

DARE TO SHOW MORE SOLIDARITY

Conclusions
from the Corona crisis

Michael Vassiliadis
IG BCE Chairman

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IG BCE Chairman

„ANYONE LOOKING FOR ANSWERS TO THE SOCIAL AND ECONOMIC CONSEQUENCES OF THE CORONA-VIRUS WILL FIND THEM IN A RE-NEWED VITALITY OF OUR TRADE UNION LEITMOTIF: SOLIDARITY AS A DEFINING PRINCIPLE, BOTH IN THE WORLD OF WORK AND IN SOCIETY AT LARGE.“

1. The deepest economic crisis of the post-war period

After almost a decade of stable economic growth, in mid-2020 Germany and Europe find themselves in an unexpected economic crisis of unprecedented proportions. Virtually overnight, the Corona pandemic has destroyed or at least made unsafe all previous prospects for stable economic development as well as good employment and income prospects for broad sections of the population.

According to all scientific forecasts, economic output will plummet this year. Even assuming a favourable development in the second half of the year, we must expect a significant overall decline.

It is still uncertain whether and how quickly a new upturn will occur. What is certain, however, is that the Corona recession is endangering jobs and companies to a degree that even exceeds the global financial and economic crisis of 2008/9.

In the wake of the pandemic, within a few weeks and months, work and life in our country have changed profoundly. The shutdown ordered by federal and state governments has fought the spread of the virus with distance rules, with restrictions on private contacts and public freedom of movement, with the closure of schools and daycare centres, shops and leisure facilities, and with strict hygiene regulations and health protection at work.

These temporary interventions in fundamental rights, individual freedoms and social interaction, which are justified in the pandemic, were necessary to protect public health and lives. And they were so successful that a gradual return to a new normal could take place – to a normal that must be shaped by the awareness that the virus is still present and not defeated.

Incidentally, the globally increasing number of infections shows in all severity that only a vaccine yet to be developed promises protection against a serious case of COVID-19 and is a real option for normalization. Until then, further medical and economic setbacks as a result of “another wave” cannot be ruled out.

For employees, this means ongoing worries about their own health and the well-being of their families, combined with worries about job security, training and subsequent employment, income and prospects for prosperity. In this time of new uncertainty, the trust in trade union protection and in a welfare state that minimizes existential risks is more important than ever.

Anyone looking for answers to the social and economic consequences of the Coronavirus will find them in a renewed vitality of our trade union leitmotif: solidarity as a defining principle, both in the world of work and in society at large.

- Union solidarity offers individual, political and social orientation in times of crisis and change.
- Trade union action means active services of general interest instead of being defencelessly at the mercy of the virus, political conditions and opaque market powers or employer arbitrariness.
- Union activity renews confidence and creates socially just opportunities for the future.

2. Again, Germany is getting through the crisis better than other countries

The dramatic dimension of the crisis is essentially due to the fact that it affects not only Germany, but almost all countries at the same time. It is therefore not to be expected that singular advances in one economic area will generate rapid, problem-solving economic stimuli for other regions. This makes national initiatives all the more important, which must be embedded in programs for economic recovery to be coordinated globally as far as possible, but at least at the European level.

Corona is making the world more of a community of destiny than ever, with world trade as a complex network of value chains and mutual dependencies. More cooperation instead of national egoism, joint action in times of crisis and fair rules in globalization – that could be the basis of a new, worldwide perspective on progress.

In this context, Germany has a special responsibility. After all, compared to other countries, Germany again has the chance of leaving this crisis behind faster than other industrialized nations. As in the global financial and economic crisis of 2008/9, our strong industrial base, an effective welfare state and the cooperation between politics and social partners are proving to be a structural advantage over countries without these fundamental strengths.

The fact that the federal government quickly and resolutely put up protective shields worth billions for companies and employees is not least due to the influence of the trade unions. Regulations such as short-time work as a protection against a rapid decline into unemployment have by now become an international model and have also been incorporated into the fight against the crisis at the European level.

Securing purchasing power, stabilizing jobs and bringing the economic base through the crisis as undamaged as possible – that has been and is the consensus reached between politics, business and trade unions and the basic guideline for action in this critical, exceptional situation.

As a result, no other industrial country invests more money per capita in social protection and economic aid than Germany. IG BCE has been a major influencing factor here.

State action is accompanied by agreements at industry and company level. In this way, the social partners ensure rapid and practical implementation of state aid. At the same time, they make additional contributions to crisis management on their own and under their own responsibility – for example in the form of collectively guaranteed increases in short-time work allowances, in securing company and industry-wide training, in protection against infection, or the regulation of work from home.

NONE OF THE IMPORTANT POLITICAL DECISIONS FOR WORKERS TO COMBAT THE CORONA CRISIS CAME ABOUT WITHOUT TRADE UNION PARTICIPATION – NOT ALWAYS 100 PERCENT WITH THE DESIRED RESULT. BUT IN MOST CASES WITH CLEARLY RECOGNIZABLE BENEFITS FOR MEMBERS AND EMPLOYEES.

3. Aligning Germany's structural qualities with future challenges

Especially these times of crisis confirm that a policy geared to market egoisms and one-sided capital interests does not offer sustainable solutions, but on the contrary has a destructive effect and aggravates the crisis. A quick glance at the US underscores this, where the crisis is accompanied by skyrocketing unemployment, blatant injustice and social unrest. And also the development of the number of infections and COVID-19-related deaths there confirms the German model of social equality and cooperation between politics, business and trade unions.

- Neither the US nor China, with their different economic and social models, are suitable role models.
- But the model of social responsibility and justice in a free democracy is, in which we play a significant role in defining it for Germany and Europe.

The strengths of the German model and the European alternative to Chinese-style command capitalism and to the uncivilized, cold capitalism of the US are particularly evident in these days of crisis. The difference to countries with organized social irresponsibility and deliberate structural weakness of the trade unions is becoming more obvious. It is all the more important to draw the right conclusions from this now. Because in the transformation fields of the future, Germany is facing other, similarly demanding, Herculean tasks.

The crisis hits Germany – like Europe and the rest of the world – at a time when the decisive course is being set for the restructuring, due to climate policy, of all of the economy and society. The ongoing debates about supports for and the future of the automotive industry and its suppliers, about aviation and aircraft manufacturers, about the restructuring of the energy industry and the associated exit from coal-fired power generation reveal the challenges and conflicts this is associated with.

The goal of eliminating CO₂ emissions as completely as possible by 2050 demands a huge, fundamental structural change from almost all industries IG BCE is responsible for, from the chemical, paper and glass industries to rubber and cement, aluminium and copper as well ceramics. At the same time, companies and industries are subject to the ongoing digitalization of production, jobs and business models – with uncertain consequences for employment opportunities and the future in Germany.



The transformation process is also taking place at a time of increasing trade conflicts and a redistribution of world markets driven by power politics. The already weak rules of globalization are being overturned and rewritten by the US, China, and also by Russia, albeit not in the spirit of cooperation and solidarity, but solely with the aim of attaining a one-sided advantage in the future growth of the world economy to be redistributed during the crisis: between the countries and, by the way, between the haves and have-nots within countries.

This threatens to reinforce the destructive component of globalization. Despite the drastically accelerated economic growth and improved living conditions, especially in Asia, it has not been possible to reduce the dramatically unequal distribution of wealth and opportunities. On the contrary, the level of blatant social injustice has again increased worldwide. And wherever that is the case, for example in Brazil, this development is regularly accompanied by the harshest attacks on democracy and trade union rights, as well as enormous damage to environment and climate.

It is all the more urgent to counterbalance this development politically and conceptually. IG BCE can and wants to make a contribution to this by using union strength to continue the German model of success and align it with the key challenges of the future. And that means:

- A strong industrial base remains the starting point for the necessary innovations and investments, both in terms of climate policy and digital transformation.
- Without a state that is capable of shaping the economy, social equilibrium in economic activity and industrial policy support for the transformation processes – such as the development of a hydrogen economy – will not succeed but lead to structural disruption and social upheaval.
- The cooperation of the social partners offers the opportunity to enshrine the principle of social justice in the transformation process and to make Decent Work the yardstick of structural change.

Where this cooperation is lacking, social scandals and health hazards regularly arise, inside and outside of crisis situations, as the latest examples of insufficiently regulated business models in the meat industry illustrate.

In order for the transformation to be successful both socially and economically, the participation of employees and their trade unions, in the world of work and in politics, is necessary in order to prevent a one-sided orientation towards group egoisms and individual interests.

This is confirmed by the history of industry and trade unions, but it is also one of the core lessons from the Corona-related turning point.

4. Strengthening and developing the European alternative

An economy that relies on competition as its driving principle and is organized as a market economy, needs social balancing of economic action as a counterbalance. Otherwise, the imbalance of power and opportunities leads to naked exploitation of dependent employees and to outrageous injustice, in terms of income and assets, in health protection, and even the distribution of educational opportunities.

Based on this experience, workers formed trade unions at the beginning of the industrialization process and since then have fought for participation in growth and prosperity as well as individual freedoms for workers. The 130-year history of IG BCE is a story of hard-won social progress that is updated year after year. The next chapters will undoubtedly be written under the headings of Corona crisis and transformation.

The fact that social justice is still of systemically relevant importance for the functioning of a market economy is particularly evident in this time of the pandemic. Without a stabilization of incomes and thus purchasing power, there will be a lack of demand and sales opportunities for goods and services. A successful crisis strategy based on solidarity therefore not only protects employees from existential hardship and loss of work. It is also a prerequisite for a new upturn and retains the necessary skilled workers in the companies.

The trade union understanding of solidarity differs fundamentally from superficial one-off campaigns such as the 500 euro bonus for employees who were particularly stressed in the Corona crisis, for example in the health sector. This material, once-off recognition, indubitably deserved, is granted just as quickly as it is denied. At least as long as it is not enshrined as a real legal claim to Decent Work in the union sense – inclu-

ding permanent fair pay, guaranteed by collective agreements.

SOLIDARITY IN A TRADE UNION SENSE IS NOT MERELY A MORAL CATEGORY. IT IS A FUNDAMENTAL SOCIAL AND ECONOMIC POLICY PRINCIPLE.

Where it is implemented, employees are neither beggars nor do they need charity. They self-confidently derive their right to social justice in the world of work and social protection by the welfare state from their own work, tax payments and contributions.



The social order of the world of work and its structuring by the unions is the starting point for real participation by the vast majority of employees. Where this is lacking, in the end there is a lack of social equality and justice in society and politics generally.

- Without the co-creation and co-determination of the workforce and their unions, there are no effective long-term limits to the dominance of price and return orientation in competition.
- Without the political power of the trade union movement and its formative power in the world of work, public social policy is always in danger of being subject to global market events and the logic of competition between different locations.

Obvious evidence of this can be found not only in an international comparison, but also in the German and European world of work. The more companies and industries are shaped by union structures, the greater the protection against unemployment and social decline, the easier to protect people from infections and to contain the virus.



UNDERSTOOD AND ENSHRINED IN THIS SENSE. SOCIAL JUSTICE ALSO MEANS HEALTH CARE AND CRISIS PREVENTION – AND THUS ALWAYS A WORTHWHILE, PROFITABLE INVESTMENT IN ECONOMIC AND SOCIAL STABILITY.

5. Tariff-free zones and sectors with insufficient unionization

Despite its proven advantages, the German model suffered some damage in the years of world-wide neoliberal dominance, in the time of the shameless excesses of aggressive financial market capitalism, which finally resulted in the global financial and economic crisis of 2008/09.

A decade later, the undermining of the German model, which has been systematic in entire industries and has not yet been adequately corrected, is weakening our country's future viability. Above all, it is the lack of order in the world of work and the refusal to allow trade unions to make a contribution that are eating away at the foundations for good development and crisis resistance.

Naked exploitation in the manner of large-scale industrial slaughterhouses, seasonal workers in agriculture and in Europe-wide logistics is not only promoting the risk of infection. Such early capitalist conditions in the middle of our country are also a social source of infection; in the long term they contaminate our culture of work shaped by social partnership. It is a scandal within a scandal that it was only during the Corona crisis that public perception and political attention were attracted to such conditions.

Now that these conditions of exploitation have been exposed, IG BCE sees it as a joint trade union task of the first order to socially ostracize and re-regulate them with state authority and political dynamism and to fight them with all our might.

Perhaps less dramatic at first glance, but nevertheless unbearably in conflict with the trade union principle of solidarity, are the inadequate conditions of work and pay in many areas of personal services. This regularly corresponds with an equally inadequate collective bargaining structure and unionization of individual companies and entire industries.

Where this is lacking, the instruments of the welfare state will also have a limited effect in the Corona crisis.

- In IG BCE's view there must be no more quasi-extraterritorial areas in Germany in the future that elude the standard level of Decent Work in a developed industrial society.
- To change this requires a political counter-movement and a union initiative.

To be able to return to a socially constituted order throughout the world of work, all the abuse dimensions of labour market policy tools that favour exploitation and isolation must be pushed back. This is a priority, especially in these demanding times of Corona. Otherwise, in the course of the crisis, such employment relationships could be reinforced instead of corrected – from temporary work and fixed-term contracts to new forms of pseudo-self-employment such as the so-called solo freelancers, clickworkers, and other platform proletariat.

Diversity and flexibility in working relationships may correspond to the needs of a broad corporate and industry landscape, which differ according to requirements and markets. It has been proven that this can be adequately taken care of within the collective bargaining system.

- But business models that only work at the expense of Decent Work and of social protection have no place in our country – and by the latest with the Corona crisis they lost all legitimacy.

6. Social (and political) stability has its source in the world of work

During the transformation, employment relationships will continue to change. Digitization, for example, enables new forms of mobile working, as they were already being used in many companies during the weeks of the shutdown. This could provide the initial spark for accelerated digitization, for example in administration, always with the employer aiming at reducing labour costs and save personnel.

In the automotive industry and its suppliers, the pressure on jobs and employees is already increasing. The Corona-related loss of demand and the switch to e-mobility for reasons of climate policy call the established product lines into question. At the same time, new sales and employment opportunities are not emerging at the same rate. In addition, there is uncertainty among the workforce as to whether today's qualifications will also meet future requirements and how the transformation will affect pay.

The new (and old) uncertainties in production, research and administration, whether due to Corona or the transformation, can certainly not be resolved solely or completely through trade union action. But the prerequisite for being able to intervene and contribute in the interests of the employees at all is orderly employment relationships with co-determination and collective agreements.

The conditions for the union's ability to act must be in place so that employees are not only objects of change, but participants in and co-creators of change – be it in company and collective bargaining agreements for further training, for securing jobs and sites, for conditions for home office and mobile working or for decent compensation for new requirements and jobs.

Only a stable, union-shaped structure in the world of work will give employees the certainty of being protected from existential risks. For example, if the short-time work allowance is topped up by the employer through a collective agreement. Sick leave and unemployment benefits are also dependent on earnings, as is the future pension. For dependent employees, it is the unions' collective bargaining policy that sets the standards for Decent Work, which in turn determine good old-age pensions and the level of social security benefits.

Where this is not the case or is insufficient, the short-time work allowance is just as insufficient for living as any future pension. The Corona crisis has shown this connection again, for example in the public debate about the different levels of wage replacement benefits and the social justice imperative.

Even a well-developed system of social security therefore remains dependent on Decent Work with the most universal tariff structure and best guarantees possible – in terms of its general level of financing as well as of the level of individual security in the event of unemployment or old age.

On the other hand, the makeshift solution of state-set minimum standards – whether minimum wage or basic pension – leads to a drastic decline of the welfare state. If the number of jobs without a collective agreement continues to increase, if instead minimum standards apply to more and more employees, then every future crisis will become a social catastrophe – and it will hardly be possible to cope with it in a socially acceptable manner.

The decline of the welfare state associated with the loss of union influence and the makeshift replacement by minimum standards ultimately minimizes social cohesion and abandons the claim to solidarity and fair coverage of the major risks to life in a capitalist economic and social order.

It is to be feared that the dynamic of the transformation in an even more divided world of work (in terms of collective bargaining, precariousness of work, marginalization, pseudo-self-employment, non-collective bargaining) will deepen the existing discrimination and create new social injustice – in education and training opportunities, in the freedom to choose working hours and in the individual influence on work and workplace design, but also in pay, mobility and health protection.

AN INADEQUATELY REGULATED WORLD OF WORK, WITHOUT A BINDING, ORGANIZED BALANCING OF ECONOMIC ACTIVITY AND WITHOUT A REAL SOCIAL PARTNERSHIP ON AN EQUAL FOOTING, MEANS SURRENDER TO SYSTEMATIC INJUSTICE.

The justice deficits thus created will drastically increase the potential for social conflict. It is foreseeable that future governments will make decisions about the minimum wage under pressure from populism or from powerful economic interests.

These immediate distribution conflicts will put a strain on the political climate. Unlike today, the democratically legitimized state and its political institutions could be overwhelmed and tend to be called into question.

In IG BCE's view, this gives rise to a clear orientation for the future:

- The safety promise of the welfare state needs to be supplemented by individual risk prevention action in the companies - both in old-age provision and in health protection.
- Instead of protection based on minimum standards set by the state, contribution-based security must be enforced on the basis of Decent Work – wherever new forms of exploitation undermine the German model.
- As a matter of principle, there must be no exceptions to compulsory insurance because we do not want American conditions, especially not in Corona times.

The current approval ratings for the federal government and coalition must be understood as approval of our model. People are rewarding the successful cooperation between the state and the social partners during this crisis. They have seen effective politics doing its job with social responsibility.

That has also pushed back right-wing populism. How fragile this success could be, however, is illustrated by the unbroken wave of crude disinformation and abstruse conspiracy theories in the social media.

Nevertheless, the recent Corona experience confirms:

- Democracy must to be rooted in the world of work.
- Democracy needs social security and equal opportunities.
- Democracy not only needs solidarity in times of crisis, it also needs everyone to have an adequate share in growth and prosperity.
- Democracy needs strong unions in order to assert itself as the better choice over authoritarian and extremist forms of government.

7. Departure from the crisis into a new era of socio-ecological opportunities

Across party lines, from science to business and environmental associations to the trade unions, there is currently an unusually universal agreement in our country on the right way out of the deepest recession of the post-war period: with investments in the task of the century: transformation.

This investment offensive is intended to supplement the immediate, short-term stabilization of employment, companies and demand, and to have a lasting effect as a long-term stimulus. The stimulus package launched by the federal government also pursues this strategy.

Indeed, the future challenges are fundamental.

- Climate change and the specific requirements to drastically reduce CO₂ emissions require a complete restructuring of both economy and society, nationally, Europe-wide, and globally.
- Digitization is changing work processes and business models, with a high potential for rationalization and effects on the existing international division of labour and market shares.
- The hegemonic efforts of the US and China are changing the current structure of globalization and increasing the potential for conflict in world trade. In the absence of any counterbalancing measures this will be at the expense of the German export nation and the economic development of Europe.

Against this background, we have to adjust to the fact that old markets, leading industries with a history of many decades of good, collectively agreed and co-determined jobs will at least change, some will be lost, while at the same time new markets and the products, industries and jobs of tomorrow are emerging.

It is therefore only obvious and welcome to use the enormous sums of billions of euro of the current fight against the Corona crisis to make Germany fit for the future transformation challenges at the same time.

As comprehensive as the agreement may be regarding this basic orientation, as vague are many of the verbal commitments to Germany's structural strengths, such as collective bargaining and co-determination. Solidarity and social justice are also often mentioned these days. But the structural prerequisites for effectively anchoring these values in society and especially in the world of work are rarely an issue.

This is all the more astonishing since, in IG BCE's view, there can be no economically or socially successful transformation that negates the obvious need for action in questions of social security and justice.

In the fundamental crisis suddenly triggered by the virus, Germany and the large, creative forces in politics, business and society refocused, ignoring the bickering of day-to-day conflict and recalled the strengths of the German model. However, in the combination of the Corona crisis and the Transformation debate, this clear prioritization threatens to be lost again.

If, for example, individual employers' and business associations want to turn temporary interventions in the Working Hours Act due to the Corona measures into the new, permanent standard in this country, then this is nothing short of an attempt to fundamentally reverse the political decision regarding the direction our society is to take that was made at the beginning of the fight against the crisis. Especially since there is no and never has been any factually justified and empirically proven need to reduce the level of social protection regarding working hours, but only an ideologically motivated demand from some employers' associations for deregulation.

- IG BCE expects especially the ruling parties to provide clear guidance that all future attacks on the social content of the German model will be rejected.
- In the 2021 election campaign in particular, IG BCE expects an answer from all democratic parties on how the successful German model is to be further developed under the conditions of transformation and strengthened as a fundamental component of the European alternative.
- IG BCE expects a clear commitment by all political parties that want to take responsibility in the federal government that the German way of fact-based social cooperation is not limited to times of acute crisis, but will also be continued in the long-term, bumpy road of transformation.

For most people, the complexity of the criss-crossing lines and forces of change is already increasing, and this intensifies immediate concerns about work, training, health and personal perspectives. This should be addressed with an encouraging strategy – and with a social understanding of Decent Work as a leitmotif for the Transformation processes.

- On the basis of the Corona experience, IG BCE believes that there is a great opportunity to combine social and ecological progress with economic prosperity in a societal coalition to modernize our country.
- We now have the chance to seize this possibly unique historic opportunity to overcome old political camps and stubborn conflicting interests and to create a new commitment to the value of cooperation – as a contribution to democratic and social stabilization in the conflict-ridden years of transformation, in Germany and in Europe.

Such an understanding presupposes that even difficult questions of distribution are answered in a spirit of social responsibility. As important as it was to expand the credit financing of state intervention in order to fight the crisis quickly, it will be necessary to agree on the terms of repayment with a view to social justice.



The return to economic dynamism opens up opportunities for high incomes and assets to once again achieve disproportionate growth.

CONSEQUENTLY, FINANCIAL CONTRIBUTIONS TO COMBATING THE CRISIS THAT DEMAND MORE FROM THE ECONOMICALLY STRONG THAN FROM THE WEAK DO NOT CONSTITUTE A FORM OF EXPROPRIATION, BUT INSTEAD AN INVESTMENT IN THE FUTURE.

- Germany – and Europe – need a paradigm shift in distribution policy in order to be able to raise the investment sums required for a successful transformation.
- At the same time, jobs offering Decent Work strengthen the state's income base and boost both demand and the economic cycle.
- The modernization offensive must therefore be combined with a justice offensive, both of which within a European framework, in order to avoid distortions in competition and incorrect management of capital flows.
- Such a justice offensive must also correct the mistakes in distribution policy resulting from climate policy decisions and preclude them going forward.



8. Stabilizing economic policy and investment strategies

The German government has responded to the depth of the global recession with an economic stimulus and investment program on a historically unprecedented scale. Nevertheless, there remain unaddressed tasks that must now be tackled with just as much determination.

The greatest employment and economic risk continues to come from the collapse in the automotive industry. Here, suppliers are particularly at risk. They usually do not have the financial resources the manufacturers command. That would have far-reaching consequences for the entire industry. If value chains are interrupted, not only will invaluable know-how be lost, but also the strongest argument in favour of automotive engineering in Germany.

This is why the federal government must set up a protective shield for suppliers, which, in addition to financial aid, also enables the state to acquire a share in small and medium-sized suppliers for a period of time. In addition, IG BCE calls for public continuation advice with union participation for companies that are at risk of bankruptcy. Union participation ensures that interests in securing sites and employment are appropriately considered as a counterbalance to any short-term and short-sighted sell-out of technology, innovation, production and employment. To prevent this, a fund solution at the German and European level should also be evaluated.

In addition, the EEG surcharge introduced to fund the energy turnaround must be financed entirely from public budgets in order to further strengthen the economy and provide long-term planning security for consumers and companies. Additional relief steps must be added to those planned so far. This would relieve all consumers by a total of 25 billion Euro, specifically the economically weaker households, making the restructuring of the energy supply, pursued for reasons of climate policy, fairer.

The expansion of renewable energies, power grids and storage as well as new, hydrogen-based value chains alone already shows that the dimension of the challenges in the transformation requires an investment offensive that is greater than any other effort since the reconstruction after the war. This requires strategic decisions and clear priorities in implementation.

- Change needs design and perspective – and societal agreements along the lines of the Commission on Growth, Structural Change and Employment.
- Without union participation and commissioning, the investment offensive and orientation towards the common good threaten to wither under the systematic pressure of an expectation of short-term returns, one-sided competitive thinking and markets in transition.
- To secure its future, Germany needs a Transformation Fund and new tools in order to be able to initiate and promote public and private investments in a targeted manner in the interaction between the state and business.
- Sustainability and sovereignty require the stabilization of value chains and a new understanding of the repatriation of systemically important production, from pharmaceuticals to data security, at least on a European scale.

A modernization programme for the further expansion of the physical and digital infrastructure programmes should be worth at least 100 billion euro, the implementation of which must be subject to the contractor's compliance with collective agreements and working conditions above the minimum level. Dumping competition must be ruled out where the state can exert direct influence on working and pay conditions.

In general, economic aid must promote secure and Decent Work and therefore come with conditions: social compatibility and, if possible, exclusion of redundancies for operational reasons, obligation to be bound by collective bargaining agreements and a works council, ensuring training, further education and qualification, tax compliance and no tricks with tax havens.

- Anyone who makes use of the state's efficiency must also adhere to the rules and principles that justify the current ability of state institutions to act in the crisis.
- Anyone looking for constructive cooperation between the social partners during the crisis must stand up for cooperation, participation and co-determination in the companies, the industries and at the federal level, with unquestioned respect of different roles and diverging interests.

Our goal is to answer the great human questions with the innovative strength of our industries, the creativity and know-how of the employees and decent work, guaranteed by collective bargaining and co-determination.

Germany has the financial and technological resources to make a significant contribution in particular in the fight against climate change. But even our strong country is far too small for the global climate goals to be achieved through national efforts. So all the more we have to seek cooperation with friendly nations first and foremost in Europe, but also worldwide, and direct our common strength into an internationally successful climate policy.

In the same way that Germany used to be the engine of medical progress as the "pharmacy of the world", we in Germany can and want to develop technological solutions for global climate change in the future – and, in international solidarity, also establish the financial conditions for their use in countries that are still far away from the level of prosperity achieved by the industrialized nations. This also calls for a reassessment of where and with what financial commitment the fastest and most powerful reduction in CO₂ emissions can be achieved.

We see climate policy, digital value creation, platform economy and new services as trade union tasks, not only on a national, but also on a European and international scale. We see innovation as the key to structural change that not only offers employment opportunities, but also creates Decent Work.

Anyone who instead wants employees to compromise on quality of life and social security should stop and think about the Corona experience.

The global pandemic clearly reveals how quickly and how drastically hard-won quality standards are lost in the world of work and in the everyday life of millions of people.

- IG BCE will oppose anyone who wants to impose new demands on our members and employees – whether seemingly selflessly and motivated by climate policy or ostensibly based on competition policy, but in fact clearly for their own gain.
- Our willingness to cooperate is conditional on solidarity and social justice.

9. Activating Europe, building solidarity bigger

The Corona crisis has added another *raison d'être* to the European Union. A virus that knows no borders cannot be fought on a merely national level, but only in close cooperation, at least at a European level. This applies to the prevention of the health consequences of pandemics as well as to the economic and social consequences.

Despite this, the first weeks with the virus were characterized by national solo efforts and egoism, for example in the procurement of hygiene products and protective equipment. That damaged the European idea of cohesion and cooperation and shook people's confidence in the European institutions.

IG BCE welcomes the fact that this phase of relapse into national narrow-mindedness has now been overcome and that joint action based on solidarity is coming to the fore. With the 500 billion euro aid package for member states hardest affected by the pandemic, the European Council has established an important road mark.

Rebuilding the European economy after the Corona shock must now be the central task – also for the German EU Council-Presidency this year.

IG BCE THEREFORE EXPRESSLY WELCOMES THE NEW, ACTIVE ROLE OF THE FEDERAL GOVERNMENT IN EUROPEAN POLICY.

The so-called "recovery fund" of 750 billion euro offers a way out of an impending European downward spiral of rising unemployment, higher debt and economic decline. This applies in particular to the new subsidy instrument encompassing 250 billion Euro, which are not to be repaid by the national states but are to be financed jointly from the EU budget.

This represents a paradigm shift towards more solidarity in the European community, something long demanded by IG BCE. Thus, in the regions and countries that have been particularly hard hit by Corona, new opportunities for economic recovery and employment are emerging.

Such a paradigm shift is not only a requirement of European solidarity, it is also in Germany's own interest, because a revival of the economy in this country will remain powerless as long as our European neighbours remain in crisis. This is due to the fact that 53 percent of German exports go to the EU. If the EU did not quickly find its way back to a clear growth path after the predicted decline in economic output of nine per cent, the result would be further job losses in our sectors and companies.

In addition, the value chains in Europe are so closely intertwined that slumps in one country, whether due to the economy or pandemic, have a direct impact on the production facilities in other countries. Europe can deal with the economic crisis and the pandemic together – or not at all.

As in Germany, combating this crisis in Europe is linked to the central tasks of the Transformation. The EU Commission has developed a proposal entitled "Green Deal", which puts climate policy challenges and digitization at the centre of European structural policy. A total of 560 billion euro will go to the Transformation, 40 billion euro will be made available as funds for accompanying support measures for the transition ("Just Transition Fund").

In IG BCE's view, these approaches are in principle suitable for tackling Europe's major future challenges. Together with the stimuli at national level, this can result in a surge in modernization, innovation and employment that unlocks strength and gives rise to optimism.

The centre of this modernization, however, must be the restructuring of the energy industry and the mobility sector – in a form that balances social, economic and ecological goals rather than to negate them. This finds its concrete expression, for example, in European subsidy law.

- European subsidy legislation must be amended to support rather than hinder European ambitions of structural change, for example in the context of the restructuring of the German energy industry and the exit from coal-fired power generation.

At the same time, Europe is the creative space in which power shifts in globalization can be effectively countered, especially with an effective industrial policy strategy. This requires not least a revision of competition law.

- In future, European competition law must not only relate to the conditions in the internal market, but also give greater weight to global conditions. Its aim must be to support the self-assertion of Europe on the world markets instead of making it difficult, for example by establishing “European champions”.

In addition, IG BCE expects the German Council Presidency to start initiatives on social justice and a Europe based on solidarity and responsibility.

- With the tax on transactions, the financial markets and the major financial players must finally make their contribution, overdue since the 2008/9 crisis, to the major challenges of the future and to a European upturn.
- In the same way, it must be ensured that in future the large companies in the digital economy will also make their tax contribution to financing the community and the transformation.
- A European supply chain law must be created to be used against the outsourcing of production resulting in environmental and social dumping, and to seize the opportunity to upgrade European standards so that they become a relevant factor in the development of globalization.

IG BCE, as part of the German trade union association and with our European umbrella organization IndustriAll Europe, will be strongly involved and take the initiative in shaping the German Council Presidency and Europe. Our involvement will be a voice of solidarity and social justice, across borders and in the interests of all employees.

**WE NEED EUROPE.
EUROPE NEEDS US.**



CONCLUSION

10. Our creative IG BCE

The COVID-19 pandemic has called into question much that previously had seemed certain and been taken for granted. But one thing has been confirmed once again: It is the trade union idea of solidarity in the world of work and social justice in society. It is particularly in this crisis that the importance, the value of union action and assertiveness is once again clearly documented.

In a spirit of solidarity, however, we not only want to and can overcome the crisis. In a spirit of solidarity we also want to and can face the great Transformation challenges.

Membership in IG BCE has rarely been as valuable to employees as it is today.

- Trade unions mean security in a crisis.
- Trade unions mean crisis prevention in the transformation.
- Trade unions are an opportunity for individual protection and personal participation in future opportunities.

Anyone who really fights for or is concerned about the freedom of each and every individual must recognize and acknowledge that freedom for everyone can only be achieved through the creation and protection of binding collective rules. Everything else is a freedom at the expense of others and certainly at the expense of employees.

COMMUNITY. POWER. FUTURE.
WE STICK TOGETHER!

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Responsible regarding the press laws V.i.S.d.P.
Christian Hülsmeier, Vorstandssekretär des Vorsitzenden | Vorstandsbereich 1 Gesamtleitung
Industriegewerkschaft Bergbau, Chemie, Energie | Königsworther Platz 6 | 30167 Hannover
Tel.: 0511 76 31 0

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