EUROPEAN PARLIAMENT

2004 **** 2009

Session document

7.11.2007 B6-0447/2007

MOTION FOR A RESOLUTION

to wind up the debate on statements by the Council and Commission
pursuant to Rule 103(2) of the Rules of Procedure
by Graham Watson, Margarita Starkevičiūtė, Lena Ek and Bernard Lehideux
on behalf of the ALDE Group
on The European Interest: succeeding in the age of globalisation

RE\693657EN.doc PE396.101v01-00

EN EN

B6-0447/2007

European Parliament resolution on The European Interest: succeeding in the age of globalisation

The European Parliament,

- having regard to last year's preparatory report on the broad economic policy guidelines for 2007 (A6-0012/2007),
- having regard to the Commission communication 'The European Interest: succeeding in the age of globalisation' (COM(2007)0581),
- having regard to the Commission communication 'Time to move up a gear: the new partnership for growth and jobs' (COM(2006)0030),
- having regard to the Council decisions of 4 October 2004, 12 July 2005, 18 July 2006 and 10 July 2007 on guidelines for the employment policies of the Member States,
- having regard to its legislative resolution on the guidelines for the employment policies of the Member States,¹
- having regard to the European Youth Pact, adopted by the European Council on 22 and 23 March 2005,
- having regard to the European Pact for Gender Equality, adopted by the European Council on 23 and 24 March 2006,
- having regard to the Commission communication, 'Education and Training 2010: the success of the Lisbon Strategy hinges on urgent reforms' (COM(2003)0685),
- having regard to its resolution on the situation of people with disabilities in the enlarged European Union: the European Action Plan 2006-2007,²
- having regard to the conclusions of the informal meeting of Ministers for Employment and Social Affairs in Guimarães on '12 key points to face the challenges ahead' of 5 and 6 July 2007.
- having regard to Rule 103(2) of its Rules of Procedure,
- A. whereas globalisation poses new challenges such as world population growth and migration, climate change, energy security, international crime and terrorism, and assuring a robust economy which delivers greater benefits to European citizens,
- B. whereas the key challenges posed by globalisation cannot be met by national action alone

¹ Texts adopted, P6 TA(2007)0048.

² OJ C 316 E, 22.12.2006, p. 370.

- but require a coherent approach and concerted commitment on the part of the European Union as a whole,
- C. whereas the economic and ecological impact of climate change is assuming disturbing proportions, and action to combat climate change should be taken across a broad front and, if it is to succeed, requires the convergence of all the main players in the world, according to their respective levels of development,
- D. whereas the new EU is a unique mixture of advanced economies and converging low-costs economies, allowing cutting of costs, internal and external economies of scale and resist deflationary and inflationary pressure of developing economies,
- E. whereas the enlarged EU, which represents one of the biggest markets in the world, with 500 million citizens, has become a stronger global player and a leader in global standards,
- F. whereas the rising profile and attractiveness of the EU single market is encouraging both an influx of private and sovereign wealth fund investment and economic immigration, together with demand for political and financial assistance in solving problems all around the world,
- G. whereas policy makers must identify, clearly state and address the common challenges which EU economies are facing and will face in the future when defining common strategy in the age of globalisation,
- H. whereas the enlarged EU and its impact on the economy, as well as the political and socio-cultural development of its Member States, require improved cooperation within the system of political decision making,
- I. whereas whether public policies do or do not, in fact, foster growth depends on the sources of, and impediments to, growth prevailing in the economy and the wider constellation of constraints and opportunities posed by the global economic setting,
- J. whereas awareness and active support on the part of EU citizens is a precondition for success in an age of globalisation and acceptance and integration of migrants,

Global governance

- 1. Believes that the concept of national sovereignty is rendered increasingly obsolete by the need for supranational institutions to tackle supranational challenges and that insistence on national sovereignty can exacerbate global anarchy;
- 2. Recognises that supranational action is needed most urgently in developing policies to mitigate climate change and internationally organised crime;

External policies

3. Notes that globalisation of the economy creates new opportunities for EU economies that are bound to play a more important role in the decades to come and offer additional benefits via the exploitation of, variously, economies of scale, scope, urban agglomeration, networks and a positive reputation;

- 4. Emphasises the emerging importance of the EU as a global player and one of the major beneficiaries of an open world economy; considers that, as such, it bears a heavy responsibility to help tackle global issues and to set common foreign economic policy tools able adequately to manage the external impact on the EU single market;
- 5. Stresses that the EU can only achieve its Lisbon objectives internally by being active and united on the global stage; welcomes, therefore, the intention to develop a coherent external dimension of the Lisbon Strategy based on sustainable economic development;
- 6. Considers that global consolidation of industries and acquisitions of EU companies by third-country investors and vice versa lowers the effective cost of capital; points out, however, that without appropriate coordination in creating the EU supervisory framework and vigorous enforcement of the EU competition rules, the advantages of the single market and its benefits of scale, which are paramount to competitive EU participation on a global market as a single entity, could potentially be diminished;
- 7. Considers that a comprehensive external policy approach focusing on regulatory cooperation, convergence of standards and equivalence of rules must promote both fair competition and trade; warns in this context, however, against underestimating the importance of further improvements in internal cooperation and reform processes;
- 8. Defends the independence of the ECB in setting monetary policy and in managing the effect of volatility of global financial markets; emphasises that the appreciation of the euro exchange rate is the result of mounting imbalances in third countries; is concerned as to the extent to which European growth will be strong enough to offset the volatility in global financial markets and exchange rates;
- 9. Is of the opinion that the surge in demand for natural resources, basic products and services driven by the growth of developing economies may bring about inflationary pressure on the EU Member States' economies, which until now has been offset by their contribution to the increase in global supply; considers that anti-inflationary economic policy tools with strategies of technological growth and a framework for possible macroeconomic adjustment and improved coordination should be prepared by the EU Member States to address this problem;
- 10. Is worried that the increased volume of trade is making a substantial contribution to climate change, and considers that trade policy must therefore provide part of the solution; recalls that the dismantling of administrative barriers to trade and action to combat climate change can only be achieved through the coordinated multilateral action this being also in the essential interests of the EU which plays a leading role in both these fields, particularly with a view to retaining European competitiveness;
- 11. Calls on the Council and Commission to ensure that EU bilateral trade agreements and WTO multilateral trade agreements are concluded in keeping with those provisions of the Agreement establishing the WTO which specify that international trade should be conducted while allowing for the optimal use of the world's resources in accordance with the objective of sustainable development, seeking both to protect and preserve the environment; calls on the Commission to continue to work towards an ambitious outcome of the Doha Ministerial Declaration;

PE396.101v01-00 4/7 RE\693657EN.doc

Bridge between the Strategies for Social Protection and Social Inclusion and the Integrated Guidelines

- 12. Welcomes the Commission's statement to the effect that more attention will be given to active inclusion and equal opportunities, that adequate social protection should be promoted and the fight against poverty reinforced and that more effective means of ensuring citizens' existing rights of access to employment, education, social services, health care and other forms of social protection are needed across Europe;
- 13. Stresses the need to ensure and improve the integration and visibility of the social dimension in the next cycle of the Lisbon Strategy, and, in particular, in the Integrated Guidelines; considers that there is an urgent need to overcome the existing imbalance in the Employment Guidelines, which fail to give weight to certain basic social objectives, such as those of reducing the number of working poor and increasing access to high-quality employment, education, health care and other forms of social protection for all; invites the Commission to adapt the Integrated Guidelines in order to face up to the new challenges and overcome those shortcomings;
- 14. Invites the Commission and the Member States to adopt a systematic approach ensuring effective coherence between the NRP process on growth and more and better jobs, on the one hand, and the social protection and social inclusion processes on the other;

Implementation of the Employment Guidelines

- 15. Asks the Commission to address the wide divergence across the Member States in implementation and effectiveness of the Employment Guidelines by ensuring that Member States more comprehensively apply the EES indicators and targets, lifelong learning instruments and measures set out in the European Youth Pact, the European Pact for Gender Equality and the EU Disability Action Plan 2006-2007; asks that all those commitments, targets and benchmarks be fully incorporated in the Integrated Guidelines in order to improve the coherence and efficiency of the EES;
- 16. Underlines the great importance of enhancing the strategic capacities of employment policies; asks the Commission and the Member States to pay particular attention in their coordination processes to the quality of jobs, the balance between work, family and personal life, the quality and availability of education and training for all, the implementation of anti-discrimination legislation, the strengthening of equal opportunity policies for women and men, and immigration issues;
- 17. Supports the adoption of a balanced set of common principles regarding flexicurity, combining flexibility and security for employees and employers on the labour market; encourages Member States to mainstream those common principles in their NRP consultation with the social partners, and highlights the central role of training and retraining, active labour market policies, adequate social protection and the breakdown of labour market segmentation by ensuring employment rights for all workers;

Stakeholder involvement

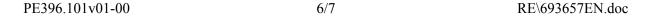
18. Welcomes the proposed Commission consultation with SMEs and their representatives

RE\693657EN.doc 5/7 PE396.101v01-00

and the subsequent design of 'The Small Businesses Act' for Europe; hopes that the voice of small businesses will be heard in the social dialogue and that the principle of 'think small first' will be fully integrated into policy making;

Internal economic policies

- 19. Notes that the EU must make an effort to explain the benefits of globalisation to citizens who are worried that enhanced competition driven by globalisation, integration and labour mobility shifts traditional working patterns towards flexicurity models, and believes that these worries should be addressed through policy actions to expand the supply and improve the quality of those public goods and services that, over time, can help to augment productivity growth;
- 20. Stresses that the slowdown in productivity growth, which could undermine the EU's competitive position on the global market, is a matter of concern for economic policy and that it differs throughout the EU, which does, however, have an overall common pattern indicating weaknesses in markets, distribution and financial services;
- 21. Points out that structural rigidities prevent efficient use of new technologies and accessibility of networks in industries which are lagging behind; believes that economic policy should include supply-side actions defined to create a favourable environment for cross-border operations by business and to speed up the completion of a single financial market;
- 22. Is of the opinion that financial market transparency, effective competition rules and appropriate regulation and supervision will continue to be crucial, bearing in mind the globalisation of financial markets and the need to ensure consumer rights; calls therefore on the Commission to elaborate the financial market issues into respective Europe-wide initiatives in the framework of the Community Lisbon Programme;
- 23. Advocates support for restructuring of the economy driven by innovation in managerial processes, procedures and organisational structures; is of the opinion that new companies in this field need less capital but more creativity and that they offer numerous opportunities to small businesses and the younger generation;
- 24. Recognises that small, medium-sized and large enterprises all play a part in a dynamic and integrated innovation strategy, and that access to resources for smaller enterprises and individuals is therefore crucial to raising R&D levels and developing new technologies; points out that both early-stage funding and ongoing finance within a sufficiently long time-scale to allow products to be placed on the market must be fostered;
- 25. Acknowledges that Europe needs faster transformation of innovation into new products and services; supports, therefore, the Commission's demand for a 'knowledge triangle' of research, education and innovation;
- 26. Notes that competition policy should be complementary to structural policies in order to prevent the cartels and dominant company abuses which crowd out small business from forming as a result of the consolidation process at global level;



27. Believes that improvements in the productivity of markets, distribution and financial services could be achieved by broadening coordination of economic reforms in different Member States and modernisation of the economy by shifting policy strategy from integration-induced investment-led growth to integration-induced technology-led growth;

Migration

28. Stresses that the EU urgently needs to have a common borders and immigration policy encompassing not only integrated border controls but harmonised strategies, criteria and procedures for economic migration, while leaving it to individual Member States to decide on numbers admitted; stresses also that greater efforts must be invested in seeking ways, through exchange of experience, to make a success of inward migration for all parties, both socially and economically;

Institutional arrangements

- 29. Is of the opinion that the influence of the economic focus on long-term growth is not an automatic one and that the development of market-responsive institutions determines whether or not the economy is able to realise its global structural growth potential;
- 30. Believes that EU institutional developments should facilitate efficient coordination of economic policies; calls on the Commission to promote stronger references to global challenges in the National Reform Programmes by setting up indicators measuring the economic performance of Member States;
- 31. Is convinced that improved ownership and better understanding of the Europe-wide reform programme is necessary and that the role of the European Parliament and the national parliaments needs to be strengthened, together with the formations of the Council of Ministers engaged in setting economic strategy;
- 32. Is of the opinion that 'EU Lisbon governance' still needs to be improved, in particular regarding the following aspects: closer coordination among relevant formations of the Council of Ministers, with particular emphasis on properly coordinated National Reform Programmes;
- 33. Regrets that a clear plan and code of practice has still not been agreed between Parliament, the Council and the Commission which would guarantee appropriate cooperation and the full involvement of the three EU institutions concerned in the appropriate further handling globalisation issues; calls in this connection on the Council and the Commission to submit forthwith proposals for close cooperation between the three EU institutions with a view to the impending revision of the Lisbon Strategy;
- 34. Instructs its President to forward this resolution to the Council, the Commission and the Parliaments and Governments of the Member States.