

P6_TA(2007)0533

Succeeding in the age of globalisation

European Parliament resolution of 15 November 2007 on the European interest: succeeding in the age of globalisation

The European Parliament,

- having regard to its resolution of 15 February 2007 on the Situation of the European economies: preparatory report on the broad economic policy guidelines for 2007¹,
 - having regard to the Commission Communication entitled 'the European Interest: Succeeding in the age of globalisation' (COM(2007)0581),
 - having regard to the Commission Communication entitled '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 the conclusions of the Spring European Council of 8 and 9 March 2007, which set out the EU approach to energy and climate change,
 - having regard to its position of 15 February 2007 on the proposal for a Council decision on the Guidelines for the Employment Policies of the Member States²,
 - 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 entitled 'Education and Training 2010: the success of the Lisbon Strategy hinges on urgent reforms' (COM(2003)0685),
 - having regard to its resolution of 30 November 2006 on the situation of people with disabilities in the enlarged European Union: the European Action Plan 2006-2007³,
 - 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' on 5 and 6 July 2007,
 - having regard to Rule 103(4) of its Rules of Procedure,
- A. 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

¹ Texts adopted, P6_TA(2007)0051.

² Texts adopted, P6_TA(2007)0048.

³ OJ C 316 E, 22.12.2006, p. 370.

constellation of constraints and opportunities posed by the global economic setting,

- B. whereas the current period of financial instability is creating uncertainty and could aggravate a slowdown in growth and whereas the slight revision of the autumn forecasts by the Commission could also mark a turning point in the economic cycle unless market transparency and appropriate action by policy-makers restore consumer confidence,
- C. whereas the enlarged EU is a unique mixture of advanced economies and converging low-cost economies, making it possible to cut costs, employ internal and external economies of scale and resist deflationary and inflationary pressures from developing economies,
- D. whereas the rising profile and attractiveness of the EU single market encourages economic immigration, demand for political and financial assistance in solving problems all around the world and inflows of funds from private investors and from sovereign wealth funds,
- E. whereas the EU's performance in exporting to both developed and emerging economies is too often negatively affected by a lack of reciprocity in market access conditions, non-tariff barriers and unfair trade practices,
- F. whereas the enlarged EU and its impact on the economy as well as the political and socio-cultural development of its Member States require reforms and improved cooperation within the system for the purposes of political decision-making,
- G. whereas interdependence within the euro area is stronger than in the EU as a whole, and whereas this does not yet translate into effective and coherent policy processes - in particular regarding the link between sound public finances, high-quality spending and investment in productivity growth strategies,
- H. whereas, when defining the EU's broad economic policy guidelines, policy-makers must identify, clearly state and address the common challenges which EU economies are facing and will face in the years ahead,
- I. whereas awareness on the part of, and active support by, EU citizens are preconditions for the successful implementation of economic policy measures,
- J. whereas the European Employment Strategy (EES) requires more visibility, monitoring capacity and participatory impetus under the renewed Lisbon Strategy, in particular in the National Reform Programmes (NRP) and the NRP implementation reports,
- K. whereas there is a strong interrelationship between economic growth, employment, the fight against poverty and social inclusion; whereas working poverty is increasingly highlighted as a key challenge in both employment and social inclusion policies; whereas it is therefore essential that the Integrated Guidelines should deliver on their social and environmental targets and consider the synergies between the different areas,
- L. whereas the abovementioned informal meeting of Ministers for Employment and Social Affairs in Guimarães concluded that social inclusion is a fundamental dimension of sustainable development strategies in Europe as it provides the tools to create opportunities for all and has positive effects on employment, skills and human development,

External Lisbon dimension

1. 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 gain additional benefits from the exploitation of economies of scale, capacity, urbanisation, networks and a positive reputation;
2. Stresses that the EU can only attain its Lisbon objectives internally by being active and united on the global stage; welcomes therefore the intention to develop a coherent external dimension to the Lisbon Strategy; 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;
3. Emphasises the importance of the EU as a global player and one of the major beneficiaries of an open global economy, considers that, as such, it has a considerable responsibility for addressing global issues and creating common external economic policy tools in order to adequately manage the external impact of the EU single market;
4. Points out, that without appropriate coordination in creating the EU supervisory framework and vigorous enforcement of EU competition rules, the advantages of the single market and the economies of scale which are achieved as a result of EU participation in a global market as a single entity could potentially be diminished;
5. Welcomes the Commission's intention further to develop regulatory cooperation, convergence of standards and equivalence of rules in its discussions with third countries; calls on the Commission to promote decent work and the quality of working life, combat social dumping, include a chapter on sustainable development in its trade and cooperation agreements with third countries, requiring ratification and enforcement of core International Labour Organisation standards and decent work principles, and to systematically apply social values and principles when concluding agreements with third countries;

Internal policies

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

6. Welcomes the Commission's statement that more attention will be paid 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;
7. 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 perceived weaknesses in the Employment Guidelines, which fail to give sufficient weight to certain basic social objectives, such as those that aim at reducing the number of working poor and increasing access to high-quality employment, education, health care and other forms of social

protection for all; calls on the Commission to adapt the Integrated Guidelines in order to face up to the new challenges and overcome those shortcomings;

8. Calls on the Commission and the Member States to adopt a systematic approach ensuring a high level of coherence between the NRP process geared to growth and more and better jobs on the one hand and the social protection and social inclusion process on the other;

Implementation of Employment Guidelines

9. Calls on the Commission to address the wide divergence among the Member States as regards the 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; calls for all those commitments, targets and benchmarks to be fully incorporated in the Integrated Guidelines in order to improve the coherence and efficiency of the EES;
10. Stresses the great importance of enhancing the strategic capacities of employment policies; calls on the Commission and the Member States to pay particular attention in their coordination processes to the quality of jobs, the reconciliation of 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 opportunities policies for women and men, and immigration issues;
11. 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 the 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;

Economic policies

12. Takes note of the proposal in the Commission's interim report to bring the different EU policy initiatives together in the interests of responding coherently to internal and external challenges; calls in this context for the development of an 'EU smart green growth initiative' bringing together all the main existing EU economic instruments; urges the Commission not to disconnect environmental policies from economic and employment policies; takes the view that the fight against climate change must constitute the backbone of the EU's review of the 'three-year Lisbon cycle';
13. Believes that sound economic policies would help to strengthen confidence and reduce uncertainty in the context of the current period of financial volatility; points out that one of the fundamental problems facing the European economy in some Member States in recent years has been insufficient domestic demand; stresses in this context that improved coordination of both sound fiscal policies and high-quality public finances, including essential 'Lisbon investments', is of crucial importance;
14. 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 safeguard consumer rights; calls

therefore on the Commission to elaborate the financial market issues into respective Europe-wide initiatives within the framework of the Community Lisbon Programme;

15. Stresses that the slowdown in productivity growth is a matter of concern in terms of economic policy and differs throughout the EU, which, however, has an overall common pattern reflecting weaknesses in markets, distribution and financial services;
16. Points out that structural rigidities prevent the efficient use of new technologies and impede accessibility to networks in industries which are lagging behind; believes that economic policy guidelines should include supply-side actions in order to create a favourable environment for cross-border operations by business and to speed up the emergence of a single financial market;
17. Acknowledges that, within the EU, innovation must be more swiftly translated into new products and services; supports therefore the Commission's demand for a 'knowledge triangle' made up of research, education and innovation; expects more effective investments in new skills, lifelong learning and modern education/training systems;
18. Advocates support for a 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 better access to capital and need to be more creative and that they offer numerous opportunities for small businesses and the younger generation;
19. Notes that competition policy should be complementary to structural policies, prevent the emergence of cartels and ensure that market conditions do not make it possible to crowd out small business;
20. Notes that EU citizens often equate globalisation with falling European output and job losses; calls on the Commission and Member States to better inform European citizens on all aspects of globalisation and the need for a policy at EU level to face the challenges of a globalised economy;
21. Reiterates that the Lisbon Strategy goals can be fully achieved only by further efforts to establish a common energy policy;
22. 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, in order to allow products to be placed on the market, must be fostered;
23. Welcomes the proposed Commission consultation with SMEs and their representatives and the subsequent design of 'The Small Businesses Act' for Europe; urges that the voice of small businesses should be heard in the social dialogue and that the principle of 'think small first' should be fully integrated into policy-making;
24. Defends the independence of the ECB in setting monetary policy and in managing the effects of volatility in global financial markets; emphasises that the appreciation of the euro exchange rate is the result of mounting imbalances in third countries and sluggish demand in the euro area; is concerned at the extent to which growth in the EU will be strong enough to offset the volatility in global financial markets and exchange rates;

25. 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 for technological growth and a framework for possible macroeconomic adjustment and improved coordination should be prepared by the EU Member States in order to address this problem;

Global governance

26. Recognises that supranational action is needed most urgently to develop policies to mitigate the effects of climate change and internationally organised crime and sees the need for supranational institutions in meeting supranational challenges;
27. Considers that the development of global rules and standards is essential in order to achieve regulatory convergence; encourages the Commission to actively participate in the work of all relevant international agencies and standard-setting bodies in order to bring about greater consistency between EU rules and practices and those of the EU's main trading partners;
28. Calls on the Council and the Commission to ensure that EU bilateral trade agreements and WTO multilateral trade agreements are concluded in keeping with the provisions of the Agreement establishing the WTO; calls on the Commission to continue to work towards an ambitious outcome of the Doha Ministerial Declaration;
29. Considers that the transatlantic market could be an appropriate instrument to ensure the efficiency of EU trade defence, sustainable competitiveness and innovation;
30. Calls on the Commission to ensure that reciprocity in market access conditions is ensured; reiterates its call for a new EU-US Partnership Agreement aimed at eliminating or significantly reducing all remaining barriers to trade and investment while respecting European standards;
31. Believes that the pursuit of further trade liberalisation makes it all the more necessary for the EU to preserve its ability to protect itself against unfair trading practices; regards Trade Defence Instruments, therefore, as an indispensable component of the EU's strategy;

Migration

32. Stresses that the EU urgently needs to have a common border 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 to be admitted; stresses also that greater efforts must be made in seeking ways, through exchanges of experience, of making inward migration for all parties a success, from both a social and economic point of view;

Institutional arrangements

33. Is of the opinion that the influence of the economic setting on long-term growth is not an automatic one and that the development of institutions responsive to markets determines

whether or not the economy is able to realise its structural growth potential; urges the Commission therefore to present genuinely updated Integrated Guidelines for 2008-2010;

34. 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 Community institutions concerned in the appropriate further handling of globalisation issues; calls in this connection on the Council and the Commission to submit forthwith proposals for close cooperation between the three Community institutions with a view to the impending revision of the Lisbon Strategy;

Stakeholder involvement

35. Calls on the Commission and the Member States, within the framework of the Lisbon Strategy and, in particular, within the NRP process, to promote ownership and enhance the involvement of national parliaments, regional and local authorities, the social partners and civil society;

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36. Instructs its President to forward this resolution to the Council, the Commission and the parliaments and governments of the Member States and candidate countries.