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New deal for a social Europe

While politicians bicker, public service workers are uniting to demand a stronger, fairer society

Dave Prentis, Frank Bsirske and Carlo Proda
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As Gordon Brown, Angela Merkel and Silvio Berlusconi squabble over a rescue package involving billions in bailouts for failed banks and big business, the people of Europe worry about losing their jobs and their homes, and how to pay their bills.

We want them to put aside the squabbling, unite in urgent action to protect families and communities, and lay down the foundations for a strong economy and a fairer society. Next week's G20 gathering will be crucial, and we expect our governments to take measures that genuinely put people first - including maintaining levels of overseas development aid so the world's poor are not forced to pay for the financial crisis.

Across Europe, unemployment strikes fear into millions. And the low-paid, whose taxes will pay for the bailouts, see the disastrous decisions of financiers rewarded with big bonuses. Many on the right are trying to divert attention from their role in the crash by shining the spotlight of envy on public services. Detractors demand "sack public service workers too", as if they were engaged in a macabre race to see who can cull most first.

Such demands for cuts will only help plunge us into deeper recession. Jobs are already going in the public services. For instance, in Italy 60,000 public sector workers are being laid off - a figure that will rise to 400,000 next year, with a resulting loss in services. Germany will face similar consequences if its government does not take immediate countermeasures to reflate the market, such as massive investment in education and public infrastructure.

It makes no sense to add public sector workers to the growing dole queues: poverty and social instability will be the inevitable outcome. And public services are a lifeline for people facing hard times, a safety net for local economies. We should expand services such as welfare, housing advice, health and social care to help people struggling to cope with the consequences of the crisis.

We support a green New Deal, so we should invest now in environmental technology, green jobs and energy- saving projects and look at using a windfall tax on energy firms' profits to cut high fuel bills.

Decisive action to protect and create jobs is crucial to kickstart the economy. If the lending banks are to be bailed out and, to a greater or lesser extent, be taken into public ownership, they must be run for the benefit of all. That means imposing a duty on them to lend to schemes and businesses that get people back to work or prevent job losses in the first place. Training and retraining opportunities with quality apprenticeships to help people into work should be underpinned by better redundancy pay and decent benefits.

Governments must stop bailing out multinational companies that have made vast profits out of taking over public services, and use the money to invest in publicly owned schools and hospitals.

Urgent help to stop people losing their homes makes economic and social sense. Lenders must act responsibly, and help those struggling to pay their mortgage. Public authorities should be given the capacity to tackle the housing shortage with cash to build and renovate homes and buy empty properties.

Effective regulation of financial institutions and businesses is in the public interest: this is the time to get regulation right - ignoring the bleating about too much red tape from those who got us into this mess.

A crackdown on tax avoidance would bring in much-needed cash. Every year a few individuals and companies get away with billions of pounds or euros in tax evasion, while everyone else pays their fair share of tax. If the political will was there, that money could be used to generate jobs, improve health, education and social care and eliminate poverty.

We three unions, representing nearly five million public sector workers, will campaign together for a new deal for a social Europe. "Business as usual", where bankers and bonuses matter more than people and public services, is not an option. A fairer society based on good jobs, quality public services and a stronger, more tolerant society is our aim. There is a better way, and we want our governments to sign up to it.

- The writers are general secretary of Unison, president of ver.di in Germany, and general secretary of CGIL public services federation in Italy

Comments