



The Irish Referendum: the ETUC Initial Assessment

1. After the French and Dutch, the Irish people have delivered a powerful blow against the way the current European project is being managed and not just against the Lisbon Treaty. They voted 'No' for many reasons, European and national, but fear of lower social standards and neo-liberal policies played a part. Now the people rightly expect urgent action from Europe's leaders.
2. Irish Foreign Affairs Minister Micheál Martin was the first to declare that there are social causes behind the No vote and hinted at the wide gap between the European institutions and the European citizens. Extraordinary events and challenges need extraordinary responses.
3. The Irish No following the earlier French and Dutch No can be interpreted as an indicator for unease with Europe. More and more citizens see Europe as a far away satellite, remote, bureaucratic, and many of them will give a clear message to the EU to that effect if the opportunity of a referendum arises.
4. Many citizens, too, realise that the European Social Model is under threat. In the beginning of moves towards European integration, there was a common understanding that the social sphere of the Member States would be protected

against internal market rules. The autonomy of social partners and social dialogue was confirmed, for instance, by the European Court of Justice in "Albany". Since then, a creeping invasion of internal market rules can be seen. Recent court cases (ie Viking, Laval and Rüffert) appear to confirm the superiority of internal market rules over established industrial relations systems. The underlying message from the Court is that wages, thanks to the free movement of services, can be used as a tool for competition and lower wages are a competitive advantage.

5. The ETUC has sounded the alarm bell before. We do not believe that citizens generally are sceptical about enlargement as such, but about unfair competition. They are not sceptical about too much Europe as such, but about the lack of social policy. They are not hostile to migrants but to exploitation and second class treatment for migrants. They feel that Europe leans too much in the direction of competition and not far enough in the direction of more solidarity and upward harmonisation.
6. Europe has to realise how difficult it is to sell a treaty which brings institutional improvements but no major social progress. The Charter of Fundamental Rights – the main selling argument of ETUC - has become almost invisible in the Lisbon Treaty, and the fact that we were not able to report major progress in social policy was again a major handicap. The ETUC, already in the original Constitutional Convention, pointed to the fact that the treaty had to be explained, communicated, "sold" to the people. From the start of the campaign, the Yes side was hampered by the fact that the Treaty contained no clear project to capture public attention, but many technical points which proved easy to exploit to galvanise anti-EU-establishment forces.
7. It is the duty of ETUC to come up with elements of an explanation why the working class in particular is reluctant to say "yes" to treaty changes. There is no single reason for the "No" but the high proportion of the "No" voters in working class areas in Ireland (as in France earlier) indicates a special mix of perceptions and feelings which are coming together to reinforce each other: fear of globalisation, lack of social policy results, the recent court cases, giving free ride to unfair competition and wages as competitive tools etc.

8. When working class people have the tendency to reject Europe after decades of a permissive consensus, then the official Europe should listen to the message and must do better and do more for workers. In the recent court cases, referred to above, wage competition is seen as normal element of the internal market. The agreement in the Social Affairs Council on working time a few days before the Irish referendum showed that Europe was on the side of social regression (although the agreement on temporary agency workers on the same day was an recent example of clear progress, albeit an isolated one).
9. What is needed now is a policy change. Europe has to listen to the resounding and alarming voices from the people. It is possible to continue the ratification and to ask Ireland what the Irish people want from Europe and to see what protocols can be added including a social progress protocol as demanded by the ETUC to assert the primacy of fundamental rights over the single market.
10. And today, the ETUC Executive are calling on the European Council to recognise fully that there will be no chance of gaining popular support in all countries for Europe without an effective social dimension, aiming to provide security in the process of change. Another next test for Europe's popularity will be the European elections in about a year's time... The ETUC sounds a solemn warning to the Heads of States and Governments, to the Commission and the Parliament: You can do better and you have to do better! Show that you can protect and strengthen social Europe and Europe in general. Demonstrate that with a new social progress protocol which would establish once and for all that fundamental rights like the rights to collective bargaining and to strike are primary rights, not secondary to the rules of the single market. This process may well lengthen the deadline necessary for ratification beyond the end of the year.
11. Finally the ETUC at the Seville Congress decided to support "enhanced cooperation" if this is the last resort to strengthen Social Europe: "The ETUC has already in the past agreed to consider the need for open groups of countries to relaunch political, economic and social integration, as a last resort solution to avoid total standstill. Such a "social core Europe" would however have to be aimed at integrating other Member States as quickly as possible and bringing them up to higher

social standards, in order to stop a lasting social rift in the EU." We want to avoid splits and rifts but this will only be done on the basis of a robust and popular social dimension.
