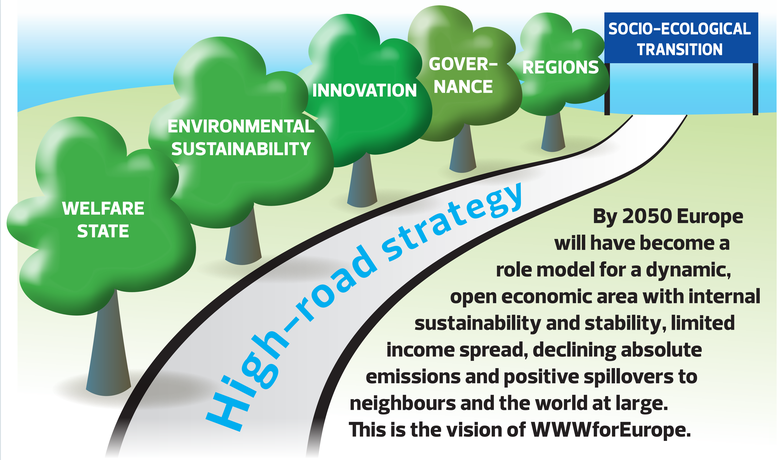
Welfare, Wealth and Work for Europe – Towards a long-term strategy for Europe



Europe needs change

The financial crisis has exposed long-neglected deficiencies in the present growth path, most visibly in the areas of unemployment and public debt. At the same time, Europe has to cope with new challenges, ranging from globalisation and demographic shifts to new technologies and ecological challenges.

Under the title of Welfare, Wealth and Work for Europe – WWWforEurope – a European research consortium is laying the analytical foundation for a new development strategy that will enable a socio-ecological transition to high levels of employment, social inclusion, gender equity and environmental sustainability.

A high-road strategy

One of the main results of the collected research so far is that there are generally two ways to cope with problems of competitiveness and dynamics. First, a "low-road strategy" in which wages are reduced and low social and environmental standards boost production and exports, and second, a "high-road strategy" in which productivity, ecological and social innovation and skills are the decisive competitive advantages.

To solve the challenges of the future, it will be important to find those policies which are mutually supportive of as many of these goals as possible.

WWWforEurope – Welfare, Wealth and Work for Europe – started in April 2012 as a four year research project within the 7th Framework Programme funded by the European Commission.

The research project is coordinated by the Austrian Institute of Economic Research (WIFO) under the guidance of Karl Aiginger, director of WIFO. It brings together researchers from 34 scientific institutions in 12 European countries with interdisciplinary expertise from economics and ecology to history, demography, political science and gender research.

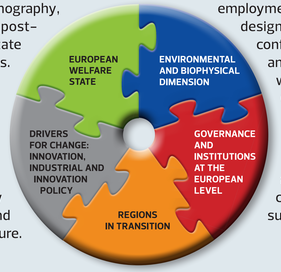
Members of WWWforEurope's scientific and policy boards include: Kenneth Joseph Arrow | Gunilla Almgren | Tony Atkinson | Giuliano Amato | Graciela Chichilnisky | Colin Crouch | Giacomo Corneo | Sheila Dow | Barry Eichengreen | Franz Fischler | Jean-Paul Fitoussi | Helga Nowotny | Paul de Grauwe | Juliet Schor | Jeffrey Sachs | Bernadette Ségol |

The research programme

WWWforEurope addresses essential questions in areas of research that reflect vital fields for policy action to implement a socio-ecological transition, as well as their interlinkages, synergies, conflicts and trade-offs:

It deals with challenges for the European welfare state, explores the influence of globalisation, demography, new technologies and post-industrialisation on welfare state structures.

It analyses the impact of striving towards environmental sustainability on growth and employment, and provides evidence for designing policies aimed at minimising the conflict between employment, equity and sustainability. This involves using welfare indicators beyond traditional GDP measures.



It investigates the role that research and innovation as well as industrial and innovation policies can play as drivers for change by shaping the innovation system and the production structure.

It focuses on governance structures and institutions at the European level and the need for adjustments to be consistent with a new path of smart, sustainable and inclusive growth.

It explores the role of the regions in the socio-ecological transition taking into account institutional preconditions, regional labour markets and cultural diversity and examines the transitional dynamics of European regional policy.

The mission

With robust research as a foundation, the ultimate impact of the WWWforEurope project will be to contribute to a change in the actual course of economic policy, in line with the Europe 2020 strategy for smart, sustainable and inclusive growth, in the direction of a socio-ecological transition.

Project Outputs

Aiginger, K., Cramme, O., Ederer, S., Liddle, R., Thillaye, R. (2012)
Reconciling the short and the long run. Governance reforms to solve the crisis and beyond.
WWWforEurope Policy Brief 1.

This policy brief is the first outcome of WWWforEurope. It identifies the blind spots of the institutional changes embarked on by the EU in the aftermath of the sovereign debt crisis, and puts forward a combination of short-term and long-term measures in order to make an exit strategy compatible with the requirements of an economically dynamic, socially inclusive and ecologically sustainable Europe.

Aiginger, K., Firgo, M., Huber, P. (2012).
Policy options for the development of peripheral regions and countries of Europe.
WWWforEurope Policy Brief 2.

Given the recent economic problems of Southern EU countries that are rooted in lacking competitiveness, WWWforEurope Policy Brief 2 summarises existing knowledge of the factors impeding or facilitating the economic development of peripheral/low income regions in the EU, and discusses policy options to improve economic performance of Southern European countries while at the same time maintaining (or improving) sustainability.

Pitlik, H., Heinemann, F., Schweickert, R. (2014).
Overcoming reform resistance and political implementation of large-scale welfare state reforms.
WWWforEurope Policy Brief 3.

The most important sources of seemingly irrational opposition to reforms are status quo bias, loss aversion and ideological beliefs. WWWforEurope's third Policy Brief explores the origins of political attitudes towards substantial welfare state reforms, paying particular attention to innovative insights originating from behavioural, evolutionary and cultural economics.

Asatryan, Z., Braun, S., Görg, H., Heinemann, F., Molana, H., Montagna, C. (2014).
Compensating the losers of globalisation.
WWWforEurope Policy Brief 4.

In the last decades inequality in the developed countries has increased significantly, not only due to globalisation – computerisation is another important factor – but globalisation and trade liberalisation can be identified as having a profound effect. Policy Brief 4 presents insights on who are the potential losers of globalisation and whether and how they could be compensated.

Fischer-Kowalski, M., Wiedenhofer, D. (2014).
An optimal policy mix for resource use.
WWWforEurope Policy Brief 5.

Research for WWWforEurope Policy Brief 5 was directed at identifying a policy mix that allows Europe to achieve goals of GDP growth and beyond while reducing carbon emissions and its dependence on material resources in production and consumption, in particular metals, industrial minerals, construction materials, fuels, and biomass.

WWWforEurope Partner

- Austrian Institute of Economic Research (AT)
- Budapest Institute (HU)
- Nice Sophia Antipolis University (FR)
- Ecologic Institute (DE)
- University of Applied Sciences Jena (DE)
- Free University of Bozen/Bolzano (IT)
- Institute for Financial and Regional Analyses (DE)
- Goethe University Frankfurt (DE)
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- Coventry University (UK)
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