

## Negotiate a Genuine Treaty for a Social Europe

"Vote yes to Maastricht and we'll get right back to work on a social Europe", promised Jacques Delors a few days before the Maastricht referendum in 1992. He admitted that the treaty gave glaringly insufficient consideration to social issues, but asked the European citizens not to destroy the continental dynamic by voting no. The "yes" to the Treaty just squeezed by (51%).

Twenty years later, as the social crisis continues to deepen throughout the world, European treaties are again under debate. The citizens are sick of promises. It is high time to act

Regulating trade with China is indeed a fundamental question, but how can we prevent industrial production from being outsourced here inside Europe itself?

Should France align itself with a social and fiscal laggard like the Czech Republic (this is the direction taken by President Nicolas Sarkozy in announcing an end to the professional tax), or should we, on the contrary, act so that all EU members give up dumping strategies and find, together, the way back to social progress?

To dissuade countries from imitating and amplifying such dumping, we must use the present negotiations to impose a true Treaty for a Social Europe, with well-defined criteria of social convergence that would constrain all 27 members to converge "upwards" in social matters as they have already done in the economic sphere thanks to the criteria of Maastricht.

If, for many years, so many of us have been pressing for the adoption of a true Treaty for a Social Europe, it is for at least 3 reasons:

- 1 > Social reasons, of course. How can we accept such high levels of injustice? How can we leave so many men, women and children by the wayside? No need to insist, you probably share the same will to fight against injustice.
- **2 > Political reasons.** By refusing to do what's necessary to become a single political, diplomatic and military force, Europe contributes to the dehumanization of the world: in 1993, the signers of the Oslo agreements asked Europe to help them build peace between Israel and Palestine... Almost 20 years later, there is no political Europe, no European peacekeeping force to be seen.! It is time we reacted and came forth with a single European foreign policy, with a genuine diplomacy and real armed forces to implement it. Yes, there is an urgent need to create a strong Europe, capable of capitalizing on its diversity. But there will be no strong European voice without support from

public opinions, no political Europe without unanimous adhesion to a common Social Treaty.

In many countries, citizens have made clear they will oppose any evolution towards a common European political policy as long as the treatment of the social question remains postponed. There will be no progress on the institutional level (European diplomacy, European defense) if Europe forces its member states to implement austerity but remains unable to address the everyday expectations of its citizens.

**3 > Economic reasons** finally. If we want a treaty of social convergence, it is also because, as Henry Ford, the automobile tycoon, stated in the last century, "In times of crisis, everyone would like to decrease salaries and limit social protection, but this decrease actually makes the crisis worse! Therefore, we must give ourselves a set of collective rules so that one man's dumping doesn't lead everyone else to do the same". This is particularly so when you consider that the dumping is actually pointless given that the overall trade balance of Europe is at equilibrium!

It is when everyone has a real job, a real salary and adequate social protection that the economy works with maximum effectiveness. This is why we believe it is urgent –truly urgent- to offer Europe a genuine social treaty.

The Maastricht treaty included five criteria (a national budget deficit at or below 3%, national public debt not to exceed 60 %...). We, too, advance five objectives for a social Europe:

- \*A job for all: An unemployment rate below 5%,
- \*Social solidarity: A level of poverty below 5%,
- \*A roof for all: A number of poorly housed below 3%,
- \*Equal opportunities: An illiteracy rate at age 10 below 3%,
- \*Real solidarity with developing countries: Public aid to development above 1% of GDP.

We have succeeded in fighting inflation (in a few years, it has decreased from 14% to 2%). Why not tackle unemployment, poverty, and economic and social insecurity with the same vigor? Sanctions should be envisioned for countries that fail to meet these social criteria within 10 years. The treaty should also carry strong guarantees regarding the financing of social security and public services.

The treaty must make it mandatory for the president of the European Central Bank to dialogue with elected representatives (as in the USA). It must create a European tax to finance Europe's budget. The treaty must clearly espouse the principle of the common good and uphold the value of public services.



The treaty should mandate the European parliament to draw up within the next two years a true charter for sustainable development that will require Europe to amend both its energy policies and its positions on trade.

In a single market economy, no country can hope to make continuing progress in the social realm if others are in constant regression. France will be unable to maintain its high level of social protection if its neighbors progressively give it up. If, in Italy, Austria or Spain, millions of poor retired people come to swell the ranks of the poor workers, it is illusory to think that we, alone, can maintain a high level of social protection. This is why it is fundamental to create "positive constraints" that induce all countries to move forward together rather than resignedly accept the ongoing destruction of the social protections instated in the last half century.

Not only should Europe be a protective shield, it should also encourage each country to improve its social system by taking a hard look at what its neighbors have shown to be most effective.

In 2004, soon after our project for a Treaty for a Social Europe was made public, it received support from a large number of well-known personalities: from Stéphane Hessel or Jacques Delors to José Bové, Bronislaw Geremek (former Polish minister), Enrique Baron Crespo (president of the socialist group in the European parliament), Jean Daniel of the French weekly magazine Nouvel Observateur, Susan George of Attac, Bruno Trentien (president of Italy's largest union), René Passet (economist), Timothy Radcliffe (former leader of the Dominican order), the Abbé Pierre (founder of Emmaus), Philippe Guglielmi (former Grand Master of the Freemasonry), Jean-Maurice Dehousse (former minister-Wallonia), Robert Goebbels president of Luxembourg minister of economy), Jean-Jacques Viseur (former Belgium finance minister), Gérard Pelletier (president of the rural mayors association), Claudy Lebreton (president of the Congress of French Departements), Alain Rousset (president of the Congress of French Regions), the National Movement for the Unemployed and the Underemployed, approximately 250 parliamentarians as well as thousands of citizens from 9 European countries.

In support of our initiative and with a view towards asking the Giscard Convention that was writing the European constitution to take it into account, the president of the commission, Mr. Romano Prodi, received a delegation made up of the first signees.



In front of all the journalists present at the seat of the European commission, Romano Prodi strongly stressed the importance and credibility of our endeavor: "These are perfectly realistic criteria. They are altogether attainable. It is a simple question of political will. I am convinced of that." Alas, Valéry Giscard d'Estaing, who was overseeing the Convention's work on the future of Europe, refused to incorporate a project for a social treaty.

After France voted against the European referendum in May 2005, the idea of enlarging the treaties to include a social protocol had slowly caught on among the European leaders: "France's "no" is not a rejection of Europe as a whole, but **the rejection of a neoliberal Europe**", stated John Monks, general secretary of the European Unions Federation right after the vote. "Nearly 80% of the workers voted no. To them, such a Europe didn't look like a solution to the problem of unemployment".

And France is not the only country concerned. "If the German population was to vote by referendum, I'm certain they would vote no", said Peter Altmaier, CDU deputy, "the social model should be clarified".

In March 2007, for the fiftieth anniversary of the Treaty of Rome, **Angela Merkel** gathered all the European heads of state together in Berlin and reminded them of her willingness to add a "social protocol" to the European constitution.

Unfortunately, France elected Nicolas Sarkozy.

And the new president was in a hurry to close the file on Europe. Although our European partners would have preferred to take the time to think it through, and didn't count on finalizing the negotiation for a new treaty before 2009, Nicolas Sarkozy insisted on wrapping it up. He didn't bother with discussion. And sacrificed an historic occasion to bring Europe closer to the expectations of its peoples and the economic and social requirements of the time.

On June 20, 2007, on the doorstep of the Elysée palace, Jacques Delors hardly looked convinced by the new president's European project.



## Jacques Delors expresses his reservations concerning the EU Treaty.

Jacques Delors outlined to Nicolas Sarkozy once again his doubts about the European treaty as such: "I reiterated the points that had already brought me to formulate reservations about the project for a Constitution, even though I supported it" declared the former president of the European commission after a meeting with the French president.

"First of all, **there must be a social protocol** to show we intend to reconcile economic efficiency, European strength and a greater degree of social justice", stated Jacques Delors. "Also, -and I've been pleading this for 10 years-there must be a rebalancing between the economy and the currency within the economic and monetary Union. Those are two crucial points."

In 2007, Nicolas Sarkozy didn't want to listen to anyone: not the European unions, not Angela Merkel, not Romano Prodi, not Jacques Delors... The question of social and fiscal dumping within Europe didn't seem to concern him at all.

Two years later, he came to consider it as crucial: to prevent "a new factory from moving to the Czech Republic or elsewhere", Nicolas Sarkozy announced an end to the "professional tax", part of the taxes paid by corporations, thus depriving local communities of 18 billion Euros in resources. 18 billion lost every year for how many jobs (maybe) saved? 18 billion is quite a price to pay! What if the Czechs further reduce their level of social ambition and thus their labor costs? Are we again going to follow suit?

Nicolas Sarkozy is dead wrong. Such bowing to the lowest common denominator would be catastrophic from any standpoint. On the contrary, it is by issuing a wake-up call and reinforcing the tools of cooperation and "upward" convergence that we will get ourselves out of the crisis.

In 2012, the European treaties are again being revised. If we want to prevent more outsourcing to the Czech Republic, if we want to keep the decrease in German salaries from having a negative effect on our factory production, now is the time to act. The solution is not to imitate the dumping here or there, but, on the contrary, as Ford stated, "to give ourselves rules" that will make all countries converge in greater social progress.

"Through insufficient will and lack of consistence, through its cowardice and submissiveness,

Europe is resigning itself to being no more than a commercial space governed by liberalism and, politically, by the leadership of the United States".

Jacques Julliard - Le Nouvel Observateur - 09/01/2003.

Jacques Julliard was right in 2003 to denounce the cowardice and weak will of our elites, but in 1989, it wasn't the established elites that took down the Berlin wall. Had we waited for an agreement between political leaders, the wall would still be standing. It is the people that took it down. And today it is up to the people to determine just what new orientation they wish to give to the construction of a new Europe.



In 1989, the people brought the wall down and the collapse of the wall forced European leaders to choose very quickly between two options: the dilution and breaking apart of Europe or its rebound. They chose the latter and launched the process towards a common currency.

In the United States, it is the crisis of 1929 that allowed a federal rebound (creation of a federal tax on profits, bank legislation, New Deal etc.). The present crisis must be, for Europe, the occasion of just such a social and democratic rebound.

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