



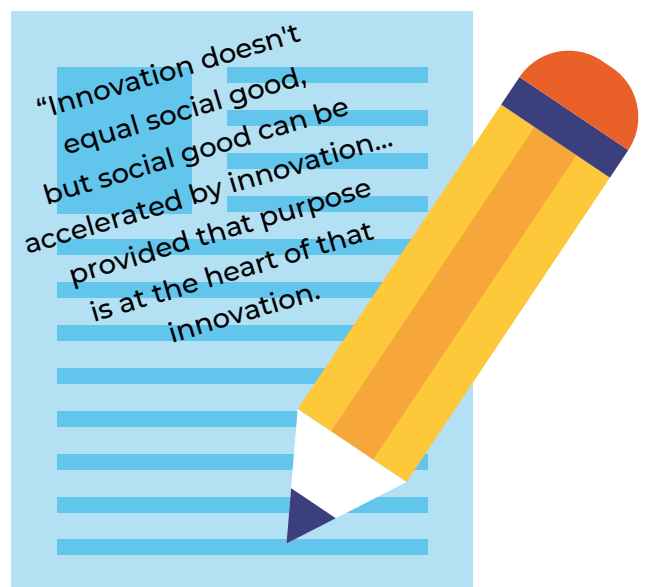
SOCIAL AND ECO INNOVATIONS

WHY IS SOCIAL INNOVATION IMPORTANT?



Long-standing issues such as unemployment, child poverty and growing inequalities remain challenges for governments and communities across Europe.

New challenges have also emerged over the past few decades. Migration and highly diverse communities have put pressure on community cohesion and, in some cases, placed additional demands on already pressed local services; a rapidly ageing population has dramatically increased demands on health and care services as well as public and personal budgets; and new lifestyles have brought with them an increase in chronic disease such as diabetes. The recent economic crisis, and the austerity that has followed, has exacerbated many of these trends, for example by worsening long-term youth unemployment. However, these challenges also show the real difference that social innovation can make in finding new and better solutions to address them.



INNOVATION:

The following are just four of the many challenges we face. In each of these cases, traditional approaches have so far proved inadequate. Social innovation can be a means to reducing the harm caused by each of these issues.



• **High levels of youth unemployment.** Youth unemployment has been at least double the rate of general unemployment for the last 20 years. This trend has worsened dramatically since 2008: there are now more than 14 million young people not in education, employment or training, and the youth unemployment rate stands at an average of 23.5%.

• **The explosion in chronic disease.** Chronic diseases are the leading cause of mortality in the European region, accounting for 86% of all deaths. They affect more than 80% of people aged over 65 and represent a major challenge for health and social care systems. Already 70–80% of health care budgets are spent on chronic diseases in the European Union.

• **Demographic shifts.** In Europe, people are living longer and as a result, the population of working age is shrinking while the relative number of retirees is increasing. This inversion of the population pyramid will pose a radical challenge to two principal strands of the 20th century welfare settlement – pensions and care for the elderly.

• **Climate change and resource scarcity.** The costs and impacts of climate change will be considerable and wide-ranging. Dealing with these require profound changes, not only in terms of new technologies, but also in terms of individual behavior. We will need to cut energy use, use it much more effectively, conserve materials through recycling and re-use, and avoid production where possible rather than expanding it. This requires innovation on a vast scale.