

ETUCE

European Trade Union Committee for Education EI European Region

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EUROPEAN REGION-ETUCE

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STATEMENT FROM THE ETUCE ON THE ECONOMIC CRISIS

The ETUCE Committee assembled to its meeting in Brussels 10-11 October 2011 declares:

- 1. It is well known that the economic crisis that started in 2008 is the worst since the 1930's. During the summer 2011, the crisis dynamic has entered a new devastating cycle in Europe, putting the Euro zone at risk of collapse. Financial markets are in a situation of simple panic and the distrust towards the national credit reliability has spread from Greece to Portugal and Ireland, then to Italy and Spain. As a result, there is a big risk that panic and mistrust can turn the current sovereign debt crisis into a new liquidity crisis for the European banks. In parallel, the economy is again showing signs of slowdown, leading several analysts to predict a global recession involving new peaks of unemployment in 2011-2012.
- 2. The reactions from national and European public authorities came too late and were sufficient neither to calm down the panic of financial markets nor to trigger a new growth cycle. On 28th of September 2011, the European Parliament has endorsed parts of the "Euro-Plus Pact" as proposed by France and Germany but rejected the provisions enabling the interference of European institutions in the national collective bargaining processes, thanks to the pressure from the trade union movement. However what remains on the table for European policymakers are a collection of austerity measures and sanctions and the threats to the sovereignty of national collective bargaining have not disappeared.
- 3. The countries that were bailed out are forced by the Troika (European Central Bank, European Commission and International Monetary Fund) to implement austerity plans, cutting in wages and pensions in the public sectors and overall severely undermining welfare. Many countries, whether EU members or not, are implementing similar austerity policies.
- 4. In both EU and non-EU member countries, 'Austerity' has proven itself unable to tackle the crisis, weakening the demand and hence blocking the start of a new growth cycle. Morally speaking, Austerity is unfair in its essence as it intends to make ordinary citizens, and even more, the most disadvantaged in society, pay for the greedy and short-sighted behaviour of some private players who led the economy into the crisis

- 5. The ETUCE, along with the European and global trade union movements, does not believe in any of the "everyone for themselves" solutions. Neither a break-up of the Euro zone nor a re-nationalisation of European economic policy would bring any kind of good result in the medium-term. Also, it is the duty of trade union organisations, in particular of the teachers, holding a special responsibility in society, to combat the right-wing populists parties taking advantage of the current climate of confusion to push their nationalist agenda. The ETUCE believes in a policy based on solidarity and fairness recognising the need for solutions to regulate the financial market avoiding a complete panic and destabilisation of the European economy.
- 6. A new course is needed. As far as the EU is concerned, the ETUCE supports the ETUC Statement to the EU Finance Ministers meeting in Wroclaw on 16-17 September 2011 with proposals concerning: Eurobonds; a partial transfer of national sovereign debt into European debt up to 60% of GDP; setting up a European Bank for sovereign debt with access to the ECB's liquidity operations; a European public rating agency; a European investment programme to revive the hardest hit economies, helping distressed economies to restructure debt; investment in infrastructure and jobs for a transition to an energy- and resource-efficient model; dropping the co-financing requirements for the structural funds for countries in difficulties and the involvement of trade unions in the management of projects; new sources of European taxes such as an FTT; a harmonisation of the corporate tax base along with a minimal tax rate as part of limiting fiscal dumping; and action on tax evasion and the abolition of tax havens.
- 7. Education is not only facing the consequences of the crisis; it is facing the consequences of the lack of vision and courage of policymakers. We must assert yet again, that education as a core investment for the future of Europe is a key part of the solution to the economic crisis. Slashing education and other public services at this time is not only unfair and unhelpful: it is actually deepening the crisis and causing long-term damage to our economic prospects and the fabric of our societies. The economic crisis is being used in a number of countries to impose deeply ideological and controversial neo-conservative policies as if they were objective responses to crisis. Education is recognized as an essential investment for the well-being of people, both present and future, especially in the context of an economic crisis, by all stakeholders and observers. The Council of Europe, the Council of the European Union as well as all the national governments' high level representatives, all have, at some point, admitted this basic truth. The gap between the wide recognition of the importance of education and the behaviour of many national governments since the beginning of the crisis illustrates the vulnerability of education in a political context dominated by short-term solutions.
- 8. The surveys and studies undertaken by Education International and the ETUCE found that the austerity and cutback policies, most of the time

imposed without any consultation of the teachers' organisations, have a direct impact on the teachers' working conditions at all levels of the sector in European countries. Massive dismissals of teachers and/or full-time equivalent teaching positions not being replaced when retiring; foreclosures of institutions; clear cuts in wages, pensions and/or non-wage benefits; unpaid supplementary hours; oversized classrooms; lack of appropriate infrastructures and equipment; impossible workload increases; all have been reported by ETUCE member organisations as a direct or threatening impact of the austerity and cutback policies. Thus, it is not overreaction from the teachers unions to state that the teaching profession is under attack.

- 9. This happens in a context where basic trade union rights are denied to the teachers in some countries in Europe, forcing the teacher unions in these countries to act outside of any institutional recognition and, in some cases, facing legal or even physical threats against their representatives.
- 10. Facing this exceptional situation, the international teachers' trade union movement has, more than ever, to coordinate its action in order to deliver a strong and united response to these challenges both enhancing the international solidarity of all teachers and respecting the national identity of education.