From September 29 to October 2, 2015 the European Trade Union Confederation (ETUC) celebrated in Paris its 13th Congress under the slogan “A Fair Society: Quality Jobs and Workers’ rights”. The congress closed a four-year cycle during which the European trade union movement faced, among other challenges, the worsening of the economic crisis, the reinforcement of austerity policies and the creation of a new European economic governance. Now it is a good time to take stock of the place of European trade unionism in the continent’s economic and political landscape, and of the proposals the ETUC is making to shape such landscape.

The euro crisis and the unions

The European sovereign debt crisis has had devastating consequences for trade unions as supporters of the European Social Model (ESM). It has brought about the deterioration of social and labour rights, and with them a decrease in the institutional and political power of trade unions. The Great Recession has led, for one thing, to a sharp rise of unemployment and inequality in many European countries. For another, labour and social policies have often been used as the main variables in economic adjustment policies, which have relegated social objectives to a secondary role, at best, compared to the objective of fiscal consolidation.

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These developments have affected trade unions both nationally and supranationally. The national level has seen a shift in the role of the EU from being a reform-adviser to being a reform-imposer. In some countries conditionality has been enacted formally through bailout agreements and the implementation of Memoranda of Understanding, while in others it has been introduced informally through methods such as “backroom diplomacy”. Whatever the case, EU conditionality has always translated into domestic structural reforms in exchange for some kind of financial relief, and a strengthening of the EU’s surveillance powers—reinforced more generally by the tightening of the Stability and Growth Pact rules, in
the first place through the Fiscal Compact.

Contrary to what happened during the recession of the early 1990, which saw a re-emergence of social pacts, the current penetration of EU governance into national corporatist processes has been detrimental to labour organisations and to social dialogue as a policy method. Whereas some European countries have experimented a survival of “crisis corporatism,” in which unions have accepted the rules of wage moderation and national competitiveness [1], the countries most affected by the crisis, particularly Southern European ones, have witnessed the erosion or total disappearance of the corporatist model. Most governments in these countries have implemented EU-mandated austerity measures unilaterally, leading to the marginalisation of trade unions in the political and policy process.

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Things have not been too different at the supranational level: while the ETUC has participated regularly in Tripartite Social Summits with the EC and employers organisations throughout the duration of the euro crisis, its role has been mostly secondary, given the EU institutions’ preference for fiscal over social issues. The situation is similar in the European Parliament, with a majority of MEPs being on the centre-right side of the political spectrum, and European social democracy unable to propose a convincing alternative way out of the crisis—so leaving the ETUC without strong allies.

The need for political creativity

Given the unions’ marginalisation in the political and institutional spheres, they have explored other ways to shape EU policies. At the national level, most of them have tried a combination of social dialogue (where and when possible) and contentious strategies, including general strikes. At the supranational one, the ETUC has carried out a number of campaigns, such as the 2009 initiative “Fight the crisis: put people first,” one of the many campaigns aimed at proposing economic policies “with a social face.” Another important date was November 14, 2012 when a call for action by the ETUC led to the organisation of a
Southern European-wide general strike.

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However, the development of supranational union action faces many obstacles. Two are worth noting here: first, the effects of the crisis have not been the same across Europe. Whereas southern European countries have experienced high unemployment rates, Nordic countries have been able to give a more expansionary response to the crisis and keep high employment levels. Second, trade unionism practices are quite different across the continent. While in southern Europe trade unions are truly political actors and regularly use strikes as an instrument to pressure governments, in some continental and Nordic countries general strikes are not even available in the strategic repertoire of trade unions. Hence, the euro crisis has highlighted that trade unions are not immune to some lines of conflict that characterise the European “clash syndrome.” Divisions between high and low-wage countries or between the centre and the periphery of Europe have become salient in the ETUC decision-making processes, ultimately hindering the viability of a cohesive response.

A glimmer of hope?

In spite of the difficulties, lately we can observe a slight change of course in European trade unionism. The ETUC has traditionally maintained a critical support for the European project. While this “yes, but” position is still generally valid, there seems to be in place a turn to a more adversarial approach. In fact, during the Eurozone crisis the ETUC opposed for the first time in its history a treaty reform, the Fiscal Compact.

According to the manifesto of the ETUC’s Paris Congress, the policies of the Fiscal Compact,

stifle demand and growth, create the risk of deflation, and undermine the industrial base vital to long-term recovery. Cuts increase public debt, damage public services, and destroy jobs. Workplace and industrial democracy, social dialogue, consultation and collective bargaining are being ignored or undermined in many countries.
The ETUC, the manifesto continues, will not support any European Treaty that does not include a Social Progress Protocol. We cannot argue that European trade unions are more Eurosceptic now, but we can definitively say that they aspire to a different Europe. Different does not mean less Europe. On the contrary, as the Paris manifesto demonstrates, the ETUC continues to strongly support the consolidation of the political and economic pillars of the European integration project, and defend an increase of the European budget and a renewed role for the ECB, among other proposals.

For the next four years, European trade unionism aims at recovering the political and institutional power lost during the crisis. At the supranational level, the ETUC asks to be present in the new economic governance architecture and to be consulted during both the European Semester and investment plan negotiations. At the national level, the European trade unions demand being included in decisions regarding national investment plans, the strengthening of collective bargaining and the respect for the autonomy of the social partners in the social dialogue.

All in all, European trade unionism stands out now as the last true expression of social democracy in the continent. From the 2008 Social Compact for Europe onwards, the ETUC has developed a coherent political economy program with the objective to exit the crisis through economic growth and investment. Some of their suggested policies have partly been carried out by the European institutions (for example the Juncker Investment plan) although they were finally developed to a lesser degree than the unions would have wished.

Finally, as the title of the Paris manifesto shows, the ETUC will attempt in the next four years to fight job precariousness and achieve quality jobs for all. European trade unions are launching a major campaign to show that, although macroeconomic indicators are improving, the crisis continues for the majority of the population, who have seen their salaries reduced, their job stability weakened and their public services cut.

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Whither European unionism?
By Angie Gago