

Draft declaration on the crisis

Solidarity – not Competition

Fight the Economic Crisis – Regulate Financial Markets – Secure Jobs

1) The crisis is threatening our jobs and incomes

The global economy is in the midst of a crisis of historic proportions. At the end of 2008, the crisis in the financial markets had reached the real economy and thus the metal industry. In almost every country, growth forecasts are being adjusted downwards. For the first time since the Great Depression a worldwide contraction of economic activity is being predicted and a substantial fall in global trade is also expected. So far there have been no noticeable signs which would indicate an improvement in the situation. The threat to workers' jobs and income security has never been greater. For us the most important thing is that the workers must not continue to be the innocent victims of this crisis.

2) Financial markets are the essential cause of this crisis!

The crisis did not appear from nowhere. The IMF and the labour movement had been warning against it for a long time, arguing that unregulated financial markets with promises of gigantic yields, short-sighted bonus systems, lack of transparency and high-risk financial products would eventually collapse. Over the years corporate policy has been aimed solely at promoting the interests of shareholders, i.e. maximizing their profits, whilst labour has been regarded as a cost to be reduced to the minimum. Hard-won working and social standards, after years of struggle, have come under pressure and are being eroded.

In recent months, national governments have been contributing billions to save banks from collapse, using taxpayers' money. The logic of the privatization of profits and the socialization of losses is not acceptable and must be rejected.

Financial markets are not an end in themselves - they should serve workers and citizens in society: we demand from political leaders the comprehensive regulation of financial markets at the national, regional and international levels. The necessary reorganization of financial markets must be used to promote long-term productive investments and prevent short-term speculation.

3) Neo-liberal policies - a failure

The financial market crisis is the result of policies that have fuelled unbridled speculation and made the pursuit of quick profits the only accepted model. Neo-liberalism as an economic and political strategy has brutally failed, with devastating consequences for workers and their families. There can be no return to "business as usual". This crisis must mark the end of an ideology of deregulation and unfettered financial markets that have dominated global economic policy for at least a quarter of a century. An alternative model based on solidarity is needed that puts people and their needs first.

4) Sustainable alternatives

Given the scale of the crisis, forceful measures need to be taken to stem the massive collapse in employment and economic prospects across the world. We immediately urge:

- All companies to forego layoffs and to secure the jobs and incomes of workers. People, not profits, must come first!
- All national governments to shoulder their responsibility and implement active economic recovery programs that support employment and consumption. Economic stimulus packages must be expanded and coordinated internationally.

In order to establish a new model for development and confront the challenges of environmental and social sustainability, we further call for:

- Democratic globalisation: the model of corporate governance giving priority to shareholders' interests over workers has failed. Workers must be given a stronger voice at the workplace and businesses must be made fully accountable. The international institutions which have power over global economic policy must be subject to democratic control and be geared to promoting stable jobs and sustainable growth;
- Regulation: the financial markets must return to their original role of ensuring stable financing of productive investment in the real economy and finally be controlled democratically;
- Social justice: the increasingly unequal distribution of wealth must be corrected within and among countries;
- Promotion of manufacturing: manufacturing industries are a key engine for job and wealth creation. There is a need for governments to develop policies in support of a sustainable manufacturing sector and workers and trade unions are an essential part of the process;
- Secure jobs: precarious employment must be rolled back and social safety nets put in place in all countries.

5) Defying the crisis: world-wide solidarity and cooperation

We will oppose all those who want to place the burden of this crisis on workers. We must answer the growing pressure of capital with a common strategy of global solidarity. The IMF must renew its efforts and continue to be the spokesperson of the world's metalworkers, demanding a social dimension to globalization and respect of the right of all workers to unionize and bargain collectively.

It is precisely in times of crisis that violations of trade union rights intensify. We must resolutely oppose that trend under the leadership of the IMF.

More than ever, the IMF and its member organizations must unite and fight together to prevent workers and locations being played off against each other. To that end the IMF must continue to:

- Demand binding rules and sanctions at the global level to enforce international labour standards;
- Press for reform of the World Trade Organization, the International Monetary Fund and the World Bank;
- Condemn abuses of fundamental trade union rights wherever they occur;
- Strengthen cooperation with other union organizations such as the International Trade Union Confederation (ITUC), the Trade Union Advisory Committee to the OECD (TUAC) and other global union federations;
- Strengthen worldwide exchange among unions within the different sectors and develop common strategies to safeguard employment and improve working conditions.

