



## Renewing Europe around solidarity – European Memorandum of IG Metall – Executive summary

### 1 The European Union between policy-shaping potential and crisis

The liberal course of integration manoeuvred Europe into a legitimisation crisis. There is a spreading perception within the general public that the freedoms of the single market take precedence over the basic social rights. More than ever before an economic about-turn is needed. Tackling the consequences of the crisis decisively and in a co-ordinated manner is a crucial challenge of politics. Continuing the European unification process along the lines of neo-liberalism will find less and less public acceptance and will endanger the whole European project! A failure of this process, however, cannot be in the interest of workers. What we need instead is a Europe that gives priority to social progress over the freedoms of the single market.

### 2 The European Social Model as a new key project

Despite all differences there has been a consensus between the EU member states that the market economy is highly productive but needs to be complemented and corrected by social policies, institutions of the welfare state and strong trade unions. The different social security systems of the member states are the basis of a European understanding of the welfare state. We have to focus on the existing divergences of living conditions within and between the member states. Throughout Europe the social divide must be diminished and we must tackle social inequalities between men and women as well as gender specific discrimination. Equal access to qualification and training for all citizens is of crucial importance as part of this fight.

### 3 Europe as an actor with global responsibility

The world economy is in a deep crisis. The »financialisation« of the real economy remodelled many companies and ultimately capitalism as a whole. In our view the European Union must pioneer the taming and regulation of finance market capitalism. A new culture of social responsibility and a binding European regulatory framework is indispensable, especially for Hedge Funds and Private-Equity Funds. An internally renewed Europe may not conceive itself as an island of welfare that tries to protect itself against misery and poverty by erecting fences. A perspective to join the EU should be open to those countries that fully ensure the democratic rights of workers. Furthermore, the EU must reinforce its neighbourhood policy, promote the economic catching-up process and the strengthening of its democratic structures, especially in the Mediterranean region.

### 4 Policies for a renewal of the European Social Model

In IG Metall's view the following areas (»fields of action«) are of a special importance with respect to politics and trade unions in Europe:

#### 4.1 The Area of »Economic and Employment Policy«

The renewal of Europe on a basis of solidarity will essentially be decided in the areas of economic, industrial and employment policy. Europe needs the courage to initiate an intensified economic and fiscal policy and to extend the economic competences at the supranational level. We need a regulatory





framework that boosts long-term investments into the real economy and penalises short-term speculation. IG Metall stands for policies of sustainable ecological and social growth. Therefore, a co-ordinated and active structural and industrial policy is needed to face the twofold challenge of maintaining industrial production and employment in the developed regions and advocating at the same time the industrial catching-up process in the new member states and the regions still lagging behind. Trade unions are called to play an active part in this process by submitting their own inputs.

#### **4.2 The Area of »European Collective Bargaining Policy«**

In the European single market there is a growing danger of competition of wage policies. Therefore, European trade unions have to consult each other and co-ordinate their actions in advance more than ever before. The co-ordination rule agreed upon among the metalworkers' unions in Europe as well as the cross-border regional cooperation are steps in the right direction. Joint efforts in the area of collective bargaining are needed to implement on a European scale the programmatic approaches concerning working hours, the right to qualification and training, gender equality, precarious work and the existing rules of decent and humane working conditions for men and women. An efficient system of a co-ordinated collective bargaining in Europe must intensify the involvement of European works councils and their trade union co-ordinators.

#### **4.3 The Area of »Company Policy and Co-determination in Europe«**

A democratic Europe explicitly includes active co-determination and the shaping of economic processes, from co-determination at the workplace to economic democracy. No curtailments whatsoever of co-determination will be accepted by IG Metall – this would constitute for us a clear limit to European integration. European works councils are a particularly important institution to network the workforces, to organise workers' representation across borders and to repel any attempts to play off sites against each other. For us, the amendment of the European works council directive decided in December 2008 is merely an intermediate step towards improving the rights of co-determination on the European level. A comprehensive revision of the directive in the medium term is indispensable.

#### **4.4 The Area of »European Social Policy«**

Hitherto the efforts of the EU with respect to social policies have been insufficient and half-hearted. The method of open co-ordination cannot contribute to the tackling of the enormous social challenges faced by the European Union. The aim is not to create a single European welfare state but to shape the existing diversity of systems into an integrated social policy approach based on solidarity. IG Metall advocates a social stability pact that formulates on the one hand minimum standards and on the other hand takes into account

the different starting levels in the old and the new member states. As a first step European minimum standards are needed to counteract aberrations like precarious work, extension of working hours and the privatisation of public services. Europe should opt for a strengthening of its social infrastructure and actively strive for a system of good public services.

#### **5 Europeanisation of IG Metall**

Europe stands at a crossroads. Therefore, strong trade unions that are able and willing to act are needed both at the level of the member states and at the European level. This also applies to IG Metall. It also needs an improved practice geared to European policies which must become second nature to all levels of our organisation. We need a socially and democratically renewed Europe that takes peoples' interests and problems seriously and that makes the European idea of equality a tangible experience. It calls for a European culture and European mainstreaming of IG Metall. Within a couple of years trade unions have to be able to effectively launch campaigns on a European scale. This debate cannot be confined to Germany alone; this discussion must be actively conducted throughout Europe. It is a fact: a fresh attempt of renewing Europe based on solidarity is indispensable.

**Within Europe  
– for Europe!**