

Economic crisis and economic governance: mobilising against austerity 15 December

(17 November 2010) A report to EPSU's Executive Committee earlier this month summarized the latest trends in the European economy and the spread of budget cuts across Europe that include pay cuts and pay freezes for hundreds of thousands of public service workers (report attached below).

Despite the mixed evidence on the signs of an end to the economic crisis, the focus of the European Union is already on restricting public finance and its proposals to tighten the Stability and Growth Pact will require countries to make cuts in the short term. This co-ordination of austerity poses a real threat to a sustainable economic recovery.

The report also looks at the other elements of the Commission's plans for economic governance and the so-called European semester that will involve the Commission in a much closer monitoring of member states' economies. The Commission will be keeping a close eye on what it deems to be macroeconomic imbalances and eurozone countries will face fines not only if they breach the Stability and Growth Pact but also if they fail to comply with Commission recommendations on dealing with these imbalances.

The EPSU Executive Committee agreed to work closely with the ETUC, other trade unions and sympathetic MEPs to secure amendments to the economic governance proposals to allow a greater role for the social partners and for the European Parliament and for a system that takes account of social issues and works towards European co-ordination of measures to ensure a recovery and not a return to recession.

EPSU will support the ETUC actions against the austerity measures and for more growth. A next moment is the ETUC Day of Action 15 December which follows on from the European Day of Action of 29 September.

- [EPSU report Economic crisis](#)

- [Log in](#) to post comments
- [Printer-friendly version](#)

Policies

[Economic Policy](#)