament developed a common pro-climate narrative, Journal of European Public Policy, <https://doi.org/10.1080/13501763.2024.2318473>
- McNamara K.** (2023). Transforming Europe? The EU's industrial policy and geopolitical turn, Journal of European Public Policy, DOI:10.1080/13501763.2023.2230247
- Monti M.** (2010). A new strategy for the Single Market: at the service of Europe's economy and society, Report to the President of the European Commission José Manuel Barroso
- Perez C.** (2002). Technological Revolutions and Finance Capital: The Dynamics of Bubbles and Golden Ages, Cheltenham, Edward Elgar

**Pochet P.** (2019). A la recherche de l'Europe sociale, PUF, Paris.

**Pochet P.** (2022). A single market for the future, Blog on 'Social Europe' available at <https://socialeurope.eu/a-single-market-for-the-future>

**Pochet P.** (2023). A Single Market 2.0 for the future: more social, more environmental and with a place for open strategic autonomy in "30 years of the European Single Market: New visions for a green Europe" HBS.

**Pochet P., Van Melkebeke T.** (2024). Climate Emergency and Welfare States, Political Brief, GEF.

**Réka J., Nathan L., Rodrik D.** (2023). The new economics of policy, draft paper prepared for the Annual Review of Economics.

**Rodrik D., Sabel C.F.** (2022). Building a Good Jobs Economy. In A Political Economy of Justice, Allen D., Benkler Y., Downey L., Henderson R., and J. Simons (eds), University of Chicago Press.

**Sapir A., Schraepen T., Tagliapietra S.** (2022). Green Public Procurement: A Neglected Tool in the European Green Deal Toolbox? *Intereconomics*, 2022, 57(3), 175-178

**Veugelers R, Tagliapietra, S., Trasi C.** (2024). Green Industrial Policy in Europe: Past, Present, and Prospects, *Journal of Industry, Competition and Trade*, 24:4 <https://doi.org/10.1007/s10842-024-00418-5> 13

**Philippe Pochet**, the author of the political brief and central expert to this Knowledge Community, was Director of the Observatoire Social Européen (OSE) for over 15 years and then General Director of the European Trade Union Institute (ETUI) from 2008 to 2023. He is currently Professor at the Catholic University of Louvain and Visiting Professor at the College of Europe in Bruges. He is also an Affiliate Professor at the Sant'Anna School of Advanced Studies, Pisa. As GEF fellow, Philippe Pochet collaborates with GEF on the topics of Welfare States (in light of the climate emergency) and the Single Market.

**Taube Van Melkebeke** is GEF's Policy Manager. She leads the different Knowledge Communities of the foundation.

Proofreading by Albie Mills  
Design by Klär.graphics

**Green European Foundation**  
Rue du Fossé 3,  
L-1536 Luxembourg  
Brussels office:  
Mundo Madou,  
Avenue des Arts 7-8,  
1210 Brussels, Belgium  
phone: +32 2 329 00 50  
info@gef.eu · www.gef.eu

## About Knowledge Communities

**GEF's Knowledge Communities** are aimed at advancing political and public debates towards a green, socially just Europe, through establishing lasting networks of knowledge production, exchange and dissemination. They are structured around and with a GEF core expert, who delivers a political stock-take as well as new proposals and ideas for discussion with a wider group of actors (i.e. the Knowledge Community). This political brief results out of one of these Knowledge Communities.

## About GEF

**The Green European Foundation (GEF)** is a European-level political foundation whose mission is to contribute to a lively European sphere of debate and to foster greater citizen involvement in European politics. GEF strives to mainstream discussions on European policies and politics both within and beyond the Green political family. The foundation acts as a laboratory for new ideas and offers cross-border political education and a platform for cooperation and exchange at the European level.

## Acknowledgements

Philippe Pochet and Taube Van Melkebeke would like to wholeheartedly thank all participants of the Knowledge Community meetings that were held, during which earlier versions of this political brief were discussed. Your generous and insightful input and the lively discussions allowed us to further develop our thinking, and deepened the final political proposals. We would also like to thank the whole GEF team, and in particular the Director, Laurent Standaert, for their support and contributions to this work.

*This political brief is published by the Green European Foundation with the financial support of the European Parliament to the Green European Foundation. The European Parliament is not responsible for the content of this publication.*