

## WWForEurope: Welfare, Wealth and Work – A New Growth Path for Europe

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*A European research consortium is working on empirical foundations for a new socio-ecological growth model.*

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Europe is struggling to reach financial stability, consolidate public finances and strengthen internal cohesion and solidarity. However the ultimate objective of economic policy is to open a new perspective for the enhancement of welfare, wealth and employment.

### **Our common belief: Europe needs to switch to a new growth path**

In the long run Europe will emerge successfully out of the current struggles and will be able to realise this objective only if it makes the choice for the right track now:

- the ambitious and strenuous path of a growth model based on innovation and higher competitiveness,
- a path that aims at the same time for social integration and takes on fighting poverty,
- a path which will be able to implement strategies to tackle the challenges of climate change and to manage the exit out of the fossil fuel age.

In times of crisis Europe must switch to a new path of smart, sustainable and inclusive growth as envisaged in the Europe 2020 Strategy with the flagship initiatives "Innovation Union" and "Resource-efficient Europe". The right answer is a European economic policy with a social and ecological perspective for growth: a socio-ecological transition.

To make such a transition work requires empirical and analytical foundations based on sound scientific concepts as required by the European principle of evidence-based policy-making. To support such endeavours, the European Commission awarded a contract to a research consortium of 33 partners from 12 nations, coordinated by WIFO, the Austrian Institute of Economic Research. **Welfare, Wealth and Work for Europe – WWForEurope** is an integrative four-year research project within the 7th Framework Programme of the EU.

## Our research objective: Providing the empirical basis for a socio-ecological transition

The objective of the research project is to lay the analytical ground for a socio-ecological transition in Europe. Five research areas will be addressed in the project, each reflecting a vital field for policy action to implement this transition:

- **Area 1** deals with **challenges for the European welfare state**, exploring the influence of globalisation, demography, new technologies and post-industrialisation on welfare state structures, while taking into account the significant fiscal constraints most European countries are facing.
- **Area 2** will analyse the upcoming **ecological and biophysical dimension**. The impact of ecological sustainability on growth and employment will be investigated, as it will have important repercussions on economic policy and welfare, which is not always reflected in traditional GDP measures.
- **Area 3** will address main **drivers for change, specifically innovation, industrial and innovation policies** shaping the innovation system and the production structure. Research and innovation, on the one hand, represent core activities driving the current growth path. On the other hand, innovation policy and industrial policy provide important instruments for a change towards a socio-ecological transition.
- **Area 4** focuses on **governance structures and institutions at the European level** which are of key importance for a change towards a new socio-ecological model. A change towards a new path of "smart, sustainable and inclusive" growth will require substantial adjustments towards a more consistent and coordinated macroeconomic governance system in the EU. Changes in economic monitoring and the envisaged socio-ecological transition must account for differences across regions and levels of development.
- **Area 5** will carry out research on **the role of the regions in the envisaged socio-ecological transition**. It starts with an exploration of the institutional preconditions of this transition at the urban, peri-urban, and rural level, proceeds with a focus on the role of regional labour markets and cultural diversity and finally explores the transitional dynamics of European regional policy.

## Our impact goal: A new economic policy

"Not just Greece, but the whole EU needs a new growth strategy" says Franz Fischler, Austria's former EU-commissioner. Franz Fischler is member of the Policy Board of the research project, where he – together with other board members such as the former Italian Prime Minister Giuliano Amato and the renowned British economist Sheila Dow – will provide monitoring of the quality and the dissemination of the project's outputs.

The EU is striving for "technological innovation and social innovation" and the envisaged impact of the research project is to place socio-ecological transition once and for all on the po-



litical agenda and to provide policy makers on the European, national, regional and local level with the analytical basis and the operational tools needed for implementation.

With its concept and its objectives the research project has the endorsement of Christoph Leitl, president of the Austrian Economic Chambers and president of WIFO, and Herbert Tumpel, president of the Chamber of Labour and vice-president of WIFO.

## Facts and figures

WWWforEurope is an integrative four-year research project within the 7th Framework Programme, tendered in an open call by DG Research & Innovation and funded by the European Commission.

The 7th Framework Programme (FP7) not only supports socio-economic research activities but also many research projects in natural sciences and other fields. It bundles all research-related EU initiatives under a common roof playing a crucial role in reaching the goals of growth, competitiveness and employment and is also a key pillar for the European Research Area (ERA).

The project team of WWWforEurope consists of experts representing 33 scientific institutions from 12 EU countries. Scientists working in economics, ecology, history, policy analysis, and gender research will be involved.

Quality monitoring will be guaranteed by high ranking Scientific Board members including among others Kenneth Arrow and Philippe Aghion.

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