

BWI EUROPE

Resolution: A joint project to overcome the Euro crisis and to restart the development of the Social Europe

Adopted by the BWI European Regional Committee – Madrid, 21.10.2011

The financial crisis, which has provoked the Euro crisis as well as the crisis of the economies have made explode deficits and public debt of the countries of the South as well as many countries in Central and Eastern Europe. The new "economic governance" rules and the austerity plans based on them are already strangling countries like Greece and are likely to bring Europe to the brink of the abyss. The ensuing mass dismissals, lower wages (including minimum wages), attacks on pension rights and on unemployment benefits and other social benefits, deregulation of social protection systems, infringements of the autonomy of the social partners and frontal attacks on trade union rights (or even on freedom of association, as in Hungary) are having dramatic social impacts that are more and more unbearable. "Social Europe" is suffering blows on a scale never seen before! As the tragic example of Greece, but also of the other Southern countries, is already showing, this brutal neoliberal policy does not lead to the intended reduction either of deficits and public debts or of the macroeconomic imbalances between countries.

The building and wood sectors - especially in the PIIGS countries and a number of countries in Central and Eastern Europe - are particularly affected both by the real estate crisis (extremely severe in Spain and Ireland!) inherited from years 2008-2009 and by the current restrictive economic policies being jointly implemented throughout Europe. Their workers are paying a very heavy bill in terms of job losses, a surge in precarious jobs and the proliferation of wage dumping.

The recession threatening the entire European economy, as a result of the policy of austerity and the persistent lack of rules to block financial market speculators, risks further darkening the picture in the coming months. So it is time to change course, before having helplessly to witness the collapse of the Euro zone and, along with it, the whole of Europe.

Meeting in Madrid, the BWI European Regional Committee, in line with ETUC and the EFBWW, is convinced that only the implementation of an alternative economic and social policy, based on solidarity of the rich with the poor, of capital with labour, of the "surplus countries" with the "deficit countries", can lift Europe out of the current impasse and re-open the road to a "social Europe".

The implementation of a "social and ecological New Deal" is urgent and necessary. This "New Deal" must include:

- Creation of effective instruments capable of ending financial speculation and to stimulate the economy and to contribute to solve the sovereign debt problems of the countries in trouble; a precondition for that is joint economic and monetary policy for the Euro-zone and beyond;
- effective measures to regulate the financial sector in a way that a situation like the ongoing crisis can not occur again, especially through a thorough separation of the investment banking from all other parts of the finance sector
- the partial relief of additional sovereign national debt caused by the financial speculations into European debt.
- the creation of a European Bank for Investment;
- aid to help economies in trouble restructure their debt;

- the abandonment for countries in trouble of the requirement to co-finance EU structural funds, if the European supervision of the use of the funds is strengthened at the same time
- an investment programme to revive the hardest hit economies; and
- more generally, a resumption of investment in infrastructure and jobs - as part of a genuine low-carbon industrial policy - to ensure the transition to a productive model in terms of energy and natural resources. This would offer great opportunities to the building and wood sectors, but would also require from them a major offensive in the field of innovation and vocational training;
- a fiscal policy designed to reduce the existing huge income disparities, and that serves to finance the "New Deal" programme. New sources of tax revenue are essential for this purpose, such as the financial transactions tax, as well as the harmonisation of the corporate tax base accompanied by a minimum tax to limit tax dumping, as well as action against tax evasion and the abolition of tax havens;
- anchoring in European law and national legislations the primacy of fundamental social rights and equal treatment over the economic freedoms of companies. The universal application of the principle "for work of equal value, equal pay" in the destination country is vital, especially for the building and wood sectors. That requires finding, among other things, legislative remedies to severe sub-contracting problems (= joint liability), bogus independent workers, "mailbox" companies, deficient control systems.

There is no other way to rescue the Euro zone and Europe as a whole from their existence-threatening crisis. That is why the BWI European Regional Committee, following ETUC and the EFBWW, makes a vibrant appeal

- to the European authorities and governments throughout Pan-Europe to take stock of the suffering of their peoples and therefore to stop their economically and socially destructive policies as well as to make theirs the essential elements of this "New Deal" programme,
- to the employers in the construction, timber and forestry industries to lend a hand so that effective joint political lobbying can help to advance the attainment of the underlying objectives considered to be priorities for our industries.

Our Committee also requests all the Pan-European affiliates of the BWI

- to raise awareness of this programme among their own rank-and-file, also in order to counter the demagogic discourse making workers of the countries of the South responsible for the Euro crisis and to stop the ever mounting tendencies towards nationalist isolationism,
- to engage in the necessary political lobbying of their political authorities and their social partners,
- to participate actively in national-level trade union mobilisations and in the European mobilisation that the European trade union movement and many national trade union confederations are putting in place for the coming period.

Being aware that Europe granted democratic freedoms, the way to revive a "Social Europe" is through solidarity among all the countries of Europe and supporting the countries of the South, Centre and East of Europe while keeping up and enhancing workers rights and good social standards everywhere in Europe. That is the message we pledge to affirm!

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