

Speech for Thessaloniki

Dear colleagues,

Let me begin by conveying the very best wishes of our president, Henri Malosse, for the success of today's conference organised by Group III here in Thessaloniki.

This conference is extremely important right now as we desperately need a change of strategy for Europe.

Group III has taken this initiative and, for that, deserves the thanks and appreciation of the entire Committee. I too would like to add my own thanks for being able to be here today.

Europe needs a sustainable growth strategy.

The downward spiral must be stopped. We need investment in sound jobs – investment in prosperity for everyone. Greece, Spain and other countries cannot grow if their domestic markets have been brought quite literally to breaking point in the quest for savings.

We need to put an end to the anti-social diktat of austerity as quickly as possible.

The conditions imposed on the countries in crisis are based on the contention that their problems are rooted in lax budget policy and a weak economy.

High costs result in poor competitiveness and low GDP – according to widely-held opinions.

As a result, the entire anti-crisis policy focuses on two objectives:

- Government spending and wage costs are to be curbed.
- Greece needs to reduce 150 000 jobs in the public sector and intervene in free collective bargaining to cut wages. Pensions and benefits are being slashed.

However, wage, pension and welfare cuts also cut purchasing power, consumption and, ultimately, GDP. Simultaneous cuts in government spending simply make matters worse. For that reason, the economies of all the crisis-hit countries are currently in a state of collapse.

Almost one in four people in Spain and Greece is out of work.

In recent years, 800 000 jobs have been lost in the Greek private sector.

In these crisis-hit countries in particular, we need effective social dialogue – dialogue that goes right to the heart of the matter.

This makes it all the more important to have the proper structures in place in both government and society.

Making savings is not in itself a bad thing.

But if growth grinds to a halt, if the spiral of debt is exacerbated by false economies, then making savings becomes a very bad thing indeed.

Two weeks ago, the Committee called for a new social action programme for the EU.

The programme should include tangible measures for the reindustrialisation of Europe, the reduction and elimination of mass

unemployment, the safeguarding of fundamental social rights, the promotion of entrepreneurship and new jobs, and, last but not least, an all-out fight against poverty.

This would be a more efficient and effective step towards overcoming the crisis.

What Europe needs now is not critics or doubters who block anything and everything that is promising of success. What we need are people to take the bull by the horns and help build up the Europe we hold so dear.

This is the target we in civil society have set ourselves.
