



***Key Themes***

***For the***

***German Catholic Workers' Movement (KAB)***

***Submitted to the German Presidency of  
the European Council in 2007***

***“Creating a Socially Equitable Europe”***

***Adopted by the national leadership at the behest of the***

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## ***Introduction***

- (1)** The German KAB is engaged in helping to create a more socially equitable Europe. To this end, the KAB looks to the constitution of the Federal Republic of Germany, which states that social security and social justice, as well social stakeholding and participation, are indispensable pillars of an equitable and democratic national community. For without these pillars, there can be no socially equitable Europe. Thus, the KAB supports any and all endeavours which strengthen democracy, which increase the fairness of European societies, and which safeguard the peace. In the KAB's view, Europe is more than just a partnership of convenience based on mutual economic interests. Rather, Europe is to be seen as a community of shared culture and shared values, which in turn have their roots in the Christian faith and its moral teachings. The painful historical experiences made by the peoples of Europe have forged a powerful and viable ideal: a Europe that loves peace and actively seeks to promote it. As the KAB sees it, only a Europe that is both peaceful and based on social justice can have a viable future and serve as a beacon for others. This is where the true strength of Europe lies.
- (2)** In future, the biggest challenge for European politics will be the social tension evident across the continent. A Europe devoted to its citizens must place the welfare of workers and their families front and centre when it comes to shaping politics and society. In this context, the KAB orients itself towards the social teachings of the Catholic Church: labour must have precedence over capital; the rights of workers, as well as stringent social standards, must be established and/or protected – after all, it is the value of work which gives rise to the prosperity of Europe.
- (3)** Today, Europe finds itself in crisis. This crisis must be used to pave the way toward a Europe based on social justice. This is the only way to increase acceptance for the idea of a European Union amongst average citizens - to counteract their resignation and lack of interest. Many people currently see Europe as a threat to the social safety net and to worker's rights, precisely because of the increasing pervasiveness, even on the EU level, of neoliberalism, an ideology which subordinates a fair distribution of wealth (compromise among stakeholders) to a one-sided pursuit of profit. Thus, KAB considers a "social market economy" to be a guideline, one which should be adhered to more closely in European politics. The free exchange of capital, goods and services does not suffice, in and of itself, when it comes to creating a socially equitable Europe that will find acceptance and support among its citizens.
- (4)** The fact that Germany is assuming the presidency of the European Commission represents a special responsibility and obligation for our country. For one thing,

German re-unification could never have come about without the concurrent process of European integration. For another, Germany is profiting from the economic growth of Europe more than other countries. It is only right, therefore, that the whole of Europe should have high expectations of the German EU presidency. Accordingly, the KAB also expects that Germany will make a singular contribution toward the goal of a socially equitable Europe. The KAB heartily approves of Chancellor Angela Merkel's declaration that she will follow the "Lisbon Strategy" during her chairmanship of the EU Council, and that she will thus strive for balance amongst measures to promote competition, growth, jobs, social cohesion and a healthy environment. The KAB is pleased that Chancellor Merkel intends to use her good offices for a more socially equitable Europe.

### ***Plan of action for a socially equitable Europe***

- (5)** The KAB envisions five key tasks for the German EU presidency:
- Implementing steps to reinforce and expand the social-solidarity agenda (Section 6).
  - Combating unemployment through economic policies aimed at qualitative growth (Sections 7–9).
  - Expanding the right of European workers to exercise co-determination (Section 10).
  - Raising the importance of political and professional training and education within the EU's agenda and scope of responsibility. (Sections 11–12).
  - Solving the problems of immigration and integration on a pan-European level (Section 13).
- (6)** Today's Europe is characterised by a yawning societal gulf, both within nations and amongst them. This social divide is only being widened through an "unholy alliance" between government reformers and neo-liberals. As far as they are concerned, "social security" is hardly a political or economic goal with any priority, either in or for Europe. But despite the many areas of overlap, social policy still remains the responsibility of the individual national governments. This means that things often develop quite differently from country to country. Rather than greater unity in Europe, we see only growing division. The future of Europe, however, lies in a European social model. Thus, a plan of action containing concrete steps and based on the social agenda of the EU must be laid down. The EU Commission must then take up this

initiative and introduce it in a targeted way into the political debates of the EU Parliament and Commission. This process should be furthered by the German EU presidency.

- (7)** The European Union is further than ever from the goals it set for itself in Lisbon, namely to create jobs and increase the number of people participating in the workforce. The fight against unemployment must therefore become a high-priority political and economic goal. This will require a targeted European economic policy that creates and equitably distributes gainful employment. There are 25 million small-to-mid-size companies which employ up to 250 people each, and these account for two thirds of the jobs in Europe, as well as 50% of its economic output. The potential for new jobs hardly lies with major corporations, but rather almost exclusively in this very sector. Thus, what is required is an economic policy that moves away from subsidising large firms that destroy jobs, and instead moves towards promoting and supporting the small-business sector. Any and all support given by EU institutions and programmes should be made more contingent on whether such aid will help create jobs and reduce unemployment. For the KAB, a fair redistribution of work means that the benefits of productivity gains should not accrue exclusively to the benefit of the companies involved, but should be used to shorten working hours, so that additional workers can be hired. The KAB expects the German EU presidency to open a serious and wide-ranging discussion in this regard, and to take vigorous political steps in this direction.
- (8)** The neo-liberals are demanding that Europe expand its low-wage-job sector so that more jobs can be created. Employment at whatever wages the market will bear – this seems to be their motto. In the face of so-called “globalisation”, they claim, this is how the competitiveness of Europe will be strengthened. However, such proposals contravene the very essence of the “Communal Charter on the Basic Social Rights of Workers” adopted in 1989! The national economies of Europe can not be placed in the position of “racing to the bottom” when it comes to labour costs or social and environmental standards; the only area they should be competing in is quality! This also applies to the process of structural re-organisation seen in various regions. For quality is an idea that is also applicable to a person’s working conditions. Thus, a fair wage is an absolute prerequisite for a “good job.” And besides a just and reliable income, one must have peace of mind with regard to the security of one’s job. Furthermore, a “good job” must be satisfying on a social, physical and creative level. Workers want to be regarded and appreciated as people, and not merely as “units of labour”. Last but not least, having a “good job” is conducive to one’s health, and helps to unify one’s professional and personal life. Thus, the KAB regards “good jobs” as the keystone for a Europe-wide “community based on work”, one that must

serve as a paradigm for all forms of human labour in equal measure: from employment and self-employment to community work. Until now, our social and economic policies have failed to sufficiently highlight “good jobs” (and the “socially equitable labour culture” which they make possible) as a competitive advantage for Europe. If we wish to raise the general acceptance of the EU – and especially if we want to seriously address the fears of workers with respect to EU expansion and the structural changes taking place – then we must reinforce and implement our standards for “good jobs”. Again, we expect the German EU presidency to take the initiative in this regard.

- (9)** Creating “good jobs” can be done meaningfully only in the context of a pan-European economic policy, one which places a focus on qualitative growth. And this qualitative growth in “good jobs” must be part and parcel of a Europe-wide “quality offensive” that is economically, ecologically and socially sustainable. This will require close coordination among the economic policies of all the member states. It will be equally necessary for the European Central Bank to pursue a monetary policy committed to qualitative growth and to employment goals. Germany itself must set a worthy example for such a “quality offensive”. This will not only boost the credibility of the German EU presidency, but will also send a clear signal to many other countries: namely, that demanding a coordinated, coherent social and economic policy for Europe will pave the way toward making the EU a viable political actor for the greater benefit of mankind.
- (10)** A democratic European Union requires that workers’ right to co-determination - both within companies and across industries - be strengthened. The KAB does not underestimate the significance of some of the steps already taken in this direction: for example, the “Guidelines for a European Works Council: Developing a Notification and Hearings Process for Workers of Companies and Groups Operating across the Community”, dated 1994; as well as the guideline for “Information and Consultation” adopted by the EU Parliament in 2002. These are all guidelines which adhere to the principles of a participatory democracy. The KAB also supports the guidelines and/or ordinance regarding European Stock Corporations proposed by the EU Commission and passed by the EU Parliament in 2001. We are happy to say that this is a first critical step towards the introduction of company co-determination on the pan-European level. However, further steps must be taken to expand and permanently establish a “social partnership” within companies through a corporate “social partnership” charter; “notification obligations” are not sufficient for this purpose. Workers have no say when it comes to making vital decisions regarding investments, products, production systems, or the location of operations. And yet workers are the ones who must bear the consequences of these decisions (within the company),

whether for good or for ill. Thus, the KAB stands by its determination to oppose the ongoing attempt to discredit and roll back the principle of co-determination on both the national and pan-European level. On the contrary, we believe that an EU-wide corporate charter would be a competitive advantage for Europe as a business location, and would guarantee equal rights of co-determination, along with social equity and social peace. For without giving workers equal rights to co-determination throughout firms and corporations, there can be no stable and prospering democracy. Workers all across Europe, male and female, must become fully fledged stakeholders in their respective companies. Clearly, Germany sets high standards for co-determination. Even if these could use improvement and reinforcement, they should certainly not be made negotiable, but must be rooted even more firmly throughout the European Union. Thus far, the harmonisation of corporate law begun by the EU commission has placed a one-sided emphasis on the freedom of movement and dispositive rights of financial capital, as well on property rights. We demand that the upcoming guidelines for cross-border relocation of corporate domiciles provide for at least the same level of co-determination which has already been achieved within European corporations. During the German EU presidency, the KAB expects to see a clear commitment to the strengthening of co-determination and to a Europe-wide corporate charter.

- (11)** There are many prejudices against European integration which can only be allayed through better training and education. Those of us who wish to foster the convergence of Europe across cultural and territorial boundaries, and who wish to promote labour mobility on the basis of socially equitable legal standards, must understand that political and professional education are two equally important prongs of an educational strategy to reduce fear and misapprehension on all levels. If Europe's future is to become a "knowledge-based society", then education, professional qualification, training and research must become the focus of European policy. But education seems to have become marginalised in Europe today. If our peoples are to truly see themselves as citizens of Europe – and to adopt this as their one, all-embracing identity – then clearly a common educational policy must be developed for the entire EU. In other words, an integrated educational concept which addresses the daily realities of all Europeans in each and every walk of life – this should become the cornerstone for consensus on a common EU educational policy. What is important here is to include all facets of the individual in the picture. Education cannot limit itself to merely providing professional qualifications for one's working life; rather, it must take an organic approach, giving each person the skills he or she needs for all aspects of living. Thus, various types of education - general, social, cultural, professional and political – must all be given equal weight. Educational policy must also develop and implement concepts on the EU level which

focus on the special circumstances of the disadvantaged. This is what solidarity and justice require, principles which must be both benchmarks and intrinsic goals of any educational policy for the EU.

- (12)** The KAB regards with favour the goals of the European Qualifications Framework (EQF), insofar as these involve making fields of competence transparent and comparable throughout Europe. However, the KAB also feels that a testing phase is absolutely necessary, one in which social-welfare organisations and educational institutions are also involved. This is precisely so that the high level of two-track professional education in Germany can be introduced on a Europe-wide level. We would however caution against making issues, content and methodology dependent upon their integration into the qualification framework, since this would endanger the necessary secondary-level diversity of educational institutions. The end result of the European Qualifications Framework must be to preserve and increase the quality of professional training in Europe. Thus, the Qualification Framework is only a means to an end. As far the German EU presidency is concerned, the KAB expects there to be broad consultation, in which the varied experience accumulated by unions, social-welfare organisations and educational institutions can all be brought to bear.
- (13)** Comprehensive education is a sine-qua-non if the cultures of Europe are to better understand one another. What we see today, is that a growing number of impoverished and desperate human beings are seeking refuge, work and subsistence in Europe. In view of the escalating situation, it is urgently necessary to reach partnership agreements with the countries of origin. When it comes to fighting poverty in the refugees' home countries, the European Neighbour Programmes (ENP), along with our foreign-aid and development policies, will play a particularly vital role. We must create a Europe-wide regulatory system for immigration and asylum on the basis of the Geneva Convention on Refugees. Integration means avoiding discrimination in all its forms. It means solidarity, justice and participation with and for the people who immigrate to Europe. As in generations past, we Europeans will have to learn that we must live together with people from different cultures in our own countries, and that our dialogue and co-existence with them can only enrich us all. With respect to integration and migration, it is therefore indispensable to have a common European immigration policy, one which does away with bias and prejudice right from the start, and which instead focuses on mutual understanding and dialogue. Today, there are already many immigrants working illegally in Europe. Avoiding societal conflicts is thus another reason why we must expand European integration programmes. We must also be ready to discuss, in an open and bias-free manner, whether or not immigration is indeed a tool with which to counteract the foreseeable decline of the

European population. Finally, the KAB believes that building understanding also requires public opposition to right-wing populist parties and movements, which attack the very idea of solidarity, justice and peace in Europe by defaming immigrants, asylum-seekers and their families. We expect to see initiatives in this direction from the German EU presidency, so that social cohesion can be strengthened and any and all forms of social exclusion can be resisted.

The KAB is fully aware that expectations of the German EU presidency are high. After all, whenever a country assumes the rotating presidency of the EU Commission, it gains significant influence over the policies of Europe as a whole. The German EU presidency must make full use of this influence – for a European Union marked by social solidarity and justice. Working hand in hand with the “European Christian Workers’ Movement”, the German KAB fully intends to make its own contribution to this worthy goal.