



European Trade Union Confederation (ETUC)
Confédération européenne des syndicats (CES)

Intervention by John Monks
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DGB Congress

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President, delegates,

Your time is precious. My speaking time is limited. So I will limit my intervention to the essentials.

The global casino is turning at maximum. Financial markets seem to drive politics. The turmoil on these markets, the high speed speculation against the European currency, the uncontrolled power of rating agencies – all this is constantly threatening our European cohesion, our social fundamentals, our social model, the social market economy.

Greece, where for a time, cosmetics took the place of statistics, and where the economy needs to be restructured, was chosen by the global financial speculators as the side entry to attack the Euro and to undermine the European project. And there is an enquiry on the way that Goldman Sachs gave a hand to advise how to transfer statistics into cosmetics.

The bill is presented again to our people while bonus champions are

still in a good mood. The new Greek government is, since October, trying hard to bring the country back on track.

The hard measures are a strong challenge to our Greek affiliates. I sincerely hope that the Greek society as a whole is able to find a common way out of the dilemma.

The European answer to the Greek situation was without alternative. It is about Greece but it is also about the Euro and the European Union as such. It is about own interest but it is also about solidarity. The European trade unions will make sure that Greek workers do not pay the price of recovery. The rich and the comfortable must not escape their responsibility.

Those financial agents that generated benefits in the midst of the disaster cannot be allowed to stay observers. They must contribute. Speculation, profits, bonuses and international financial transactions must be taxed.

Let's start with that where we are: in Europe. Let's regulate hedge funds now. Let's stop the financial locusts right away. Let's introduce a financial transaction tax.

But, friends, the answer to the attack on the euro came late and was characterized by European hesitation. This again encouraged the global speculation to take advantage, at the expense of us all. It

cannot be that regional elections are slowing down bitterly needed common decisions in a united Europe.

The recent decisions of the EU council and the finance ministers to counter, with an enormous financial package of guarantees, the attack against our stability were the right ones but the terms are too tough on workers, harder indeed than the IMF alone would impose.

Even the Economist said last week “nobody can be sure which will come first, economic growth or social rebellion”.

There is now a real risk of a double dip recession. Cutting public expenditure in a recession is what President Hoover did in the States, what Reichchancellor Brüning did in Germany in 1931, provoking depression and the tragedies of the 1930s. The EU must not repeat the mistakes of history.

I subscribe to what your president repeatedly has been asking for: to finish with dubious so-called financial products and with Hedge Funds out of control.

But all this is only part of the solution. A common currency without a common and coordinated economic, financial and fiscal dimension is not sustainable. We need more Europe, but European governance must not be just about unpopular cuts. It must be about growth and jobs, hope and prosperity.

The volcano eruption has set an example. I do not dare to pronounce the name – this is a privilege of instructed Icelanders. The volcano did simply its job. Europe was not prepared. Chaos in our airspace was the result. Now governments are ready to start with an airspace regulation and harmonization. Europe as usual. Problem first – answer later. But better later than never. A lesson to be learned and valid for the economic, financial and social dimension. A lesson to be learned. Thanks to the volcano. The lesson is that the time of political tranquilizers and window dressers and cosmetic bankers like Goldman Sachs must be over.

President, delegates,

To mobilize brain and people, to strengthen our voice and influence in Europe must be considered as a priority. Europe, but also the European trade unions are projects constantly under construction.

ETUC must not be put on a status quo but must be further developed. And the European branch federations need to be strengthened to transform in the medium term, ETUC into a confederation of industrial, public and private service federations.

The DGB was an outstanding supporter, and a corner stone of the founding of our organization. Your strength, your loyalty, your

involvement is essential for further progress in the European labour movement.

Michael, delegates,

We still have a long way to go. We can do it. Let's do it together. Thank you for welcoming me. Thank you for your engagement. Thank you for having sent to us Reiner Hofmann as Deputy General Secretary who was exceptional and whom we are missing.

All the best for your congress. Glück Auf !