Solidarity and fairness: We live our values!  
CTUP-Austria position paper, 2009

Preamble

2009 is truly a year that will go down in history one that saw the greatest, worldwide economic crisis since the end of the Second World War, arising out of an international financial crisis. This position paper, submitted by the Christian Trades Unionist Party (CTUP), within the Austrian Federation of Trades Unions, takes the historical situation as its starting point.

For the CTUP, using this position paper to contextualise the crisis, along with all the effects it has had on workers, also means formulating new ideas and goals. We see the current worldwide crisis, not as a “mechanical breakdown”, where everything could and should continue as usual, after a minor repair. We also call for a decisive change of direction to the “European Way Of Life”, i.e. the way we work and live, in order to ensure a good future.

Therefore, the CTUP position paper for 2009 is on three levels:

- Positions in relation to the world level
- Positions in relation to the European Union
- Positions in relation to national policy

In a global context, the CTUP is calling for a worldwide eco-social market economy, which creates a balance between an effective economy, social solidarity and protecting the environment. The CTUP strongly argues for new rules to be put in place for the financial markets. Furthermore, the UNO’s “millennium goals” must be achieved and the application of human rights systematically expanded to cover more and more people.

The CTUP emphatically acknowledges the role and status of the European Union. In its position paper, the CTUP wants to achieve its goal of seeing the EU developing into a social Europe and gain the trust of its residents, as an economically powerful union.

In addition, in terms of national policy, the CTUP believes that the time has come to break new ground. For example, so-called “precarious employment relations” must be clearly and effectively regulated by national legislation. We must use all our resources to prevent people within Europe’s states being poor, despite working. This is in line with Christian-social principles that working must be associated with job security whilst ensuring that the work-related participation, information and education chain includes opportunities to reconcile family and working, human working conditions and an appropriate income. Only then may we talk about good work. In summary, national measures may not trigger a “downwards spiralling of social standards”; in contrast, they must be based on solidarity and fairness.
I. GLOBAL CHALLENGES

A worldwide crisis cannot be solved through individual initiatives alone. National policies must also target goals or, at least, contain basic standards. The existing internal organisations are, therefore, significant tools for a new “world policy”.

1.1. For a worldwide “eco-social market economy”

As Christian trade unionists, we believe in the principle of a market economy, because the alternative models from the previous century, especially planned economies, are incompatible with our basic values. In addition, every market needs framework conditions, so that people do not suffer inhumane conditions. To this end, the CTUP primarily calls for social and ecological rules, which ensure that the market economy places people at its core”.

A worldwide “eco-social market economy” is designed to create a balance between and effective economy, solidarity and environmental protection.

The first step towards an eco-social market economy is the introduction of a globally applicable social and ecological minimum standard. For example, for us in Europe, this requires a massive change in lifestyles and our economic habits, working towards sustainability, since our consumption of resources is disproportionately high in comparison with the world’s population.

A second step towards the creation of a worldwide eco-social market economy is overcoming global market fundamentalism, through a “fair world contract”. This includes reforms and linking existing rules and standards and institutions for the economy, the environment, social issues and cultures (e.g. in WTO, IMF, THE World Bank and the UNO, etc).

The cornerstones of such a contract are:

- the fundamental economic, social and cultural human rights, which continuously provide cover, along with the core standards of the International Labour Organisation (ILO), such as organisation law, equal opportunities for men and women, no child employment, etc.
- standards resulting from international environmental and natural conventions, such as the Washington Convention on International Trade in Endangered Species of Wild Flora and Fauna, Kyoto Protocol, etc.

A further step is tying in these ecological and social minimum standards and regulations with finance programmes, whilst simultaneously increasing the financial support given to developing nations, by implementing the standards. The awarding of resources must not be influenced either by the short-term economic interests of the affluent nations or by the short-term power interests of the elite in poorer countries.

In order to implement these steps, the CTUP actively supports the Global Marshall Plan Initiative, which calls for a worldwide eco-social market economy, in order to achieve a “civilisation of sustainability” our of a “civilisation of over-exploitation”.

1.2. New regulations for the worldwide financial sector

Very many ideas relating to reforms and regulations lie at the very heart of a crisis. There is, therefore, a danger that attempts at reform are stopped the moment the crisis is over and the economy recovers. Particularly critical is the fact that any
powerful global player, e.g. the G-20 states, which, due to their policy of deregulation in the last few decades, have continued to free the financial economy from regulations, should now introduce “new rules”. The CTUP emphatically calls for new rules to be created and implemented for the worldwide financial sector!

- **More transparency and stricter accounting guidelines**: Both the national and international financial systems must be more transparent. Balance sheets must clearly show which transactions were completed, which finance received investment and what were the risk positions. Only through higher transparency can incorrect estimations of costs and risks be avoided. The currently applicable accounting guidelines must be stricter and effectively audited. In this way is the financial sector effective.

- **Finance transaction tax**: International finance transactions must be stabilised with low taxation. In addition to the expected tax revenue, short-term, speculative financial transactions would become unattractive and financial markets would become more stable overall.

- **New order of banking practices**: There must be a strict separation of business and investment banking.

- **Better stability of exchange rates**: If the leading currencies, such as the US Dollar, Yen and Euro, were more stable, this would clearly stabilise the financial sectors. This could be achieved by creating target zones between the three leading currencies. Once a currency exceeded the defined bandwidth, the central banks would have to intervene.

- **Own capital regulations for banks**: Rules do exist within the EU, but they are unenforceable. Within the global finance sector, individual countries decide, whether or not to implement these recommendations. In the interest of savers, it is, however, necessary for own equity quotas to be significantly increased in the banking sector.

- **Creditors’ co-responsibility**: Credit issuers should have to assess the risk of their credit deals and make borrowers more aware of their liability, as well being jointly responsible in a credit relationship.

- **Stock exchange and securities purchase taxes**: Low taxation when buying foreign or domestic securities would increase the period of time the securities were held and would stabilise capital processes by slowing them down.

- **Closing tax havens and offshore financial centres**: Since these financial locations are not governed by financial regulations or tax standards, they pose a particular threat both to the international finance system and the financing of the state and should either by effectively controlled or closed down.

- **Reforming international financial institutions**: The International Monetary Fund (IMF) and the World Bank must be reformed, with the aim of linking more stable and efficient international financial sectors with a socially fairer and environmentally-friendlier development.

### 1.3. Realising the millennium targets before 2015

At the UNO Millennium summit in 2000, 189 states agreed the following development targets, which should be realised by 2015:

*(Initial figures relate to 2000.)*

- Halving the number of people suffering from hunger or whose income is below 1 US Dollar per day.
- Allowing all children from this environment to have access to a complete basic educational programme.
- Promoting equal status and greater influence of women.
• Reducing child mortality to at least 2/3 of the 2000 figure.
• Substantial improvement of maternal health.
• Reversing trends regarding HIV/AIDS, malaria and other epidemic illnesses
• Reversing trends relating to the loss of environmental resources and halving the number of people having no access to clean drinking water.
• Setting up a new type of partnership for development collaboration.

Throughout the current worldwide economic crisis, these goals appear to have receded into the far distance. The CTUP is calling for this even more fervently, since, in 2009, we have already argued for about investing time and energy in achieving millennium goals, since they stand for worldwide fairness and a humane life.

1.4. Ensuring that human rights are applicable worldwide

In its principles, the CTUP recognises the basic values of Christian social teaching. Our primary principle states that: “…human beings must be carriers, creators and the target of all social institutions.”

Our attitude to human rights is inseparable from this principle. We still see as an “open wound” the death penalty, which is imposed and executed in some countries of the world. Particularly bad seem to be verdicts, where people are sentenced due to their religious affiliations or political or other persuasion.

In past years, over 90 percent of all known executions have been carried out in six states: China (with over 1,000 executions), Iran, Saudi Arabia, Pakistan, Iraq and the USA. In several Muslim states, such as Afghanistan, Iran, Pakistan, Saudi Arabia, Somalia, Sudan etc, the renunciation of Islamic beliefs is still threatened with the death penalty.

The European Union included the complete abolition of the death penalty in its canon of values in 2004 and was made an entry condition for new member states. The CTUP backs the implementation of the UN resolution, passed by majority in 2007, to abolish the death penalty in all parts of the world, thereby decisively expanding the area of applicability of human rights.

II. EUROPEAN UNION

The European Union is primarily a union of peace. Conflicts are solved within the EU by means of negotiation and compromise. This orientation towards peaceful cooperation is one of the most significant arguments for a united Europe.

The CTUP wholeheartedly backs the European Union. At the same time, we advocate the constant further development of the EU into a Europe, which combines economic efficiency with full employment and social security, thereby gaining the trust of its residents.

In times of a worldwide economic crisis, the approximately 500 million people in the current 27 member states of the EU particularly seek the European economic and social model, which also contains European values and life culture, in order to create a worldwide ideal of peaceful cohabitation and crisis management.
2.1. A social Europe with more and better jobs

Growth and employment are central challenges facing the Union and are at the centre of the Lisbon Strategy. In addition and particularly within the crisis, the EU has to increase its focus on Europe’s competitiveness in terms of research, innovation, employment and education.

The dramatically increasing unemployment figures mean that we must increase our joint attempts at promoting more and high-quality jobs. These also include good employment conditions such as co-determination and the collective representation of interests, fair wages, equal opportunities for women and men, security and health protection at work, a family-friendly work organisation, as well as the promotion of lifelong learning and the possibility of professional development.

The CTUP requires the EU to mobilise all its forces, in order continuously to improve the competitiveness of Europe within a world economic crisis and to tackle unemployment. We, therefore, are working towards “Good work”!

2.2. An economically strong and powerful Europe

In order to achieve an economically strong Europe, there needs to be an improved coordination and coordination of economic policy within the European Union. Amongst other things, this includes improved reconciliation of between monetary and fiscal policy, both of which must work towards the target of “growth and employment”. There must also be the best possible equalisation of the various tax systems in the EU, in order to achieve transparency, simplification and the closure of tax loopholes and to counter unfair tax competition.

Any improvement in the coordination of the difference elements of economic policy within the EU also requires stronger ties to be created between the European Parliament and the social partner when forming European policy. A powerful Europe requires a high degree of environmental protection and a secure energy supply. The Union has to aim to become not only a dynamic and knowledge-based, but also the most economic and resource-efficient economic space in the world. This would also be an important contribution to tackling climate change.

The CTUP is working towards an economically strong Europe, where economic and financial policies are essentially better coordinated. Furthermore, Europe requires the highest possible degree of energy and resource efficiency.

2.3. A Europe based on peace and security

The attraction of the European Union for potential expanded candidates is unbroken. The EU has an opportunity to become a global anchor of stability, standing for peace, democracy and well-being.

With the 27 member states, the EU now has the capacity to create conditions, which make a new policy urgently necessary. One of these is the expansion of the relationships, which current members desperately need. Associated with this are clear signals sent to all the Balkan states that they have a real entry option, being an essentially historic part of Europe. This would ensure long-lasting peace even in this region.
Just as necessary is a new basis for neighbourly relations, which may lead to stable partnerships, as well as a clear differentiation between the members of the Union and these states.

- Russia: In the respectful trading between the EU and Russia, more than anything else, stable economic relations and long-lasting regulations have to be created with regard to energy.
- Turkey: The specific “bridging position” of Turkey – between the East and West – makes the country so geopolitically interesting. It is exactly because of this specific role that a “privileged partnership” should clearly be offered in place of an entry option, thereby creating a win/win situation for both parties, whereby Turkey acts as a “bridge between continents and cultures” and profit from this special role.
- Near East: For a long time now, the EU has had an interest on measures to promote peace. Bringing peace in this region would also remove essential oxygen from terrorism.
- North Africa: The EU not only shares a joint outside external border with the North African states, the Mediterranean, but also a long, shared history. In addition to regulated economic conditions, the fate of African emigrants is a theme that demands a joint solution.

The CTUP would like future expansions of the EU to be primarily restricted to the Balkan space. In the first instance, the Union has to be enhanced, whereby the EU, internally, remains competitive with regard to the challenges caused by the crisis. A “region of peace” is to be created and maintained with the neighbouring states.

2.4. A multiple Europe in one unit, where subsidiarity exists

The European unification process goes far beyond economic and politics. Europe is characterised by a long and rich cultural tradition. Language education and getting to know each other are important preconditions for enhancing the EU. The education programme and exchange are of great significance for mutual understanding. In addition, in the future, the EU may enhance culture and the types of sport that can be enhanced in all member states, e.g. in all competitions, games between member states, championships, etc which may contribute to the Union’s identity.

At the same time, the multiplicity of European languages and cultures is an essential characteristic and must be retained and promoted. Central to this is the subsidiary European structure, because, on the one hand, the member states are responsible for themselves and, on the other, as is the case with Austrian neutrality, may also take national specifics into consideration.

The CTUP is working for an EU that merges a unit and a multiplicity into a living whole, thereby fulfilling subsidiarity with life. Dialogue between social partners is also essential at EU level and is to be built up. Then, the Europe of the future can also meet people’s expectations in the best possible way.

III. NATIONAL STATE POLICY

In addition, in the political reincarnation of national state policy, the CTUP can see the day coming, when new ground is broken.

The social dialogue is one of the most important and essential accomplishments of the European states since the Second World War are represents constructive and
solution-oriented negotiations. By means of this consensus-oriented negotiation culture, the states of Europe could develop into one of the best regions to live on this earth within a climate of social peace. This dialogue may not be called into question either for the private economy or for public service.

3.1. Rethinking work practices

In many countries, more and more individualised and insecure types of working are emerging, more of them not popular with workers. New formulations of national labour legislation (employment law) can only become law when various work-related conditions come together. There should be no “levelling downwards”, rather, there should be increased rights. The rights of those representing the workforce should be enhanced both at national and European level.

So-called “precarious working relationships” must be clearly and effectively regulated through national legislation. The weakest need the most protection, which must also be anchored for precarious employment relationships (dummy companies, certain freelance professional groups, atypical working, etc.). We must do everything we can to prevent people in the states of Europe being poor despite working. We do not want any “working poor”.

Young people must clearly be helped when they start their working lives. Both in apprenticeship positions and at the end of their High School careers, where very often they are only offered unpaid “practice”, measures must be targeted that give young people a real chance.

GOOD WORK: It is part and parcel of Christian-social principles that work must be linked to simultaneous job security, full integration into the work-related co-determination, information and education chain, opportunities to reconcile family and working, humane working conditions and an appropriate income. Only then can we speak of good work.

A fair wage is a pre-condition for GOOD WORK!
We must ensure that people working a 40-hour week earn enough to ensure that they can get by on their income. The minimum wage must be at least 150 percent of the minimum living wage in the relevant country.

3.2. Public services

The collective basic rights of ensuring public services and the service provisions associated with common welfare must be provided within the context of democratically legitimate control. Public services are any organisations, which guarantee citizen-oriented service provisions according to these framework conditions. Sector openings and privatisations in these areas (such as water supply, health, education and safety) do not fall within the area of interest of the population and are, therefore, decisively excluded. The CTUP is, thus, calling for service provisions to ensure public services, particularly public services in the areas of water provision, health matters, education, internal and external security, in the sector of sovereignty administration as well as in every area of service administration, which are organised by the area corporations in the sense of subsidiarity principles, within the context of democratic control, according to the principle of proximity to citizens. The market risk is incompatible with the orientation of these services to the common good and the associated requirements!

Basic needs, such as energy, which is already available on the free market, are, if competition fails to work, to be governed by a competition authority with sufficient
powers to regulate prices officially. If energy companies, by fixing prices, make billions in profits on the backs of their customers, national states cannot stand by idly.

3.3. More tax equity

The – nationally agreed – tax policy must always ensure the fairest possible distribution of the burden and one must, therefore, ensure that the obligation to finance, pro-rata, the state oriented towards the common good, is met by taxing and charging everyone. Tax exemptions must, therefore, be abolished and measures put in place to ensure that international-based companies pay taxes in every country, in which they manufacture and sell their products. The CTUP requires that each state working towards the common good is financed in a balanced way. Not only workers and small or medium sized businesses, but also internationally-active and large companies must make their fair contribution towards financing states working towards the common good.

3.4. Equality of treatment

The CTUP calls for the principle of “A fair wage for equal work” to be integrated into the private sector. It is not right that there are different levels of pay for similar work in the same company, based on gender or origin. In order to achieve more equality of treatment, plans to promote women are to be implemented and existing maternity models to be constantly developed, so that no-one is disadvantaged. Sensible integration methods should prevent immigrants from being disadvantaged in their working life.

3.5. Active integration policy

In the future, the states of Europe will need immigration – not least because of their demographic structure. A differentiation has to be made, however, between immigration and asylum. As European states, we must, in the future, help anyone, who is persecuted in their homeland. Humanity dictates this. We should, however, ensure that any misuse is prevented and that the relevant processes are quickly completed, so that everyone can be clear about where they stand as soon as possible.

Immigration must, above all, be available to any person, whose qualifications are needed in the relevant countries. We should ensure that, on the one hand, extensive help is available (language teaching provision, help in seeking accommodation, etc.) and, on the other, obligations are met, such as recognising our basic rights and freedoms, equal opportunities and abiding by our legal system etc.

3.6. Education

Education is a broad term, which goes way beyond schooling. In terms of school-based education, the CTUP believes it to be important for a differentiated and performance-based school system remains in place, so that our schoolchildren receive the best possible socially integrated advancement. Furthermore, we must thoroughly review the places where our children and young people learn (families, circles of friends, social environment, etc) and find out where these young people need help and support.

Education and continuous training must be guaranteed for life and promoted accordingly, thereby ensuring the permeability of the education system. This means that the (professional) learning process does not end with initial education, but has to be constantly renewed through lifelong learning.